

AGENDA

Employment Panel

Date: **Tuesday 7 January 2014**

Time: **3.30 pm**

Place: **Room 22A, Brockington, 35 Hafod Road, Hereford,
HR1 1SH**

Notes: Please note the **time, date** and **venue** of the meeting.

For any further information please contact:

Governance Services

Tel: 01432 260201

Email: governancesupportteam@herefordshire.gov.uk

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Agenda for the Meeting of the Employment Panel

Membership

**Councillor WLS Bowen
Councillor KS Guthrie
Councillor AW Johnson
Councillor PM Morgan
Councillor AJW Powers**

AGENDA

	Pages
1. CHAIRMAN To elect a Chairman.	
2. APOLOGIES FOR ABSENCE To receive any apologies for absence.	
3. NAMED SUBSTITUTES (IF ANY) To receive details of any Member nominated to attend the meeting in place of a Member of the Panel.	
4. DECLARATIONS OF INTEREST To receive any declarations of interest by Members in respect of items on this agenda.	
5. MINUTES To approve and sign the minutes of the meeting held on 11 September 2013.	5 - 6
6. PAY POLICY STATEMENT To consider a draft pay policy statement for recommendation to Council.	7 - 18
7. STATUTORY FUNCTIONS REPORT To recommend to Council the designation of specific posts to discharge the functions of Monitoring Officer, Returning (and Acting Returning) Officer, Electoral Registration Officer, statutory Scrutiny Officer and Proper Officer for Registration Services (including responsibility for the Coroners Service).	19 - 22
8. FRAMEWORK FOR ASSESSMENT OF CHIEF EXECUTIVE PERFORMANCE To agree a transparent framework for the establishment and review of objectives for the chief executive.	23 - 28

HEREFORDSHIRE COUNCIL

MINUTES of the meeting of Employment Panel held at Council Chamber, Brockington on Wednesday 11 September 2013 at 2.00 pm

Present: Councillor AW Johnson (Chairman)

Councillors: MAF Hubbard, PM Morgan and PD Price

Officers: John Jones and Alistair Neill (Chief Executive)

17. CHAIRMAN

The Leader of the Council, Councillor AW Johnson, had been elected Chairman at the meeting held on 13 June 2013.

18. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor WLS Bowen and Councillor KS Guthrie.

19. NAMED SUBSTITUTES (IF ANY)

There were no named substitutes.

20. DECLARATIONS OF INTEREST

There were no declarations of interest made.

21. CHIEF FINANCE OFFICER & SECTION 151 OFFICER DESIGNATION

The Panel considered a report of the Assistant Director of Organisational Development which set out the process for the permanent recruitment and selection of the Chief Finance Officer recommended the appointment of an interim Chief Officer Finance and also recommended that the post be designated the authority's Section 151 Officer.

It was noted that the current Chief Finance Officer / Section 151 Officer was to leave the Council at the end of September.

Members were advised that the statutory role of the Section 151 Officer must be performed by an officer of the Council, but the non-statutory role (in effect the Director of Finance role) could be performed through a contract for services.

It was felt that given the statutory requirement to ensure that an employee performs the role of the Section 151 Officer together with the Council's critical financial position and consequent need for experienced leadership of the budget planning process over the coming months the Council could not afford a gap and needs therefore to recruit an experienced interim to fulfil this role until a permanent appointment could be made. In this situation CiPFA guidelines contemplated a scenario where the Director of Finance / Section 151 Officer is paid via a contract for services for 80% of their time (non statutory work) and via a contract of employment for the remaining 20% (statutory duties).

The Panel was advised that the process of recruiting an interim Chief Finance Officer had taken place and the Panel was being asked to confirm the appointment of Peter Robinson as

interim Chief Finance Officer and that Council be recommended to designate this post holder as the Council's Section 151 Officer.

Members sought assurances that the cost of this interim appointment would be met from within existing budgetary provision, which the Chief Executive gave.

In response to a question it was confirmed that the interim appointment could be for between 6 and 7 months. The permanent recruitment would commence from the end of September.

