

Cabinet (Performance Management) Panel

13 June 2016

Report title	Performance Indicator WCPI063 (Percentage of employees who have a current appraisal)
Decision designation	AMBER
Cabinet member with lead responsibility	Councillor Milkinder Jaspal
Key decision	No
In forward plan	No
Wards affected	All
Accountable director	Mark Taylor, Corporate Services
Originating service	Organisational Development
Accountable employee(s)	Adrian McCormick Head of Transformation Tel 01902 554240 Email adrian.mccormick@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board 10 May 2016

Recommendations for noting:

The Cabinet (Performance Management) Panel is asked to note:

1. The contents of this report and provide comment / feedback on the information provided.

1.0 Purpose

1.1 At the meeting of the Cabinet (Performance Management) Panel held on the 22 February it was requested that a separate report be submitted to the next meeting on the performance indicator WCPI063 (percentage of our eligible workforce who have a current appraisal).

2.0 Background

2.1 Performance indicator WCPI063 measures the percentage of eligible employees who have been subject to an appraisal within the previous 12 months. This indicator is important because it provides reassurance that employees are receiving appraisals in line with the corporate policy. It is vital that employees receive appraisals so that they are clear about their objectives and what they need to deliver and how this fits in with the wider corporate priorities and the values of their work to the organisation.

2.2 Currently not included in the eligibility criteria for the indicator are employees:

- in Teaching positions
- in casual/zero hours' posts
- on long term sick leave
- on Maternity leave
- in their first 6 months of employment
- who are Home to School Passenger Assistants

2.3 The WCPI063 indicator is measured and recorded over the Financial Year. Performance is reported quarterly to Cabinet Performance Management Panel and a number of Scrutiny Panels when appropriate.

2.4 All line managers across the council are responsible for completing their individual employee appraisals and ensuring that they follow the current guidelines, processes and use the appropriate templates. They are also responsible for uploading and updating this information directly onto the council's system.

2.5 The system used to record appraisal activity and performance is Agresso. The performance management system used to extract data for the quarterly reporting is QlikView. Management and development of the Agresso system was the responsibility of the Hub, until 1 May 2016, when responsibility transferred to Finance. QlikView is currently being developed as part of the C3 Digital Transformation Programme and the Council's Transformation Team.

2.6 The performance against indicator WCPI063 at the end of 2015/16, Quarter 4 was 70.8% (73.4% previous year) of our eligible workforce who have a current appraisal. This is against an annual target of 100%.

3.0 WCPI063 Reporting

- 3.1 Progress against the target earlier in 2015/16 was noticeably slow. This raised concerns at the time as managers were informally reporting more progress than the figures recorded on the system. We have reviewed this point and identified a number of issues which we believe have contributed to this.
- 3.2 One of the main issues, which affect quarterly performance reporting of WCPI063 is that it is reported as a cumulative figure over a set Financial Year i.e. April to March. However; appraisals are recorded on a rolling basis and therefore can produce a deficit figure as they exceed the 12-month period from the previous Financial Year e.g. we could report 30% completion in Q1 against our 100% target, and then a lesser figure in Q2.
- 3.3 By reporting in the current way we can't easily ascertain the increase in newly completed appraisals. For example, in the final month of Q4 this last year we were achieving in excess of the final figure of 70.8%. However; due to the baseline moving, this changed.
- 3.4 To address this issue we are developing the facility to schedule future appraisals on our system. Therefore, we can produce a baseline forecast for those appraisals due and produce a quarterly target to performance manage against. This means we can keep our target of 100% as an out turn target, while monitoring progress and addressing any shortfalls earlier in the year.
- 3.5 To support this process, regular reporting will be set up for managers which highlight how many employees they have a scheduled appraisal for and who does not have one, whether appraisals have been carried out in accordance with the schedule and which ones are overdue. This will replace the current ad-hoc reporting to managers. When this is set up, managers will be required to take responsibility for checking their reports and ensuring any highlighted issues are addressed. These reports will reflect data and information as recorded on Agresso. If the reports identify any issues with incorrect establishment lists, it will be responsibility of managers to raise this with the Hub and ensure that they are addressed.
- 3.6 Service Directors will also receive regular reports, identifying the position by the different services within their area to enable them to proactively address any issues.
- 3.6 We are currently reviewing measures in conjunction with the Corporate Plan 'refresh', which is due to be considered by Councillors at Cabinet in June and Council in July 2016.

4.0 Team Structure Changes and New Posts

- 4.1 Over recent years there have been a significant number of post and team changes across the Council. If an existing employee moves to a new post or has their current post (e.g. title) changed, the system will automatically reset their appraisal timeline to start from that date. Unless the information is manually transferred to the new post, this remains the case. Equally, if the previous post is not either deleted or modified for the new holder, it can still register as overdue once the 12-month deadline originally set is reached. This can and could have added to the deficit figures referred to in section 3.0 of this report.
- 4.2 We will therefore be modifying existing processes and policy to ensure that we can guarantee all transferrals and changes are managed in a way to avoid this happening going forward. This will form part of the appraisal review addressed under section 6.0 of this report.

5.0 System Improvements

- 5.1 Feedback from some managers has indicated that there are modifications we need to make to improve ease of use on the current systems we are using to support the appraisal process. Officers are currently building a development schedule for this. However; it may be more appropriate to take the decision for a system version upgrade and accommodate all key changes within this step.
- 5.2 This work is underway and forms part of the overall review of the appraisal process referred to under section 6.0 of this report.

6.0 Improving the Appraisal process

- 6.1 We are reviewing the overall appraisal process, measures and targets in conjunction with the council's Corporate Plan 'refresh'. The Corporate Plan is due to be considered by Cabinet and Council in June and July 2016 respectively. We anticipate an appropriately revised and improved system to be available for consideration by Councillors in August.
- 6.2 The development of the appraisal process, measures and reporting will focus on the actual value that they produce for the individual employee, the council and our communities. Reporting only on appraisal completion rather than quality, effectiveness and value doesn't achieve this aim. This will be a key area of focus as Officers develop the improved appraisal process in line with the Corporate Plan 2016/19.

7.0 Financial implications

- 7.1 There are no financial implications associated with the recommendation in this report.
[GE/25052016/M]

8.0 Legal implications

8.1 There are no legal implications attached to this report.
[TS/25052016/A]

9.0 Equalities implications

9.1 There are no equality implications attached to this report.

10.0 Environmental implications

10.1 There are no environmental implications attached to this report.

11.0 Human resources implications

11.1 As there are no proposals to change employees' terms and conditions there are no HR implications. However, as the report refers to amendments to ways of working, documents and templates, there may be the need to consult with Trade Unions and Managers prior to implementing any new working practices.

12.0 Corporate landlord implications

12.1 There are no corporate landlord implications in the report