Performance Management Scheme for Chief Officers

Scope
This scheme is intended to apply to all posts governed by the JNC for Chief Officers terms and conditions. The scheme may be applied to other posts with the express prior approval of the Chief Executive.

Purpose
The scheme exists to enable the measurement and recognition of individual and team performance. The scheme is intended to provide guidance about poor performance but is not a replacement for the Council’s arrangements for managing poor performance or conduct. The scheme is not intended to form a part of the contract of employment. Instead it provides management guidance about the operation of contractual pay and related performance actions.

Operation
The scheme is intended to be used throughout the working year and to provide guidance as to an officer’s performance management. It is not intended that the scheme provides prescriptive regulation and deviations from the letter or spirit of the guidance are permissible. Such actions should be discussed and noted by the parties involved. No party to the scheme should become involved in performance management or measurement until they have received training and instruction in the operation of the scheme.

Relationship with other Council procedures.
The scheme relates with the Council’s arrangements for chief officer pay, capability and conduct. Nothing in this scheme shall be taken to alter those procedures unless it is explicitly provided within the scheme and accepted by the officer as a replacement for current practice. Decisions taken within the scheme may be discussed and challenged only within the terms provided by the scheme itself. No recourse to the Council’s grievance procedure is recognised for decisions taken using the scheme.

Monitoring & Review
The scheme shall be monitored each year to ensure that it delivers an effective framework for performance management. The Chief Executive shall undertake revisions to the scheme and issue amendments as required.

Local Government Act 2000
Actions taken under this scheme for chief officers are the responsibility of the chief Executive. He may consult with elected members at his discretion. A politically balanced non-Executive Member panel shall undertake the appraisal of the Chief Executive.

Service monitoring & process
A process chart for the scheme is described below.
Chief officer
Chief executive
Executive member

Business plan developed
February

Chief officer
Chief executive
Executive member

Chief officer objectives set
Feb/March

Chief officer
Chief executive

First appraisal meeting
April

Chief officer
Chief executive
Executive member
Leader/other members

Regular service review meetings
May/Sept

Chief officer
Chief executive

Mid-year appraisal review
Sept/Oct

Chief officer
Chief executive
Executive member

Service review meetings
Oct/March

Chief officer
Chief executive
Executive Member

End of year appraisal review
April

Business plan developed

Haringey Council – Chief Officer/ Senior Manager Appraisal Scheme
Setting Performance Objectives

Objectives should be derived from the business plan objectives discussed and agreed with Members. Members play a key role in the determination of chief officer objectives even where posts may report through other officers. The balance of responsibility is vital to a successful performance management and measurement system. Employees of the Council are managed by other officers or the Chief Executive. They work to an agenda determined by Members. It follows that a process for objective setting in the chief officer appraisal cycle should include members. Monitoring of service development and delivery should also be the subject of member attention throughout the year. Day-to-day management should remain the responsibility of the Head of Paid Service.

Objectives

Typically performance objectives should reflect the business objectives and corporate initiatives of the appraisee. The scheme asks that tasks are identified for each business objective. Whilst the business objective may be broad, tasks should enable the employee and appraiser to be clear about what is required, when it is to be completed, the standard required expressed as either output or outcome. The scheme also provides an opportunity to state performance measures/outputs for each task, thus:

Example Service objective 1: To improve staff retention in key posts

Key Tasks:

a) Establish effective workforce data including turnover by dd/mm/2003
b) Develop a framework of retention measures for agreement by The Executive by dd/mm/2003
c) Engage with key stakeholders to understand and plan employment cultures that encourage staff retention
d) etc

Example Performance Measure/Output:

a) New data system reporting retention issues to Management Board by dd/mm/2003, to include exit interviews.
b) Framework researched, agreed with stakeholders, and ready for implementation by dd/mm/2003.
c) Partnership for an established for key posts with employers, unions, members, and associations by dd/mm/2003. Employment cultures assessed for high and low turnover occupations.
d) etc
Checking Your Objectives

After you have written your objectives, check them against the questions in the following list:

1. **Are the objectives realistic?** Objectives should be attainable and consistent with what is necessary to get the job done. Objectives for performance which meets expectations represent the minimum acceptable level of performance for all employees in that position.

