



People, Performance and Development Committee
17 July 2015

**Appraisal Completion Update report for Appraisals
carried out in 2015/16**

Purpose of the report: Performance Management

To provide an update on the progress of appraisals for Surrey County Council, the year valid 1 April 2014 to 31 March 2015 (carried out in 2015/16).

Recommendation:

1. That the People Performance and Development Committee note the current level of completion of eligible appraisals, as recorded on the system, stands at 43% completion, across the organisation.
2. That the committee agree an extension of the completion date to September 2015, in recognition of the scale of some services. That this would be on the understanding that, should a link between pay and performance be established, appraisals would need to be completed by the end of the first quarter in future years.
3. That the committee continue to request reports for appraisal completion data on a quarterly basis.
4. That a period of two years for completion of a significant programme of appraisal training for over 300 team leaders be agreed for Commercial Services and for the completion of all appraisals for the 1,500 staff in that service (see paragraphs 5.4 to 5.6 below).

Introduction:

1. Surrey County Council is a values led organisation. Having at least an annual review where leaders sit down with each individual member of staff and reflect on how the year has gone, is an essential part of our organisational culture. 2014/15 saw an achievement of 98% completion rate for eligible staff.
2. Appraisals for the valid year 1 April 2014 to 31 March 2015 and carried out in 2015/16 are aimed to be completed by 30 June 2015, for eligible staff.

3. Eligible staff are defined as 'All centrally employed staff within the organisation including Fire & Rescue and Commercial Services'. There are also specific exclusions around new starters (those still in their probation period), those on notice, bank staff, maternity leave and long-term sick absence. The Chief Executive and Coroner Service are also excluded. NB the Chief Executive's appraisal is scheduled to take place in November this year.
3. Throughout this report figures and comments relate to those that would be eligible.
4. This report aims to update members of the People, Performance and Development Committee on:
 - a. The current appraisal completion rates and analysis.
 - b. How we will continue to work with Directorates to ensure completion of appraisals

Current completion rates and analysis

- 5.1 Surrey County Council currently has (at 1 July 2015) an appraisal completion rate of **43%** for the 2014/15 year, as up-loaded into the system.
- 5.2 The breakdown of the Directorates is in the attached appendix A.

Directorate Responses to date

- 6.1 **Adult Social Care** are working towards 100% completion within their Directorate. They have been driving completion and are showing an 85% completion rate.
- 6.2 **Business Services** are working towards 100% completion within their Directorate, with the Directorate showing 57% completion. The service has concerns that the figure should be more at this stage, and the services are being supported in ensuring they are completing the correct validity period on the system.
- 6.3 **Chief Executive's Office** - CEO's office are currently reporting a 48% completion rate. Appraisals still to be completed sit mainly within the Cultural Services team. The Appeals Service within Democratic Services currently have their appraisals in Sept/Oct, which falls outside the reporting period for this year, and this will be rectified for next year when they will be undertaken in March.
- 6.4 **Children, Schools and Families** are currently reporting 19% completion. Appraisals still to be completed sit mainly within Commercial Services, Children's Services and Services for Young People.

- 6.5 **Commercial Services** have put in place a clear programme to support managers in completing appraisals. Training for District Managers will be undertaken in July / August followed by over 300 team leaders, who will be trained throughout 2015/16.
- 6.6 Commercial Services appraisals are being booked, to ensure that once the training has been completed, the managers can undertake the appraisal soon after. It is a significant undertaking to train over 300 team leaders to carry out appraisals effectively, particularly as this will be a new skill for the team leaders. Hitherto, appraisals have been carried out by the District Managers but this has meant the District Managers have had to carry out too many appraisals for any one manager and it has proved to have a detrimental impact on the business. It is expected that a large proportion of staff will achieve an appraisal for 2014/15, however, due to timescales and 'cut-off' period of reporting, it is recommended that a period of two years be agreed to properly complete the training programme and fully complete all appraisals by team leaders.
- 6.7 **Customers and Communities** are currently reporting 13% completion rate.
- 6.8 **Surrey Fire and Rescue Service** is in the process of uploading appraisals into the system by the end of June. This is expected show a 100% completion rate.
- 6.9 **Environment and Infrastructure** are currently reporting a 38% completion rate.
- 6.10 **Highways & Transport** have explained that their ability to complete appraisals in this quarter has been impacted by their current restructure and the interviews that have been taking place for the roles in the new structure. Some managers are still unsure as to what post they will sit in, so in turn have not completed their staff appraisals. This work should be completed in July.

Timetable for Completion

7. The diversity of the services within the Council has meant that over the years, there have been different time frames being adopted for appraisal. For example, some large scale front line services use a staggered approach throughout the year. The expectation was that the financial year cycle would be adopted by the whole council (excluding Commercial Services) in 2015 with all appraisals being completed by 30 June. Clearly this has not happened. Some appraisals may have been carried out and are not yet recorded on the system but it is clear that services have not made the adjustment to the end of June deadline.
8. If at any time in the future, the council were to establish a link between movement within the pay grade and performance, there would need to be an embedded culture of performance management in place and we are still some way off this. An appraisal would need to be completed and entered on the system before anyone would qualify for movement within grade.

9. It is recommended that an extension of the completion date to September 2015 be agreed by PPDC to enable all services to complete this year. This is being requested for one year only, on the expectation that all appraisals in future years be completed by the end of the first quarter.

Conclusions:

10. Most services are still having difficulties completing all their appraisals by the first quarter of the financial year.
11. An embedded culture of performance management is essential if the council were at any time in the future to establish a link between movement within the pay grade and performance.

Financial and value for money implications

12. An embedded culture of performance management is an essential part of ensuring proper control of the pay bill.

Equalities and Diversity Implications

13. Annual appraisals are an essential way in which the council ensures its values and behaviours are embedded across the organisation, as standard. This is a way of ensuring a culture which is supportive of all cultures and difference.

Risk Management Implications

14. Appraisals are an essential element of a health and safety management culture.

Next steps

15. The Statutory Responsibilities Network meets on Monday 6th July to consider how full completion can be achieved by September 2015.
16. All Directors and Heads of Service take leadership and responsibility for completion of their appraisals, with continued support from HR and OD.
17. Reports will continue to be created on a two weekly basis. These reports are sent to Directors and Heads of Service plus their HR Relationship Managers who are supporting them in the completion of appraisals.
18. HR will be taking forward a piece of work looking at the quality of appraisal conversation, which will help to inform the pay and reward project.

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Sources/background papers:

Appendix A – Breakdown of current appraisal completion figures

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