Following discussion it was:

RESOLVED:

That:

- a) **The role profile for the post of Chief Finance Officer be approved with all other terms and conditions associated with this post remaining the same.**
- b) **Peter Robinson be appointed Interim Chief Officer Finance; and**
- c) **Council be recommended to designate the person holding the post of Chief Officer Finance as Section 151 Officer for Herefordshire Council and the Monitoring Officer be authorised to make the consequential changes to the Constitution as are necessary.**

CHAIRMAN



MEETING:	EMPLOYMENT PANEL
MEETING DATE:	7 JANUARY 2014
TITLE OF REPORT:	PAY POLICY STATEMENT
REPORT BY:	ASSISTANT DIRECTOR – ORGANISATION DEVELOPMENT

Classification

Open

Key Decision

This is not an executive decision.

This is not a key decision.

Wards Affected

County-wide

Purpose

To consider a draft pay policy statement for recommendation to Council.

Recommendation(s)

THAT:

- (a) **the pay policy statement summarising existing council policies (at Appendix A) be recommended to Council.**

Alternative Options

- 1 There are no alternative options; the approval by Council of a pay policy statement for the authority is a statutory requirement.

Reasons for Recommendations

- 2 To provide transparency with regard to the council's approach to setting the pay of its employees in compliance with the provisions of the Localism Act 2011.

Further information on the subject of this report is available from
Jenny Lewis, Assistant Director – Organisation Development on Tel (01432) 261855

Key Considerations

- 3 The Localism Act places a requirement on local authorities to produce an annual pay policy statement for each financial year and for this statement to be approved by Council before the start of the financial year to which it relates.
- 4 The statement must set out the council's policies relating to:
 - a) the remuneration of its chief officers
 - b) the remuneration of its lowest paid employees; and
 - c) the relationship between the remuneration of its chief officers and the remuneration of its employees who are not chief officers.
- 5 The statement must include the council's definition of 'lowest paid employees' and the reasons for adopting that definition.
- 6 The statement must include policies relating to:
 - a) The level and elements of remuneration for each chief officer
 - b) Remuneration of chief officers on recruitment
 - c) Increases and additions to remuneration for each chief officer
 - d) The use of bonuses for chief officers
 - e) The approach to the payment of chief officers on their ceasing to hold office under, or to be employed by the authority; and
 - f) The publication of and access to information relating to remuneration of chief officers
- 7 The statement draws together factual material and provides a summary of the current pay policies of the council.
- 8 Following the review of pay and reward in 2013, two changes to terms and conditions were agreed through collective bargaining: (a) reducing the exit payment policy to the statutory minimum retaining the 1.5 multiplier; and (b) 2 days unpaid leave to be taken over the Christmas period as determined by the organisation.
- 9 This year we will test the proposal and associated cost implications that recommends a pay principle shift for lowest paid workers from the National Minimum Wage to the Living Wage as the minimum level.
- 10 All posts, whether chief officer or not, have their level of remuneration established through assessment by a nationally recognised and independent job evaluation scheme. Council have the opportunity to vote on any new salary packages exceeding £100,000.
- 11 In approving its statement, Council must have regard to any guidance issued by the Secretary of State. This has been taken into consideration in the development of the statement.
- 12 The pay policy statement follows a previous format and has been updated to reflect current data relating to roles, salaries and financial information.

Community Impact

- 13 The council, as an employer, has a significant role to play in the local economy. We have an explicit corporate objective related to increasing the average wage and the number of people that work in Herefordshire. Consideration should continue to be given to the degree to which the commissioning approach adopted by the council may be used to influence pay policies of local contractors who supply goods or services on behalf of the authority.

Equality and Human Rights

- 14 The statement makes clear that the council's employment policies, and the processes by which pay levels for a post are set, have full regard to relevant equalities legislation.

Financial Implications

- 15 There are no financial implications arising from the report; the statement simply summarises current policies and pay levels. Council has the opportunity to vote on any proposed pay packages exceeding £100,000.

Legal Implications

- 16 The statement meets the requirements of the Localism Act 2011.

Risk Management

- 17 Failure to approve and publish a statement would result on non-compliance with a statutory requirement. Arrangements are in place to ensure publication of the statement following approval by Council.

Consultees

- 18 Management Board, Trade Unions and employees have been consulted on the changes to the terms and conditions that were approved, and will continue to be engaged as appropriate on future thinking and associated plans to any further changes to elements of the pay policy, or terms and conditions of employment.

Appendices

Appendix A – Draft Pay Policy Statement

Background Papers

None identified.

