

Slough Borough Council

Report To: Employment and Appeals Committee

Date: 21st March 2023

Subject: Update on performance management and reporting arrangements for exit arrangements for chief officers

Chief Officer: Stephen Taylor, Monitoring Officer

Contact Officer: Surjit Nagra, Associate Director HR

Ward(s): None

Exempt:

Appendices:

1. Summary and Recommendations

This report is presented to the committee as an update as requested by this committee on actions from the original report at the last meeting in December 2022.

Recommendations:

Committee is recommended to:

- To note the updated actions on the learning points highlighted in the report in December 2022

Reason:

The reason for the previous report was to update the committee on performance management process for chief executive /chief officers and reporting arrangements for exit arrangements for chief officers.

It was noted that in May 2022 the Government issued guidance to local authorities on special severance payments due to concerns that paying additional sums on top of statutory and contractual entitlement does not usually provide good value for money or offer fairness to taxpayers. In addition, there have been concerns raised that these arrangements are more common with senior staff and can be seen as rewarding failure. It is important that elected members are provided with information on performance management of its most senior staff (Chief executive and chief officers) and the processes for agreeing exit arrangements.

A new Appraisal Process for Chief Executive was approved by this committee to ensure that the Chief Executive's performance is formally reviewed on a regular basis. The

purpose of the appraisal process is to help maximise the chief executive's job performance, and share the objectives agreed to relevant stakeholders.

Commissioner Review

The Commissioners are content with this update. Any changes to HR procedures and policies should be appropriately communicated to the workforce and the implementation of new procedures and policies monitored to ensure they achieve the required outcome.

2. Report

Learning

The following are the learning points presented to the committee where actions was requested to be reported back to this committee.

- 2.1 Performance management of chief executive** – *there is a need for independent support to assist the Leader with performance management of the Chief Executive. This could be extended to the other chief officers where the Chief Executive may need access to specialist support to help assess the capability of statutory chief offices who perform specialist roles*

Update – The formal appraisal process for the Chief Executive has commenced. An independent external facilitator has been appointed who is working with the Appraisal Panel to confirm the objectives of the Chief Executive for the coming year. The objectives agreed will be shared with this committee at its next meeting.

Once the Chief Executive has agreed his objectives, he will be commencing the appraisal process with his direct reports – Executive Directors. Following this the appraisal process for the rest of the Council will be cascaded and the 'golden thread' of the corporate plan will be embedded into the objectives.

- 2.2 Consultation with elected members on special severance over and above contractual entitlement but under £100,000.**

Update - There have been no severance packages that have been agreed since the last report to this committee

- 2.3 Consultation with external auditors** – *prior to agreeing any special severance there should be consultation with the external auditor. Whilst this would normally be undertaken by the s.151 officer, there should be a clear procedure maintained by HR to ensure this is done even if the post holder is the s.151 officer.*

Update – A procedure has been developed to ensure that consideration is given to whether the external auditor needs to be consulted on special severance packages. This will be more likely for higher value arrangements and for chief officer levels. The procedure ensures that there is an audit trail that this was considered by the statutory governance officers and if there was consultation, that the views are recorded.

Further, there have been no special severances that have been agreed since the last meeting.

2.4 Local policy on flexible retirement *should be considered and in the absence of such, the Council must ensure it follows the national guidance.*

Update - The revision of the current procedure is under review and examples from elsewhere are being collated to look at best practice. A draft policy will be presented to the committee.

2.5 Ensuring that **allegations in disciplinary processes** *are framed to allow focus on the main issues, whilst not being too narrow to limit the investigation or too wide to lead to a lengthy and complex investigation.*

Update - This has been noted.

2.6 Acting up arrangements (or even need for external interim support) *when the HoPS or other statutory governance officers are away from work or suspended, bearing in mind even in a well-managed process this can take 6 months.*

Update - This has been noted. Both the s151 Officer and the Monitoring Officer already have nominated deputies. The HoPS will agree acting up arrangements as necessary.

2.7 Ensuring that **learning from disciplinaries/performance management** *is picked up. In this case, the Council had picked up learning from Croydon Borough Council on the need to have in place officer delegation to suspend statutory governance officers for up to 10 working days pending a member meeting being set up. Learning on procurement and contract management has also been picked up as well as the need to tighten up the working of delegations from Cabinet to officers and to review the significant officer decision-making rules*

Update – the power to suspend is already in place with a 2-month time limit. The position in relation to learning on procurement and contract management, including the work of the scrutiny task and finish group on contract management, picked up the need to tighten up the wording of delegations from cabinet to officers and to review the significant officer decision-making rules. Cabinet reports explicitly recommend delegation to award of contract to the executive director in consultation with the lead member where it is appropriate to do so in line with the council's contract procedure rules. In addition, a significant officer decision must be submitted for tenders/contracts over £50,000 following award of contract. This is circulated monthly to members and published on the council's website and includes details of the decision taken and the reasons for the taking decision. There is an officer training programme for procurement and contract management, which is in place to skill officers up on the council's contract procedure rules and officer decision making rules.

3. Implications of the Recommendation

3.1 Financial implications

3.1.1 There are no specific financial implications. Implementing the recommendations will be managed within existing budgets and reviewing and amending the policies and procedures will ensure value for money when agreeing any exit arrangements.

3.2 Legal implications

3.2.1 Appointment and dismissal of chief officers and the statutory governance officers is governed by statute. The Council's Officer Employment Procedure Rules incorporate the statutory requirements. The recommendations are to ensure the elected members and the statutory governance officers are properly involved in exit arrangements and decisions around flexible retirement and redundancy to ensure that legal requirements are complied with and the Council can demonstrate value for money decision-making.

3.3 Risk management implications

3.3.1 Failure to comply with legal requirements will increase the likelihood of legal challenges which may necessitate settlement at financial cost to the Council. This can also lead to reputational and financial risks, which can impact on the Council's ability to recruit and retain staff.

3.4 Environmental implications

3.4.1 None

3.5 Equality implications

3.5.1 The Employment and Appeals Committee receives workforce data on its staff, including by grade. In addition when recruiting new staff interview questions should include questions on equality and diversity. All candidates interviewed for chief officer roles by elected members have been asked about their approach to supporting diversity in the workforce and have been assessed based on this.

3.6 Workforce implications

3.7.1 Effective performance management is an essential part of managing a workforce and this should apply to the Council's most senior staff. If it is necessary for staff to leave due to capability or conduct reasons, staff are entitled to a fair and lawful process and decisions on exit arrangements should be made based on clear policies and advice and reported in a transparent way.

4. Background Papers

None