
CHIEF EXECUTIVE – PERFORMANCE APPRAISAL

Responsible Cabinet Member – Councillor John Williams, Leader of the Council

Responsible Director - Paul Wildsmith, Director of Corporate Services

SUMMARY REPORT

Purpose of the Report

1. To endorse the recommendation of the Appraisal Sub-Group in respect of the Chief Executive's Performance Appraisal.

Summary

2. This report outlines the recommendation of the Appraisal Sub-Group.

Recommendation

3. That the following recommendation of the Appraisal Sub-Group be endorsed by the Council:-

That, in respect of the Chief Executive's Appraisal, it is recommended that Council note that the Chief Executive's Appraisal for 2010/11 has been satisfactorily undertaken by this Sub-Group in accordance with the revised process detailed in the Appendix to the submitted report and that there are no issues which need to be discussed in more detail.

Reason

4. To enable the appraisal to be confirmed.

**Paul Wildsmith
Director of Corporate Services**

Background Papers

No background papers were referred to in the compilation of this report.

Linda Todd: Extension 2354

S17 Crime and Disorder	There are no issues in relation to Crime and Disorder.
Health and Well Being	There are no issues in relation to Health and Wellbeing.
Carbon Impact	There are no issues in relation to Carbon Impact.
Diversity	There are no issues relating to Diversity which this report needs to address
Wards Affected	None
Groups Affected	None
Budget and Policy Framework	This report does not affect the budget or policy framework.
Key Decision	This is not a key decision
Urgent Decision	This is not an urgent decision
One Darlington: Perfectly Placed	This report does not adversely impact on the Strategy
Efficiency	This report does not have any direct impact on efficiency.

MAIN REPORT

Information

5. The Appraisal Sub-Group (a subsidiary body of the Human Resources Committee) undertakes an annual appraisal with the Chief Executive and reports its recommendations to the Council.
6. The Sub-Group has met on two occasions. At its first meeting, it considered two options (as detailed in a report of the Chief Executive and Head of Human Resource Management attached as an **Appendix**) in relation to the annual appraisal process. The options, to engage external consultants to undertake the process or to adapt the previous process but bring a sharper focus on the setting and measurement of performance objectives, were deliberated by the Sub Group. It was agreed that the second option, to adapt the previous process, be approved.
7. In accordance with the revised process, the Leader and Deputy Leader met with the Chief Executive to review the Chief Executive's personal assessment and identify objectives for the coming year.
8. At its second meeting, the Appraisal Sub-Group reviewed the self assessment and agreed the Chief Executive's objectives for 2010/11. The Sub-Group made the following recommendation to Council:-

That, in respect of the Chief Executive's Appraisal, it is recommended that Council note that the Chief Executive's Appraisal for 2010/11 has been satisfactorily undertaken by this Sub-Group in accordance with the revised process detailed in the Appendix appended and that there are no issues which need to be discussed in more detail.

Conclusion

9. The Chief Executive's appraisal has been undertaken by the Appraisal Sub-Group of the Human Resources Committee. As this is a Committee established by Council, the Council is required to endorse the recommendation of the Sub-Group.

CHIEF EXECUTIVE'S APPRAISAL

Introduction

1. The Council's Chief Executive Appraisal process has been in place for a number of years. It is attached as **Appendix A**.
2. However the demands on this role have changed and the degree of scrutiny and challenge in respect of the functions and remuneration have also increased. It seems appropriate therefore to reflect on the process and determine whether there are changes to be made.
3. There are in essence two options for the Panel to consider :
 - Engage external consultants to undertake the process, thus bringing some external objectivity and expert advice; or
 - Adapt the current process to bring a sharper focus on the setting and measurement of performance objectives for the coming year.

Option 1

4. This would require the appointment of external advisors who would generally undertake a small number of interviews, possibly run a 360 degree assessment and support the Panel in setting objectives.
5. A sample process, run by SOLACE Enterprises (the commercial organisation associated with SOLACE) is attached – **Appendix B**. They currently undertake the appraisal of around 50 CE's.
6. The cost ranges between £2,500 and £4,000 depending on whether the full '360' feedback tool is used. As part of the leadership development programme that has taken place over the last couple of years there have been a number of developmental tools used and it could be argued given the costs involved that the use of external advisors might add insufficient value at this point in time.