Pay Policy Statement 2014

Introduction and Purpose

1. The purpose of this statement is to set out the council's approach to setting the pay of its employees (excluding those working in local authority schools) by identifying:
 - the methods by which salaries of all employees are determined;
 - the detail and level of remuneration of its most senior staff (chief officers), as defined by the relevant legislation;
 - who is responsible for ensuring the provisions set out in this statement are applied consistently throughout the council, and for recommending any changes to council.
2. Once approved by Council, this policy statement will come into immediate effect and will be subject to an annual review.

Legislative Framework

3. Section 38(1) of the Localism Act 2011 requires local authorities to produce an annual pay policy statement.
4. Under section 112 of the Local Government Act 1972, the council has the 'power to appoint officers on such reasonable terms and conditions as the authority thinks fit', subject to the provisions of section 41 of the Localism Act (namely for decisions in relation to terms and conditions of chief officers to comply with the pay policy statement).
5. In determining the pay and remuneration of all of its employees, Herefordshire Council will comply with all relevant employment legislation. With regard to the equal pay requirements contained within the Equality Act, the council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality proofed job evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.

Organisational context

6. All local authorities are reducing services as the government has indicated that it will continue to significantly reduce the funding it provides to local governments across England. Government funding is being cut by over 40% in the worst cases.
7. In addition we have been serving more and more people, particularly in essential areas such as children's safeguarding and adult social care. This means that by 2016/17 we will need to have delivered savings of £33m to stay within our budget. To hit this target this means that we must make savings of £15m in 2014/15. This is on top of £34m savings required in the previous three financial years.
8. We have managed to reduce our costs substantially by working in better ways and being more efficient. We will keep doing this but there is little opportunity left to reduce costs without reducing our services.
9. We have less, so, even after efficiencies, we must do less.

10. Our priority areas are, within the resource available to us, to keep children and young people safe, and give them a great start in life, enable residents to live safe, healthy and independent lives, and invest in projects to improve roads, create jobs and build more homes.
11. To continue to fund those priority services we have to radically reduce, or stop completely, the funding of all other services. Even in our priority areas we have to make reductions to balance our budget.

Pay Structure / National Frameworks

12. Herefordshire Council is committed to fair pay and grading determined by a robust and objective job evaluation process. The *National Job Evaluation Scheme* is used for all posts up to HC7 and the *Hay Job Evaluation Scheme* for all posts above this level.
13. Based on the application of the job evaluation process, the council uses the nationally negotiated pay spine (attached at Appendix 1) as the basis for its local pay rates in relation to job grades. This determines the salaries of the large majority of the non-school based workforce, together with the use of other nationally defined rates where relevant. The national pay spine increased by 1% in April 2013. Staff that have TUPED into the Council from the NHS are on national NHS Terms and Conditions.
14. All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and or as determined by council policy. In determining its grading structure and setting remuneration levels for all posts, the council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.
15. New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate.
16. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. In accordance with the council's policy on market forces, where this is necessary the council will ensure the requirement for such a market forces supplement is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector. Any market forces supplement will be payable for a pre-determined fixed period and will be subject to ongoing review.
17. The council does not make use of performance related pay for any of its employees.

Senior Management Remuneration

18. For the purpose of this statement 'senior management' means 'chief officers' as defined within section 43 of the Localism Act. The posts falling within this definition are listed below, with details of their remuneration (excluding standard pension contribution) as at 1st January 2014.

Post	Annual Salary (excluding on costs)*	Other Financial Benefits	Total Remuneration
Chief Executive (<i>Head of Paid Service</i>)	£145,000	None	£145,000
Director for Children's Wellbeing Services (<i>Director of Children's Services</i>)	Actual £108,000 FTE £120,000	None	£108,000
Director for Economy Culture & Corporate Services	£120,000	None	£120,000
<i>Director of Public Health Recruitment & retention payment</i>	£98,453 £2,522	None	£ 100,975
Chief Officer, Finance Services (<i>Section 151 Officer statutory responsibilities currently covered 1 day a week</i>)	(Annual salary of future appointment: £90,000)	None	90,000
Solicitor to the Council	£78,000	None	£78,000
Asst. Director - Organisation Development	£79,013	£4,000**	£83,013
Asst. Director – Education and Commissioning	£79,013	None	£79,013
Asst. Director – Economic, Environment and Cultural Services	£79,013	None	£79,013
Asst. Director – Place Based Commissioning	£79,013	None	£79,013
Asst. Director – Homes and Community Services	£79,013	None	£79,013
Public Health Consultant	£84, 667	None	£84,667
Public Health Consultant	£84, 667	None	£84,667

NB: Italics indicate statutory postholder functions

** Annual salaries quoted are not inclusive of on-costs which are typically an additional 30%*

***This was a one-off payment for the interim accountability of the Assistant Director – Customer Services role.*

The post designated as Monitoring Officer will be update prior to this statement going to Council.

