

Performance Appraisal

14th June 2017

Report of the HR Service Manager

PURPOSE OF REPORT

To enable the Committee to consider and approve revisions to the staff appraisal scheme.

This report is public

RECOMMENDATIONS

- (1) That Personnel Committee agree to revisions to the Council's staff appraisal scheme.

1. Background

The Council's annual staff appraisal scheme known as EDPA 'Employee Development and Performance Appraisal' has been in existence since 2006. Since its introduction engagement in the process has been inconsistent across Service areas.

There is a clear need to ensure that annual appraisals take place across the Council and Management Team have confirmed their support for a 'relaunch' of the appraisal scheme in 2017.

There are a number of clear benefits to having an annual appraisal which include; improving staff engagement and performance, ensuring that staff know how their role contributes to the success of the Council, improved succession and workforce planning and ensuring that staff skills are kept updated.

2. Proposal

A number of focus groups took place at the end of 2016 and feedback from those focus groups was incorporated into the revised appraisal scheme, which includes the following amendments or changes:

2.1 Renaming

It is intended to change the name of the appraisal process from 'Employee Development and Performance Appraisal' to 'Performance Appraisal', which will establish a clearer link between corporate and individual performance.

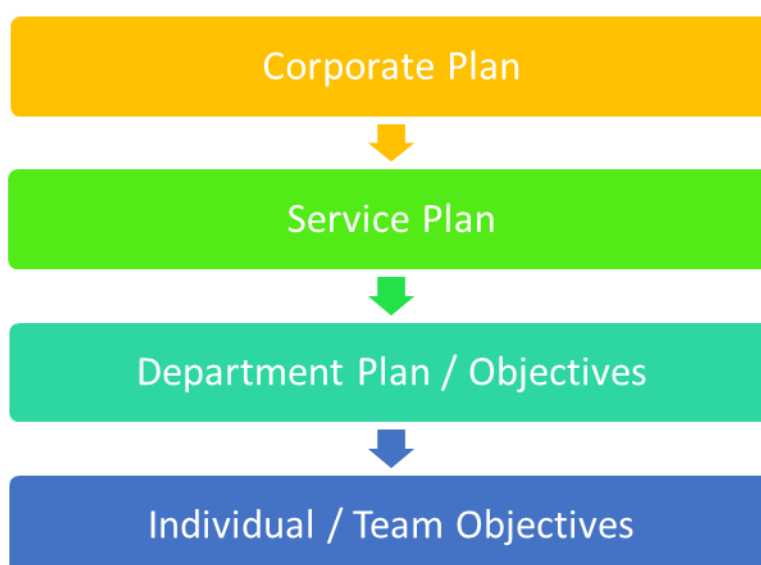
Employee development will still be a key part of the appraisal discussion and managers will be expected to discuss with their staff the links between development opportunities and improvements in individual and Service performance.

2.2 Link to the Corporate Plan

Whilst there has always been an expectation that individual objectives should link to the overall objectives of the Council, in 2017 managers will be asked to ensure that the link between the individual and the Council is as explicitly made as possible. This clear link between the individual employee and their performance and the overall performance of the organisation is known as the 'Golden Thread'.

There should be a clear link between the Corporate Plan and any Service, team and individual objectives, providing a 'top down' approach from the Corporate Plan through to individual objectives. It is important that everyone understands the part they and others play in achieving the aims and objectives of the Corporate Plan. For example, staff in central or other service areas which may not be directly referenced in the Corporate Plan should understand (and be recognised for) how their work contributes to achieving other functional or corporate objectives and the overall successes of Lancaster City Council.

Additionally, the work currently underway in preparation for the 2018 Corporate Plan will provide an opportunity for a much clearer link to be made from the overarching corporate plan, via corporate and operational objectives, down to individual staff and their contribution to success.



2.3 Timescales

Appraisals for Chief Officers should take place first and then a cascade of appraisals should take place down the line management chains across the organisation. For the 2017-18 year all appraisals should be completed by 31 August 2017, with completed documentation returned to HR by 30 September 2017. In subsequent years the timescale for completion may be brought forward.