Option 2

7. Alternatively, the existing council-run process could be adapted. At present the process appears to be orientated towards the identification of serious issues. If none are identified it passes without particular note.

8. The process could be adapted to run as follows:
- Chief Executive carries out a self-appraisal covering:
 - Performance (services, finance, organisational)
 - Personal effectiveness (addressing the items from the current arrangement)
 - Priorities for the coming year
 - The Leader and Deputy Leader meet with the CE to review the assessment and identify objectives for the coming year
 - The Appraisal Panel meets to review the performance and agree the objectives for the coming year.
9. The outcome could be an agreed set of objectives and comment on performance or it could be the Stage Two process as now. If the former these should be lodged on the Chief Executive's personal file and used for reference at next years appraisal.

Recommendation

10. Members are asked to consider the two options detailed above and agree one of the options to undertake the Chief Executive's appraisal.

Ada Burns
Chief Executive

Lesley Blundell
Head of Human Resource Management

THE MEMBERS OF THE APPRAISAL SUB-GROUP

CHIEF EXECUTIVE'S APPRAISAL

Introduction

1. The Appraisal must be seen as an essential part of the effective management of the Authority. It should give the opportunity for:-
 - (a) All round communication and feedback.
 - (b) Identification of any problems or issues at an early stage before they go beyond the point at which they cannot be remedied.
 - (c) The opportunity for positive as well as negative response.

Process

2. The process will be in two stages:-
 - (a) An informal discussion giving an overview and identifying whether there are any serious issues which need to be discussed in more detail. Only if there are one or more issues, which either side wishes to explore, will the process move on to the second stage. Stage 1 is identified in **Appendix 1**.
 - (b) A more formal Appraisal identifying areas of concern and agreed courses of action with timescales (see **Appendix 2**).
3. During the first stage a third party (the Head of Democracy and Customer Services) will be present to record the decisions of the meeting.

John Williams
Leader

Ada Burns
Chief Executive

LT

**Chief Executive's Appraisal - Areas of Discussion
Stage 1**

The following areas should be covered during a positive and negative '360 Degree' Appraisal. It is not intended that the suggested areas should be restrictive but merely provide a structure to what should be an informal and short meeting.

- (a) Communication
- (b) Strategy
- (c) Political Interface
- (d) Overall Management
- (e) External Links
- (f) Any other issues

**Chief Executive's Appraisal
Stage 2**

This will only arise if there has been one or more areas of concern identified by the Chief Executive or two or more individuals from the Appraisal Sub-Group

During this process, the Head of Human Resources within the Corporate Services Department will be present.

This part of the Appraisal would:-

- (a) Identify the areas of concern.
- (b) Seek to identify reasons for the lack of performance or inappropriate responses.
- (c) Agree a proposed course of action, together with appropriate timescales.

A record of the meeting will be given to the Chief Executive and other Sub-Group Members as soon as possible after the meeting and he/she will be given an opportunity to agree or disagree with the accuracy of the record of the meeting, as will the Sub-Group.

At the next annual Appraisal, or earlier if agreed by the Sub-Group, a further review of the proposed course of action will be undertaken. The timescales between the Appraisal and the further review will be agreed mutually between the Sub-Group and the Chief Executive.

SOLACE ENTERPRISES CE APPRAISAL PROCESS

- SOLACE Enterprises Facilitator briefs Chief Executive and Leader
- Chief Executive nominates respondents for 360 degree interviews and invites their participation
- Chief Executive completes Self Appraisal and returns it to SOLACE Enterprises' Facilitator
- Facilitator carries out 360 degree interviews
- Facilitator discusses and challenges Self Appraisal and 360 degree feedback with Chief Executive
- Facilitator discusses Chief Executive's performance and targets for the coming year with Leader and Deputy Leader
- Self Appraisal circulated to Appraisal Panel
- Meeting of Appraisal Panel, chaired by Facilitator and attended by Chief Executive, for discussion of performance and agreeing of Chief Executive 's targets for the coming year
- Facilitator prepares and circulates a written record of the Panel meeting
- The record is placed on the Chief Executive 's personal file and used for reference at the next year's Appraisal
- At next year's Appraisal, the Chief Executive's performance is judged against the targets agreed this year

Typical costs of our Appraisal service range between £2500 and £4000, depending on whether you have the 360 degree feedback interviews or not.