

FULL COUNCIL

10 December 2024

APPRAISAL PROCESS FOR THE CHIEF EXECUTIVE (HEAD OF PAID SERVICE)

Report of the Director of HR and Cultural Change

RECOMMENDATION

The Council is RECOMMENDED to:

- a) Approve the proposed changes to the appraisal process for the Chief Executive (Head of the Paid Service) as set out by the South East Employers (SEE) review report (Annex 2).
- b) Delegate authority to the Remuneration Committee to constitute the Appraisal Panel and undertake the appraisals for the Chief Executive.
- c) Approve amendments to the Constitution to include acting as an Appraisal Panel and undertaking Chief Executive's appraisals to the terms of reference to Remuneration Committee at Part 5.1C and to delegate to the Director of Law and Governance and the Monitoring Officer to make any consequential amendments to the Constitution.

Background

There is a need to change the approach to the appraisal process for the Chief Executive (Head of the Paid Service) at the Council. This matter was reported on at the Remuneration Committee that took place on 4 November 2024 and the recommendations in this report are those which were endorsed by the Remuneration Committee for Council approval.

The need for this change is set out as follows:

1. Whilst there is no legal obligation for Councils to undertake appraisals for officers or Chief Officers, this is widely believed to be a positive and vital element of performance management, bringing a wide range of benefits to the Council.
2. The Joint Negotiating Committee for Local Authority Chief Executives National salary framework & conditions of service handbook dated 7 September 2022 (relevant sections of which are appended as Annex 1) states 'It is a contractual obligation on the part of both the chief executive and the employing council to engage in a regular process of appraisal.' (Annex 1, p 2). The Handbook also includes 'Joint guidance on appraisal of the chief officer' (Annex 1, p 2-3), which outlines the key elements of the appraisal process for the Chief Executive (Head of the Paid Service).

3. The current Chief Executive was appointed by the Council on 13 December 2022 and assumed office on 1 March 2023. In the months following his appointment, the current Chief Executive engaged the political leadership and HR officers in a discussion on arrangements for his appraisal. This highlighted a gap in the policy and procedure for the Chief Executive appraisals within the Council.
4. An appraisal process was constructed in early 2024 and involved the current Chief Executive undertaking three meetings with the Leader and Deputy leader (joint meeting), the Conservative and Independent Alliance Group leader and the Labour and Cooperative Group leader. An observation following this was that whilst it was positive, there was still room for improvement in the process.
5. The Director of HR and Cultural Change commissioned the CEO of South East Employers (SEE), an organisation that the Council is a member of, to undertake a review of the approach so as to make recommendations for improvement. SEE undertook this review as part of the membership subscription the Council has with SEE. The excerpts from the report outlining the findings of the review and recommendations for changes is attached (Annex 2).

Summary of findings of the review by South East Employers (Annex 2)

- 5.1. The review included semi-structured interviews with all those concerned in the process including the Chief Executive, and there was an overall agreement that an improved process was required.
- 5.2. While there is no legal obligation for councils to run appraisals, there is a contractual obligation to conduct annual the Chief Executive appraisals.
- 5.3. The review found that, as the Chief Executive serves the whole council, the responsibility for appraising the Chief Executive sits with senior elected members, and the Council can decide who should be involved. The Leader may choose to invite the opposition groups to be involved formally as part of the overall process or by providing input into the evaluation aspects of the appraisal (Annex 4, excerpts from relevant documents, including Joint Negotiating Committee for Local Authority Chief Executives National salary framework & conditions of service handbook dated 7 September 2022).
- 5.4. **Summary of the recommendations by SEE for Oxfordshire County Council (Annex 2)**

5.4.1. Agree the preferred model for the Chief Executive appraisal
- Use of Remuneration Committee is the recommended approach.

5.4.2 Develop and agree the Chief Executive appraisal policy - it is intended that as part of the services provided by SEE, they will draft the Chief Executive appraisal policy.

5.4.3. Develop and agree the Chief Executive appraisal procedure and processes - the proposed process is outlined in Annex 3.

5.4.4. Implement an appraisal training / coaching programme - all members who are likely to undertake appraisals must be trained. Consideration should also be given to providing new members additional support through coaching to develop their skills and effectiveness as an appraiser.

5.4.5. Agree evidence collection approaches - evidence and feedback to support the appraisal. It is proposed that 360-degree feedback is gathered as part of the Chief Executive appraisal and built into the procedure for the appraisal cycle.

5.4.6. Questioning – provide support to Councillors to structure their questioning to focus on performance.

Timelines for the next appraisal cycle

6. It is proposed that the updated Chief Executive appraisal process commences in December 2024.

Financial Implications

7. The appraisal facilitation as well as policy development are included in the Council's membership of SEE. The 360-degrees feedback and appraisal training for panel members would carry some small additional costs which will be met from existing budgets. Details are set out in Annex 3.

Comments checked by:

Lorna Baxter, Executive Director of Resources / S151 Officer (Deputy Chief Executive) Lorna.Baxter@oxfordshire.gov.uk

Legal Implications

8. There are no direct legal implications arising from this report. However, there are contractual obligations – i.e. as specified in the Joint Negotiating Committee for Local Authority Chief Executives National salary framework & conditions of service handbook dated 7 September 2022 (Annex 1), there is an obligation on both parties (the Council and the Chief Executive) to ensure that appraisal is completed. The recommendations, if approved and implemented, will help ensure that those obligations are met.

Comments checked by:

Paul Grant, Head of Legal and Deputy Monitoring Officer,
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Risk Management

9. There are no risk management issues arising from this report.

Sustainability Implications

10. There are no sustainability Implications arising from this report.

Consultations

11. The report has been consulted with Remuneration Committee on 4 November 2024.

Staff Implications

12. The proposed changes are in line with the terms and conditions as outlined in The Joint Negotiating Committee for Local Authority Chief Executives National salary framework & conditions of service handbook dated 7 September 2022, the existing contractual document. The proposed changes only affect the Chief Executive (Head of Paid service).

Equality & Inclusion Implications

13. It is believed that, if the proposed changes were to be implemented, they would result in a better representation in the appraisal process leading to improved inclusion.

CHERIE CUTHBERTSON

Director of HR and Cultural Change

- Annex 1: Excerpts from Joint Negotiating Committee for Local Authority Chief Executives National salary framework & conditions of service handbook dated 7 September 2022
- Annex 2: Recommendations from the Report by South East Employers SEE
- Annex 3: SEE THE CHIEF EXECUTIVE (HEAD OF THE PAID SERVICE) Appraisals service brochure including process map
- Annex 4: SEE Excerpts from relevant documents including JNC for Local Authority Chief Executives National salary framework & conditions of service handbook dated 7 September 2022

Contact Officer: Katrina Pennington, HR Business partner

29 November 2024