2.4 Removal of mid-year review

In recognition of feedback from managers that they consider the previous process to be overly onerous the formal mid-year review is being removed from the Performance Appraisal process.

Whilst there will be no formal mid-year review, it is expected that managers will revisit individual objectives as part of their regular discussions with their staff throughout the year.

2.5 Introduction of a single form

The separate EDPA and DAP forms will be merged into one appraisal form, thereby reducing the amount of paperwork involved and the revised form (see Appendix A) has been reviewed and improved to make it simpler to complete.

In light of feedback from the focus groups, consideration was given to the introduction of a group appraisal form aimed at manual staff. However Senior Service Managers in Environmental Services have confirmed that they do want to undertake individual appraisals for all manual staff.

3. Setting and Measuring Objectives

3.1 Self-Assessment

The element of self-assessment will remain an important expectation of the process, whereby employees will have the opportunity to evaluate their own performance and provide information to their line manager prior to the appraisal meeting. A revised form has been created for this purpose (see Appendix B). Self-assessment makes an important contribution to a positive appraisal experience, ensuring individuals take the time to review their past performance in advance of the meeting with their manager, thereby enabling a more productive and two-way conversation.

3.2 Performance Objectives

It is expected that a minimum of four objectives should be agreed for each individual. Objectives will have a link to the broader corporate and operational performance objectives that are identified by each Service unit, and which link to the Corporate Plan. Objectives can be individual to a person or shared across a team.

All objectives that are agreed in the Performance Appraisal meeting will be set in line with SMART principles.

3.3 Introducing Values and Behaviours into Performance Appraisal

The revised appraisal form also includes reference to the Council's Values and Behaviours and managers are expected to ensure in the 2017 appraisal round that their staff are aware of the Council's Values and Behaviours and where and how to find more information on these.

It is intended that in future years value based objectives will be introduced into the Performance Appraisal process to ensure that all Council staff understand that how they perform and behave helps determines the culture that the Council wants to foster.

4. Learning & Development

4.1 Appraisal training

For successful completion of performance appraisals, it is important that, as well as being engaged with the process, all line managers have the required level of capability to conduct a successful appraisal.

Mandatory appraisal training has been arranged for all managers across the Council. The sessions cover:

- The importance of undertaking appraisals;
- Planning and preparing to undertake effective and productive appraisal interviews;
- Identifying how to set realistic targets/objectives;
- Understanding the steps within the appraisal process.

Managers will play an important role in sharing a positive message about employee appraisal and showing their support for this key people initiative by ensuring that appraisals are conducted in 2017.

4.2 Learning Zone

In the future it is intended to develop online learning for managers and staff in understanding Performance Appraisal, setting objectives etc. Due to current resources and other competing

priorities this will not be available prior to appraisals commencing in 2017.

Once available, the online learning will be a useful tool for any managers who have not attended the appraisal workshops or those who are new to the Council. It will also be a useful 'go to' reference for any manager who needs to refresh their knowledge at any point during the year.

In the future, the Learning Zone could be used as a tool to run the Performance Appraisal process, subject to funding being available to purchase the next level of functionality, which includes a number of other functions that would benefit the Council. The ability to complete appraisals on line will streamline the process, allow easier access to information for the employee and line manager and also be easier to administer and report on.

5. Conclusions

Members are asked to consider and approve the revisions to the staff appraisal scheme, which will be renamed 'Performance Appraisal'.

CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):	
An Equality Impact Assessment has been undertaken.	
LEGAL IMPLICATIONS	
Legal Services has been consulted and there are no further comments.	
FINANCIAL IMPLICATIONS	
There are no direct implications as a result of this report. It is expected that going forward the Appraisals will inform training plans and how the training budgets will be spent.	
OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:	
Not applicable.	
SECTION 151 OFFICER'S COMMENTS	
The s151 Officer has been consulted and has no further comments.	
MONITORING OFFICER'S COMMENTS	
The Monitoring Officer has been consulted and has no further comments	
BACKGROUND PAPERS	Contact Officer: Angela Jackson Telephone: 01524 58279 E-mail: ajackson@lancaster.gov.uk