

BROMSGROVE DISTRICT COUNCIL

4TH NOVEMBER 2009

JOINT CHIEF EXECUTIVE PDR PROCESS

Responsible Portfolio Holder	Geoff Denaro
Responsible Head of Service	Jo Pitman
Key Decision / Non-Key Decision	Non Key

1. SUMMARY

- 1.1 The purpose of this report is to recommend arrangements for the PDR (Performance Development and Review)/appraisal process for the Joint Chief Executive now that Bromsgrove and Redditch Councils have formalised the joint appointment.

2. RECOMMENDATIONS

- 2.1 That with effect from 2010, the Joint Chief Executive's PDR/appraisal be set and reviewed by a single panel comprising the Leaders of both Bromsgrove and Redditch Council's, facilitated by an external advisor. Local targets specific to each individual Council to be set by panels at each Council, and joint targets to be set by the Shared Services Board.
- 2.2 That the composition of both informal soundings groups shall be determined by each individual Council, in consultation with the Joint Chief Executive, and that consideration be given to the composition of the current appraisal panel in this regard.
- 2.3 That the informal soundings groups and the formal appraisal panel be supported by a jointly agreed external facilitator, the costs of which be split jointly between the two Councils.
- 2.4 That the report and recommendations in respect of the Joint Chief Executive PDR process be put forward to Full Council for approval.
- 2.5 That it be noted that the same report is to be put forward to Redditch Borough Council for consideration, and until it has been agreed by both Councils it cannot be considered to be completely agreed.

3. BACKGROUND

- 3.1 It is part of the JNC Conditions of Service for Chief Executives (2008)

that Chief Executives should have an annual PDR process, and that responsibility for such lies with senior elected members of the Council. **It is a contractual obligation on the part of the Chief Executive and the Council to engage in a regular process of appraisal.** The composition of the appraisal panel is a matter for local decision, providing that those conducting the appraisal bear in mind at all times that the Chief Executive is employed by the Council as a whole, not by the controlling group.

- 3.2 Bromsgrove District Council has had a process in place for facilitating the PDR of the Acting/Chief Executive for the last couple of years and feedback suggests that it is now operating well. However, now that Bromsgrove and Redditch Councils have formalised the appointment of a Joint Chief Executive it is sensible to consider whether the current arrangement of asking the Joint Chief Executive to participate in two appraisals (one for Bromsgrove and one for Redditch) is the most appropriate way of managing a Joint Chief Executive arrangement.
- 3.3 The options considered are:
1. Continue with the current arrangement, and perhaps unreasonably expect the Joint Chief Executive to participate in two appraisals and potentially dilute the potential for strategic thinking between the two Councils or;
 2. To agree a panel of members comprising the two Leaders to represent both Councils at a single appraisal meeting for the Joint Chief Executive. In such circumstances, the appraisal would still be facilitated by an externally appointed advisor, jointly agreed by the two Councils and the Joint Chief Executive. The costs of the external facilitator would be shared equally between the two Councils.
- 3.4 Having consulted the Joint Chief Executive, the two Leaders and the Joint Chief Executives of other Councils operating in a shared services environment it is felt on balance that a slight variation on Option 2 would represent the most effective way of managing the appraisal process for the Joint Chief Executive. Recognising the importance and complexity of the process for the Joint Chief Executive operating in a shared environment, the proposed process is reliant upon three key stages; i) the preparatory/informal stage, ii) the formal appraisal itself and iii) close off/paperwork.
- 3.5 **Stage 1: Preparation and Informal Soundings**
- 3.6 In light of the fact that the recommended panel is limited to the two respective Leaders, it is recognised that there is a need to ensure that the framework also enables other Members of the Council to inform the appraisal process in order that it is properly representative, sufficiently robust and meaningful, whilst not being overly cumbersome in panel composition.