2. **Are the tasks specific?** Tasks should tell an employee exactly which specific actions and results he or she is expected to accomplish.

3. **Are the objectives based on measurable data, observation, or verifiable information?** Performance can be measured in terms of timeliness, cost, quality and quantity, output or outcome.

4. **Are the objectives consistent with Council goals?** Objectives link individual (and team) performance to Council goals and should be consistent with these goals.

5. **Are the objectives challenging?** Objectives may describe performance that exceeds expectations. Recognising performance that is above expectations or outstanding is crucial to motivating employees.

6. **Are the objectives clear and understandable?** The employees whose work is to be evaluated on the basis of the objectives should understand them. Objectives should use the language of the job.

7. **Are the objectives dynamic?** As Council goals, technologies, operations or experiences change, objectives should evolve.

**Competency Framework**

A competency framework applies to performance appraisal across the Council. The framework enables job related and personal qualities to be measured and developed. The scheme requires that at least four competencies are included in the appraisal. A summary of the framework is attached at appendix 1. The full version is available on Harinet, in the Personnel Manual, or from the Head of Personnel.

**Monitoring and reviewing objectives**

The achievement of service and corporate performance objectives is likely to result from a series of contributing factors, some of which will be in the control of the appraisee, others of which will not. In monitoring performance against objectives it is important to identify that which is to be directly controlled and
that over which the appraisee is expected to exert influence. For example if an objective was to reduce Council sickness absence by 2%, then an officer may control the policy framework, council health promotion initiatives, absence reduction activities, etc. Influence is applied through these means and the employment culture generated in respect of any individual employee choice about whether to attend for work.

Members will be involved in the monitoring of service performance throughout the year. It is important that these occasions are used to maximum advantage. Both positive and partial performance needs to be assessed within the context of control and influence factors. It is suggested that both the objective and the associated tasks therefore form a part of the assessment.

The Council has worked to generate an environment where managers are empowered to take decisions, learn from mistakes and improve services. Such a culture accepts that improved performance is unlikely to be realised as a steady rise in all aspects of service delivery. Instead change models involving risk, error, learning and development are likely. Your role in the setting, monitoring and assessment of service objectives should be cognisant of this model:

The purpose of the Council’s performance appraisal scheme remains the improvement of individual and corporate performance against service objectives. Matters of conduct, capability, etc are governed by separate arrangements.

The chief officer scheme develops the version used by the Council by recognising contribution to corporate initiatives. It is likely that you will be monitoring the contribution of teams against corporate targets. Group appraisal requires that you are able to identify individual contribution within a team setting. When the work of teams is appraised, typically the effectiveness
of work processes and their results are appraised as well as the ability of the
team to work effectively together. These dimensions may be described as the
work of teams and teamwork, and they may be appraised on an individual
basis, on a team basis or both. Thus you may be involved in discussions
about individual contribution to outcome and methodology/role.

Sources of Performance Data
The appraisal scheme provides for self-assessment as a part of the process.
Appraisees are expected to collect evidence in support of the objectives.
Appraisers are free to ask for data to be made available for the purpose of
appraisal. As a general rule appraisers should avoid reliance on hearsay and
anecdotal evidence. Instead issues relating to performance once raised
should be discussed and based on objective, job related, and evidenced data.
A mixture of quantitative and qualitative evidence is preferred. The appraisal
documentation includes provision to record performance indicators whether
national or local. Corporate and individual indicators of success are also to be
included.

Corporate & Service Performance
The Scheme requires measurement of performance against both Service and
Corporate objectives. The scheme recognises that all chief officers are
required to provide support on Council-wide improvement. The scheme also
recognises that individual contribution to corporate working should be
identified and measured as a part of the general assessment of performance.
The documentation asks that both Service and corporate objectives are
identified. The assessment of objectives is based on performance measures
set for each, and with reference to the Key Performance Indicators for that
area. It follows that each Chief Officer will in part be assessed by the
performance of the Council as a whole. The relationship between Service and
Corporate performance shall be balanced as in the Scheme at 5 service
objectives to 3 corporate targets.