Additions to Salary of Chief Officers

19. The Chief Executive is the Returning Officer for Herefordshire. No additional payments are made for fulfilling this duty.
20. The council does not apply any bonuses, pension enhancements (subject to para. 22 below) or performance related pay at this time to its chief officers or to other staff within its workforce. No other pay benefits are paid to chief officers at the time of producing this statement. There is a planned review of pay and reward over the next few months.

Recruitment of Chief Officers

21. Herefordshire Council's rules with regard to employment of staff are set out within the Employment Rules contained within section 4.9 of the Constitution, available at the following link:

<http://councillors.herefordshire.gov.uk/ieListDocuments.aspx?CId=332&MId=4894&Ver=4&Info=1>

22. Where the council requires short term focus on a particular transformation or turnaround priority, it will consider and utilise engagement of individuals under 'contracts of service'. Currently, there are three areas where this is applicable. These are Children's Safeguarding performance improvement, Adult Wellbeing transformation (including statutory Director of Adult Social Services responsibilities) and financial stability. In the case of the first two, the contract of services are costing no more than a substantive post at this level including on-costs, the latter will cost slightly more as previously agreed with the Employment Panel. These services will continue to be sourced through a relevant procurement process in accordance with the council's contracts procedure rules, ensuring the council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service
23. Any officer previously employed by Herefordshire Council in receipt of a severance or redundancy payment when their employment ceases may not be re-employed by the authority (including under a contract of services or as an agency worker) until a period of at least six months has elapsed, unless through exceptional circumstances. In which case the payment would be clawed back on a pro-rated basis.
24. Any officer appointed to the council who has been made redundant within the previous two years from an organisation covered by the Redundancy Payments (Continuity of Employment in Local Government etc) (Modification) Order 1999 (as amended) (which applies to local authorities and related bodies) will have their previous continuous service taken into account for the purpose of calculating annual leave, sick pay, maternity / paternity entitlements. For the purpose of redundancy, the calculation of service would be the date of return to Herefordshire Council.

Payments on Termination

25. The council's policy on termination of employment of employees prior to reaching normal retirement age, in accordance with regulations 5 & 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulation 12 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007 (as amended), is to base redundancy payments on the statutory calculation multiplied by 1.5.
26. Any other payments falling outside the provisions or the relevant periods of contractual notice shall be subject to a formal decision made in accordance with the relevant process as set out in the council's Employment Rules (see para 29 below).

Pensions

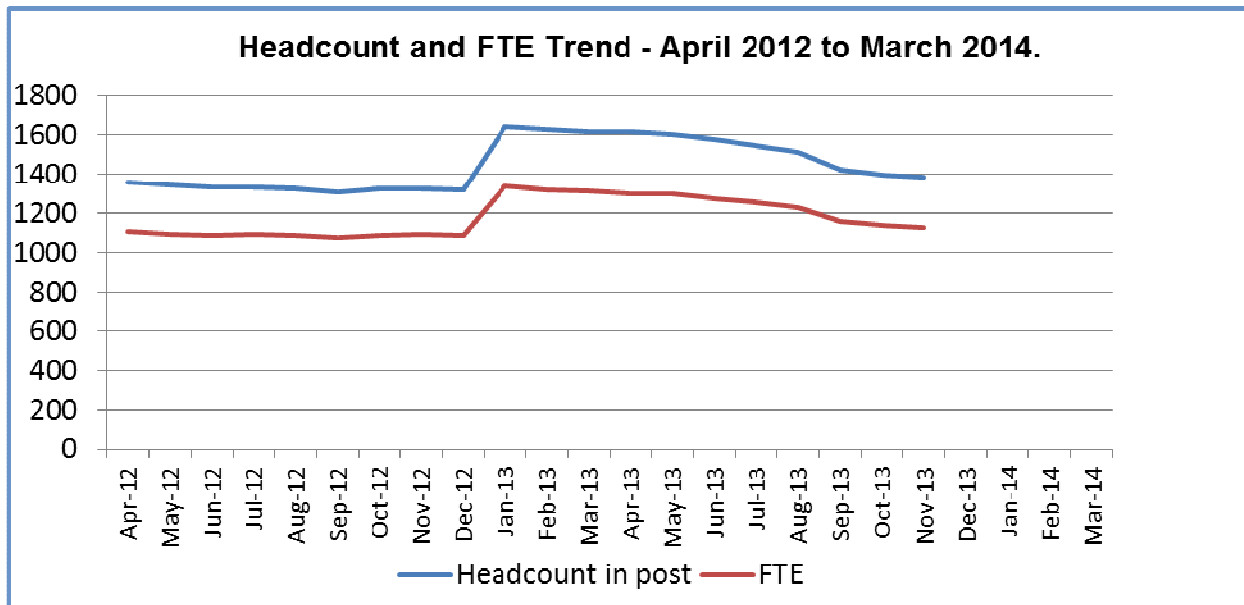
27. Subject to qualifying conditions, employees have a right to join the nationally determined Local Government Pension Scheme. The employee contribution rates, which are defined by statute, are as of 1st April 2013:

Whole Time Pay Rate	Contribution Rate
Up to £13,700.00	5.5%
£13,700.01 to £16,100.00	5.8%
£16,100.01 to £20,800.00	5.9%
£20,800.01 to £34,700.00	6.5%
£34,700.01 to £46,500.00	6.8%
£46,500.01 to £87,100.00	7.2%
More than £87,100.00	7.5%

28. The employer contribution rates are set by actuaries advising the pension fund; these are reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The current rate, as of 1st April 2013 is 22.5%.

Broader Workforce perspective

29. The overall spend of Herefordshire Council is approximately £330million. Approximately £37.6million is spent on employing the non-schools workforce in relation to basic salaries (including national insurance and superannuation) of directly employed staff to which this policy relates. As at 1 December 2013 (the most recent data available at time of drafting) there were 1128 full-time equivalent (fte) posts across the organisation.



NOTE: The increased headcount and FTE figures in January 2013 are due to the inclusion of Herefordshire Council employees who were seconded to Wye Valley Trust to September 2013, and those who continue to be seconded to 2gether. This data was not previously recorded in the Councils figures. The headcount and FTE trend continues to fall.

30. As at 1 December 2013, the median basic salary was £22,443 (excluding national insurance and superannuation). The mean average salary (workforce cost inclusive of national insurance and superannuation divided by headcount) is £28,343 which has reduced from £31,900 in March 2012. The median chief officer annual salary is £79,013 (excluding national insurance and superannuation) this is a reduction from £90,000 last year.
31. For the purpose of this Pay Policy Statement, and in accordance with the provisions of section 38 of the Localism Act, Herefordshire Council defines “lowest paid employees” as those paid on full time (37 hours) equivalent salaries in accordance with the minimum spinal column point currently in use within the council’s grading structure. As at 1st December 2013, this is SCP 8 £13,321 per annum – there are three people paid at this level. The council employs apprentices who are not included within the definition of ‘lowest paid employees’.
32. The current pay levels within the council define the multiple between the lowest paid (full time equivalent) employee and the Chief Executive as 1:11 which remains unchanged from twelve months ago and; between the lowest paid employee and average chief officer as 1:7. The multiple between the median full time equivalent earnings and the Chief Executive is 1:6 and; between the median full time equivalent earnings and median chief officer is 1:4. The multiple between the median salary grade and the Chief Executive is 1:5.

33. The authority implemented two days unpaid leave through collective bargaining in May 2013 that applies to all roles within the organisation (excluding schools, TUPED NHS staff and those employed on a term time only contract). The two days are confirmed by the organisation and coincide with the Christmas bank holidays. Local decisions in relation to leave are taken within critical services that continue through this period.