- 3.7 Consequently, it is recommended that as part of the new framework for appraising the Joint Chief Executive, the two Leaders individually consult a panel of local members on the Joint Chief Executive's performance, along with the proposed targets for the individual Council in advance of the formal appraisal. This informal group will offer feedback to the respective Leader on the Chief Executive's performance, and any other relevant information that should be fed back to him during the formal appraisal process.
- 3.8 Within Bromsgrove, the Joint Chief Executive is currently appraised by a panel comprising the Leader, Deputy Leader and an Opposition Leader. The Cabinet is asked to consider whether this a model that they would wish to represent the informal soundings group within the new framework?
- 3.9 In addition, it is recommended that the two Leaders jointly consult the Shared Services Board in respect of proposed joint targets for the two Councils.
- 3.10 It is recommended that the preparatory meetings (at both Councils) should be separate, and that they should all be externally facilitated (by WMLB). This will ensure that each Leader is able to legitimately express any such feedback during the appraisal as representing the views of the whole Council, rather than for it to be potentially perceived as representing just the views of the Controlling Group.
- 3.11 The role of the external facilitator during the preparatory stages is recognised as being essential to the integrity of the process. It will bring continuity and consistency, and importantly, will also ensure that any feedback is properly translated by the two Leaders to the Joint Chief Executive during the formal appraisal.
- 3.12 **Stage 2: The Formal Appraisal Meeting**
- 3.13 As described in paragraph 3.3 (2) above, it is recommended that the formal appraisal panel be limited to the two Leaders, supported by an external facilitator, most usually from WMLB. It will be the responsibility of the Leader to ensure that all appraisal paperwork and targets are properly recorded and agreed with the Joint Chief Executive.
- 3.14 **Stage 3: Close Off/After the Appraisal Meeting**
- 3.15 The Joint Chief Executive should receive written confirmation of matters discussed and targets agreed during the appraisal within a month of the appraisal itself. Once signed and agreed by all parties, a copy should be placed on his personal file.

- 3.16 The Joint Chief Executive has been personally consulted on this proposal and has stated that he is happy with it.
- 3.17 It should also be noted that the two Council's are currently considering the possibility of introducing a variation on a performance related pay (PRP) framework for the Joint Chief Executive (along with the other members of the proposed Joint Management Team). However, if the principle of PRP is approved as part of the proposals for the formation of the Joint Management Team it is not felt that the proposed appraisal framework for the Joint Chief Executive would detract from that in any way.

4. FINANCIAL IMPLICATIONS

- 4.1 The Bromsgrove Council contribution to the cost of commissioning an external facilitator for the purposes of the Joint Chief Executive's appraisal will continue to be funded from the corporate OD budget.
- 4.2 Arrangements for meeting the costs of any performance related pay will be dealt with separately as part of the report to Full Council in November on the proposed Joint Management Team.

5. LEGAL IMPLICATIONS

- 5.1 Given that that PDR process for the Joint Chief Executive is an inherent element of the JNC Conditions of Service for Chief Executives, and is **explicitly described as a contractual obligation**, the failure to deliver an appraisal could constitute a technical breach of contract and/or become the subject of a grievance if not delivered on an annual basis.

6. COUNCIL OBJECTIVES

- 6.1 The PDR Scheme is part of the corporate performance management framework and directly supports the corporate objective of Improvement.

7. RISK MANAGEMENT

Risks	Counter-measures
<p>Failure to deliver the Joint Chief Executive's appraisal could represent a technical breach of contract given that it is explicitly a contractual obligation. This could result in the bringing of a claim to an Employment Tribunal. Successful claims of breach of contract attract financial compensation.</p> <p>This in turn could have an adverse effect upon the reputation of the</p>	<p>Processes in place to ensure the annual delivery of the Joint Chief Executive's appraisal.</p>

Council both generally and also as a local Employer.	
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8. CUSTOMER IMPLICATIONS

8.1 Maintaining a climate where performance management is high on the agenda will support our ongoing mission to deliver excellent services. This is particularly important during times of turbulence and change, so that all employees know what is expected of them.

9. EQUALITIES AND DIVERSITY IMPLICATIONS

9.1 In developing a corporate framework for PDR's it will be essential that it is followed consistently in order to avoid the potential for claims of discrimination, whether that be related to gender, race, disability or age.

10. VALUE FOR MONEY IMPLICATIONS

10.1 The proposals contained within this report will go some way to demonstrating how the two Council's are generating value for money opportunities from the shared services agenda.

11. OTHER IMPLICATIONS

Procurement Issues
NONE
Personnel Implications
As described in the body of this report.
Governance/Performance Management
The provision of an annual appraisal for the Joint Chief Executive is central to the delivery of the Council's corporate priorities/Council Plan and is, therefore, equally critical to the whole performance management framework given that the performance targets for every other employee will cascade from that of the Joint Chief Executive's.
Community Safety including Section 17 of Crime and Disorder Act 1998
NONE
Policy
NONE
Environmental
NONE

11. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	Yes
Executive Director - Partnerships and Projects	At CMT
Executive Director – Services	At CMT
Assistant Chief Executive	At CMT
Head of Service	Yes
Head of Financial Services	At CMT
Head of Legal, Equalities & Democratic Services	At CMT
Head of Organisational Development & HR	Yes
Corporate Procurement Team	N/A

13. WARDS AFFECTED

13.1 All

14. APPENDICES

N/A

15. BACKGROUND PAPERS

JNC Chief Executive's Handbook/Conditions of Service 2008 and 2009

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