Performance & Pay
Improved performance is motivated by many factors. Measurement and
feedback about performance is a key motivator; so too is peer recognition and
support for development. Pay may be used to supplement such primary
factors but is not intended as the Council’s sole motivation method for
improving service performance. Nor is it the intention of this scheme that pay
is the central theme. The use of pay therefore is as a reward for
improvements and as one form of recognition.

The Council recognises that exceptional performance warrants recognition in
its remuneration of senior staff. The Council will take account of performance
as a whole rather than being led by any single process or indicator.
Performance appraisal therefore plays but one part of the overall pay
assessment of senior staff. Such assessment will take account of an
employee’s contribution to the Council’s corporate performance, the
improvements realised in employees’ service areas, and individual
contribution. Measurement of performance will include performance
indicators, the appraisal, and contribution to corporate improvement. Such assessment must account for both individual and team contributions by the appraisee.

The Scheme promotes the use of increments to reward performance. Increments may be awarded on a consolidated or non-consolidated basis. The scheme recognises the relationship between pay and performance as follows:

- Employees who demonstrate a level of performance below satisfactory or at satisfactory and expected performance shall not be awarded an increment.
- Employees who demonstrate lasting service improvements and performance beyond expectation may be awarded one consolidated increment.
- Employees who demonstrate exceptional performance achieving permanent step changes in service delivery may be awarded one consolidated increment and a performance award equivalent to up to two increments paid on non consolidated basis. It is anticipated that such awards will not be frequent and may be in recognition of achievements made over several years.

The above system shall apply up to the maximum of the 8-point grade. Thereafter, three non-consolidated performance award points shall be available to recognise officer contribution. The categories above shall be used to determine the number of performance awards. The system may be also expressed as a table:

<table>
<thead>
<tr>
<th>Performance</th>
<th>Increment</th>
<th>Performance Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below standard</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Meets objectives</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Exceeds objectives</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Exceptional</td>
<td>1</td>
<td>1 (discretion for 2)</td>
</tr>
<tr>
<td>performance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Documentation**

The scheme provides standard forms for recording objectives, and measuring performance.

**Poor Performance**

The scheme provides a basis for improvement, and development. A part of the process requires that appraisees identify areas for improvement. The primary aim of the scheme is to support improved performance by a variety of developmental activities. In some cases, opportunities for improved performance will be less apparent. Regular monitoring and discussion about service and individual objectives throughout the year will ensure that such occurrences are not a surprise for any of the involved parties. Recourse to disciplinary or capability actions may be required in extreme circumstances and should be governed by those separate procedures.
Remuneration Panel
Decisions about appraisal performance and recommendations for improvement are the responsibility of the appraisee’s manager. Recommendations for pay awards relating to performance shall be developed by the appraiser. The Chief Executive shall receive and consider all performance pay proposals. He will put forward to the Remuneration Panel his decisions on performance pay awards that take account of performance as a whole both across the Council, and of the service Directorate. The role of the Remuneration Panel is to audit the process of awards and challenge any that the Panel believes are not in keeping with the process. The Remuneration Panel will not receive appraisal notes, but will be provided with a briefing about service performance for any area in debate. The Executive Member for a service shall be asked to attend the Remuneration Panel if such a debate is required.

Confidentiality
The detail of individual appraisals remains confidential between the appraisee and appraiser(s). Neither the Remuneration Panel nor the Council as a whole will receive details of individual performance. Instead a summary of overall service achievement against targets shall be made available, using a standard format. The terms of reference for the Remuneration Panel require that sensitive pay and performance matters are managed with the utmost confidentiality. Discussions at the Panel are held in closed session with the press and public excluded under the Local Government Act. Members of the Panel agree that the detail of discussion shall remain confidential to them and communication with the Council, its employees and agents shall be agreed by the Panel prior to the release of any information.

Competency and Development
Follow the Council’s competency framework to assess the behavioural aspects of management performance. And set short term and longer term development activities following the council’s standard appraisal framework for all staff.