Accountability & Decision Making

34. In accordance with the council's Constitution, the Employment Panel (in respect of the Chief Executive, Monitoring Officer, Section 151 Officer, and Directors) or the Chief Executive (all other employees) is responsible for decision-making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the council.
35. For those pay accountability matters identified within the Localism Act as being reserved to Council, the Employment Panel will be the body accountable for formulating recommendations to Council including the undertaking of an annual review of this statement before recommending its approval to Council as one of the suite of documents Council approves as part of its Medium Term Financial Strategy. The Pay Policy Statement therefore forms part of the Budget & Policy Framework of the council.
36. In addition to approval of this statement, the right of approval of new salary packages over £100,000 is reserved to Council. In such circumstances the Employment Panel will be the body accountable for developing recommendations to Council.

Pay and Reward review

37. In the current organisation context, the authority will continue to review pay and reward policies.

Publication

38. After approval by Council, this statement will be published on the council's website. In addition, senior employees (Directors and staff who report to Directors who are employed on Head of Service pay grades) are included in the council's Annual Statement of Accounts (available at the following link: <https://www.herefordshire.gov.uk/government-citizens-and-rights/democracy/council-finances/>) that includes a note setting out the total amount of:
- salary, fees or allowances paid to or receivable by the person in the current and previous year;
 - any bonuses so paid or receivable by the person in the current and previous year;
 - any sums payable by way of expenses allowance that are chargeable to UK income tax;
 - any compensation for loss of employment and any other payments connected with termination;
 - any benefits received that do not fall within the above.

HEREFORDSHIRE COUNCIL GRADING AND PAY SCALES – APRIL 2013

Grade	National SCP (SCP50 & above are local)	Annual Pay Rate	Hourly Pay Rate
HC1	4	£12,266	6.3578
	5	£12,435	6.4454
	6	£12,614	6.5382
	7	£12,915	6.6942
HC2	7	£12,915	6.6942
	8	£13,321	6.9046
	9	£13,725	7.1140
	10	£14,013	7.2633
HC3	10	£14,013	7.2633
	11	£14,880	7.7127
	12	£15,189	7.8728
	13	£15,598	8.0848
HC4	13	£15,598	8.0848
	14	£15,882	8.2320
	15	£16,215	8.4046
	16	£16,604	8.6063
HC5	17	£16,998	8.8105
	18	£17,333	8.9841
	19	£17,980	9.3195
	20	£18,638	9.6605
	21	£19,317	10.0125
HC6	21	£19,317	10.0125
	22	£19,817	10.2717
	23	£20,400	10.5738
	24	£21,067	10.9196
	25	£21,734	11.2653
	26	£22,443	11.6328
HC7	26	£22,443	11.6328
	27	£23,188	12.0189
	28	£23,945	12.4113
	29	£24,892	12.9022
	30	£25,727	13.3350
	31	£26,539	13.7558
HC8	31	£26,539	13.7558
	32	£27,323	14.1622
	33	£28,127	14.5789
	34	£28,922	14.9910
	35	£29,528	15.3051
	36	£30,311	15.7110
HC9	36	£30,311	15.7110
	37	£31,160	16.1510
	38	£32,072	16.6237
	39	£33,128	17.1711
	40	£33,998	17.6220
HC10	41	£34,894	18.0864
	42	£35,784	18.5478
	43	£36,676	19.0101
	44	£37,578	19.4776
	45	£38,422	19.9151
HC11	46	£39,351	20.3966
	47	£40,254	20.8647
	48	£41,148	21.3281
	49	£42,032	21.7863
	50	£43,174	22.3782

HEREFORDSHIRE COUNCIL GRADING AND PAY SCALES – APRIL 2013

HC12	51	£44,344	22.9846
	52	£45,550	23.6097
	53	£46,791	24.2530
	54	£48,060	24.9107
	55	£49,365	25.5871
HC13	56	£50,708	26.2832
	57	£52,086	26.9975
	58	£53,502	27.7314
	59	£54,956	28.4851
HOS2		£69,160	£35.95
		£71,028	£36.92
		£72,945	£37.91
HOS1		£74,915	£38.94
		£76,938	£39.99
		£79,013	£41.07



MEETING:	EMPLOYMENT PANEL
MEETING DATE:	7 JANUARY 2014
TITLE OF REPORT:	APPOINTMENT OF MONITORING OFFICER, RETURNING OFFICER, ELECTORAL REGISTRATION OFFICER, STATUTORY SCRUTINY OFFICER and PROPER OFFICER FOR REGISTRATION SERVICES
REPORT BY:	DEPUTY MONITORING OFFICER

Classification

Open

Key Decision

This is not an executive decision.

Wards Affected

County-wide

Purpose

To recommend to Council the designation of specific posts to discharge the functions of Monitoring Officer, Returning (and Acting Returning) Officer, Electoral Registration Officer, statutory Scrutiny Officer and Proper Officer for Registration Services (including responsibility for the Coroners Service).

Recommendations

THAT the following be recommended to Council:

- (a) the Solicitor to the Council be designated Monitoring Officer;**
- (b) the Chief Executive be designated Returning Officer (Acting Returning Officer in respect of European elections) and Electoral Registration Officer;**
- (c) the Director for Economy, Communities & Corporate be designated Scrutiny Officer; and**
- (d) the Solicitor to the Council be designated Proper Officer for Registration Services (including responsibility for the Coroners Service).**

Further information on the subject of this report is available from
Annie Brookes, Deputy Monitoring Officer on Tel (01432) 260605

Alternative Options

- 1 Other posts may be designated to fulfil these functions; regard must be had to the skills and experience of post holders.

Reasons for Recommendations

- 2 To meet statutory requirements.

Key Considerations

- 3 The Head of Governance has sought voluntary release and leaves the authority on 31 December 2013. In light of the current financial challenge faced by the authority and ongoing internal staff restructures it is not intended to replace this post like for like.
- 4 The Head of Governance is currently the designated officer for a number of statutory functions, and it is therefore necessary for posts to be designated to fulfil these functions. The designation of these functions to posts is reserved to Council.

Community Impact

- 5 The functions collectively support the maintenance and enhancement of robust governance across the authority.

Equality and Human Rights

- 6 The council's policies in relation to job evaluation, recruitment and selection pay full regard to the public sector equality duty.

Financial Implications

- 7 All costs are contained within existing budgets.

Legal Implications

- 8 Section 5 of the Local Government & Housing Act 1989 imposes a duty on the council to designate one of its officers as Monitoring Officer; this may not be the Head of Paid Service or Chief Finance Officer (Section 151 Officer).
- 9 Section 35(1) of the Representation of the People Act 1983 requires the council to appoint an officer of the council to be Returning Officer for elections and Section 8 of the same Act requires the council to appoint an Electoral Registration Officer; they do not need to be the same person, but may be.
- 10 Section 31 of the Local Democracy, Economic Development & Construction Act 2009 requires the council to designate one of its officers as Scrutiny Officer; this may not be the Head of Paid Service, the Monitoring Officer or the Chief Finance Officer.
- 11 Section 13 of the Registration Service Act 1953 sets out various powers and obligations of the officer appointed as the council's Proper Officer for the Registration

Further information on the subject of this report is available from
Annie Brookes, Deputy Monitoring Officer on Tel (01432) 260605

Service.

Risk Management

- 12 Designation of posts to fulfil these functions mitigates the risk to the authority of failing to comply with statutory requirements and helps to maintain effective and robust governance within the authority.

Consultees

- 13 Relevant officers as named.

Appendices

- None

Background Papers

- None identified.



MEETING:	EMPLOYMENT PANEL
MEETING DATE:	7 JANUARY 2014
TITLE OF REPORT:	FRAMEWORK FOR ASSESSMENT OF CHIEF EXECUTIVE PERFORMANCE
REPORT BY:	DEPUTY MONITORING OFFICER

Classification

Open

Key Decision

This is not an executive decision.

Wards Affected

County-wide

Purpose

To agree a transparent framework for the establishment and review of objectives for the chief executive.

Recommendations

THAT:

- (a) the framework at Appendix A be approved.

Alternative Options

- 1 External facilitation of performance and development could be made an integral part of the process each year; however this will increase costs.
- 2 External facilitation could be removed from the process completely; whilst achieving a small cost saving this element of professional independent advice and assessment enhances transparency and provides assurance as to the robustness of the process.
- 3 The performance and development programme (PDP) could be carried out by the Employment Panel; the size of such a representative body can make such

Further information on the subject of this report is available from
Annie Brookes, Deputy Monitoring Officer on Tel (01432) 260605

discussions unwieldy. The proposed framework ensures that senior representatives of all groups on the council are consulted both in the development of objectives and in assessing performance.

Reasons for Recommendations

- 4 To provide a clear framework for the assessment of the chief executive's performance and development.

Key Considerations

- 5 Informal arrangements for the assessment of chief executive performance have operated to date; however an agreed PDP framework would provide transparency about the process to be followed and support the development and maintenance of effective working relationships between elected members and the officer body.
- 6 The proposed framework at Appendix A has regard both to the guidance provided through the Joint Negotiating Committee for Local Authority Chief Executives National Salary Framework and Conditions of Service Handbook and to previous practice within Herefordshire.

Community Impact

- 7 The establishment of performance objectives linked to the council's agreed Corporate Plan, and the ongoing assessment of performance and development against those objectives will support the achievement of the council's priorities.

Equality and Human Rights

- 8 The council's policies in relation to job evaluation, recruitment and selection pay full regard to the public sector equality duty.

Financial Implications

- 9 All costs are contained within existing budgets.

Legal Implications

- 10 It is a contractual obligation on the part of both the chief executive and the employing council to engage in a regular process of performance and development appraisal; the responsibility for carrying out the chief executive's PDP lies with senior elected members.

Risk Management

- 11 A framework for the establishment of objectives and ongoing assessment of performance and development mitigates any risks a lack of clarity may generate.
- 12 The chief executive is employed by, and serves, the council as a whole; the process ensures that this underpinning principle is borne in mind.

Consultees

13 Head of Paid Service

Appendices

Appendix A – Proposed framework for the performance and development programme for the chief executive.

Background Papers

- None identified.

PERFORMANCE & DEVELOPMENT PROGRAMME: FRAMEWORK FOR ASSESSMENT OF CHIEF EXECUTIVE

Purpose

This document sets out the framework within which the setting of objectives for the council's Chief Executive, and assessment of performance and identification of development needs against those objectives, will take place. The focus of the process is to clarify what the chief executive is expected to achieve through the identification of mutually agreed objectives which are relevant, challenging but achievable.

Aims of Appraisal

To

- a) Identify and clarify the key objectives, priorities and targets of the council and appropriate timescales for their achievement over the next agreed period (eg year; period of administration).
- b) Agree what the chief executive should personally achieve over the next twelve months and identify required standards of performance, in order to deliver the council's key objectives, priorities and targets. Wherever possible standards of performance should be expressed in ways which can be monitored objectively.
- c) Discuss positive achievements over the past twelve months and identify reasons for good performance.
- d) Discuss instances over the past twelve months where targets have not been met, identifying the factors preventing the achievements of agreed goals.
- e) Discuss developmental requirements. The chief executive will have strengths and weaknesses and the parties should identify any professional development necessary to equip the chief executive with the requisite skills to meet the council's objectives. The parties should be proactive and anticipate future developmental needs in the context of the council's changing priorities. This discussion could lead to the design of a formal programme of continuous professional development (CPD). Equally this discussion may lead to agreement on changes to the working relationship between leading members and the chief executive. It should not be assumed that it is only the chief executive who may need to adjust his/her approach to the working relationship.

Appraisal process and indicative timescales

The formal performance and development process will not replace or prevent a continuous informal dialogue between the Chief Executive and Leader regarding performance.

The Leader, supported by the Deputy Leader, will lead the formal process which, as a minimum, will include the following steps:

	Activity	Who	When
1.	Produce a draft set of objectives for discussion (usually around February)	Chief Executive	By end January

	Activity	Who	When
2.	Informal discussion of draft objectives with Group Leaders	Leader	By end February
3.	Agreement of final objectives (written record maintained)	Leader/Deputy Leader/Chief Executive	By end March
4.	Include in Leader's Report to Council that the appraisal has taken place and, by agreement, a summary of the key objectives set for the forthcoming year.	Leader	First available Council meeting.
5.	Formal 6-monthly review of performance against objectives (written record maintained)	Leader/Deputy Leader/Chief Executive	By end September
6.	Take informal soundings from Group Leaders about Chief Executive's performance, and any amendments necessary to objectives going forward to inform step 1 (above) of the annual cycle	Leader	January
7.	Periodically (no less than every third year) secure external facilitation to ensure objectivity is maintained through the assessment cycle.	Leader/Chief Executive	

External assistance in facilitating the performance and development process to maintain an independent perspective may be sought from Local Government Employers (LGE), from the West Midlands Regional Employers' Organisation or SOLACE. Any costs associated with such external facilitation will be met from the chief executive's office budget.