



## **CEO PERFORMANCE REVIEW PANEL**

### **NOTICE OF MEETING**

To: **Members**

Cr Mark Osterstock, Presiding Member

Mayor Jan-Claire Wisdom

Cr Nathan Daniell

Cr Kirsty Parkin

Ms Paula Davies, Independent Member

Notice is given pursuant to the provisions under Section 87 of the *Local Government Act 1999* that the next meeting of the CEO Performance Review Panel will be held on:

**Thursday 20 June 2019  
6.00pm  
63 Mt Barker Road Stirling**

A copy of the Agenda for this meeting is supplied under Section 87 of the Act.

Committee meetings are open to the public and members of the community are welcome to attend. Public notice of the Agenda for this meeting is supplied under Section 88 of the Act.

**Andrew Aitken**  
**Chief Executive Officer**



## CEO PERFORMANCE REVIEW PANEL

**AGENDA FOR MEETING**  
**Thursday 20 June 2019**  
**6.00pm**  
**63 Mt Barker Road Stirling**

### ORDER OF BUSINESS

*Council Vision*

*Nurturing our unique place and people*

*Council Mission*

*Delivering activities and services which build a resilient community, sustain our built and natural environment and promote a vibrant economy*

**1. COMMENCEMENT**

**2. APOLOGIES/LEAVE OF ABSENCE**

- 2.1. Apology  
Apologies were received from .....
- 2.2. Leave of Absence
- 2.3. Absent

**3. MINUTES OF PREVIOUS MEETINGS**

**CEO Performance Review Panel – 20 February 2019**

*That the minutes of the CEO Performance Review Panel meeting held on 20 February 2019 as supplied, be confirmed as an accurate record of the proceedings of that meeting.*

**4. PRESIDING MEMBER'S OPENING REMARKS**

**5. DELEGATION OF AUTHORITY**

The CEO Performance Review panel operates in accordance with the relevant sections of the *Local Government Act 1999*, and its Terms of Reference.

**6. DECLARATION OF CONFLICT OF INTEREST BY MEMBERS OF THE PANEL**

**7. OFFICER REPORTS – DECISION ITEMS**

- 7.1. Update from CEO on Performance Targets  
*That the CEO Performance Review Panel resolves that the report be received and noted.*
- 7.2. Proposed CEO Performance Targets 2019/2020  
*That the CEO Performance Review Panel resolves that the report be received and noted.*
- 7.3. CEO Performance Review Panel Meeting & Process Schedule for 2019
  - 1. *The report be received and noted.*
  - 2. *The 2019 CEO Performance Review Panel Meeting and Process Schedule, as contained in Appendix 1, be adopted.*

**8. MOTIONS WITHOUT NOTICE**

**9. QUESTIONS WITHOUT NOTICE**

**10. CONFIDENTIAL ITEMS**  
Nil

**11. NEXT MEETING**

The next CEO Performance Review Panel meeting will be held on at time to be determined at 63 Mt Barker Road Stirling.

**12. CLOSE MEETING**

**ADELAIDE HILLS COUNCIL  
CEO PERFORMANCE REVIEW PANEL COMMITTEE  
MINUTES OF MEETING  
WEDNESDAY 20 FEBRUARY 2019  
63 MT BARKER ROAD STIRLING**

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In Attendance

**Presiding Member:** Cr Mark Osterstock

**Members:**

Ms Paula Davies	Independent Member
Cr Nathan Daniell	
Cr Kirsty Parkin (arrived at 6.20pm)	

In Attendance:

Andrew Aitken	Chief Executive Officer
Lachlan Miller	Executive Manager Governance & Performance
Megan Sutherland	Executive Manager Organisational Development

**1. COMMENCEMENT**

The meeting commenced at 6.01pm without Cr Kirsty Parkin present.

**2. APOLOGIES/LEAVE OF ABSENCE**

**2.1 Apology**

Mayor Jan-Claire Wisdom

**2.2 Leave of Absence**

Nil

**2.3 Absent**

Nil

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Presiding Member \_\_\_\_\_

**ADELAIDE HILLS COUNCIL  
CEO PERFORMANCE REVIEW PANEL COMMITTEE  
MINUTES OF MEETING  
WEDNESDAY 20 FEBRUARY 2019  
63 MT BARKER ROAD STIRLING**

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**3. MINUTES OF PREVIOUS MEETINGS**

**3.1 CEO Performance Review Panel Meeting – 9 August 2018**

Moved Paula Davies  
S/- Cr Nathan Daniell

PRP1/19

That the minutes of the CEO Performance Review Panel meeting held on 9 August 2018 as distributed, be confirmed as an accurate record of the proceedings of that meeting.

<b>Carried</b>
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**4. PRESIDING MEMBER'S OPENING COMMENTS**

Cr Mark Osterstock welcomed the Panel to a new term, and is looking forward to the Panel's work and fulfilling its role to Council. Cr Osterstock advised that he had previously been a Council Member at the City of Tea Tree Gully when Andrew Aitken worked there.

**5. DELEGATION OF AUTHORITY**

The CEO Performance Review Panel operates in accordance with the relevant sections of the *Local Government Act 1999*, and its Terms of Reference.

**6. DECLARATION OF CONFLICT OF INTEREST BY MEMBERS OF THE COMMITTEE**

Nil

**7. OFFICER REPORTS – DECISION ITEMS**

Item 7.3 was brought forward to this point in the meeting.

6.20pm Cr Kirsty Parkin attended the meeting .

**7.3 2018 – 2019 CEO Performance Targets Update**

A copy of the CEO Position Description and Capability Statement was tabled at the meeting.

Moved Paula Davies  
S/- Cr Nathan Daniell

2/19

That the CEO Performance Review Panel resolves that the report be received and noted.

<b>Carried</b>
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Presiding Member \_\_\_\_\_

**ADELAIDE HILLS COUNCIL  
CEO PERFORMANCE REVIEW PANEL COMMITTEE  
MINUTES OF MEETING  
WEDNESDAY 20 FEBRUARY 2019  
63 MT BARKER ROAD STIRLING**

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**7.1 CEO Performance Review Panel Deputy Presiding Member**

Moved Cr Nathan Daniell  
S/- Paula Davies

PRP3/19

That the Chief Executive Officer Performance Review Panel resolves that the report be received and noted.

<b>Carried</b>
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**7.2 Method to Undertake the CEO Performance Review 2019**

Moved Paula Davies  
S/- Cr Kirsty Parkin

PRP4 /19

That the Panel resolves:

1. That the report be received and noted
2. That the CEO Performance Review Panel recommends to Council to undertake the 2019 CEO Performance Review using an internal process incorporating all of the Elected Members and utilise a consultant to undertake the TEC package review.

<b>Carried</b>
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**7.3 2018 – 2019 CEO Performance Targets Update**

This item was considered earlier in the meeting.

**8. MOTIONS WITHOUT NOTICE**

Nil

**9. QUESTIONS WITHOUT NOTICE**

Nil

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Presiding Member \_\_\_\_\_

**ADELAIDE HILLS COUNCIL  
CEO PERFORMANCE REVIEW PANEL COMMITTEE  
MINUTES OF MEETING  
WEDNESDAY 20 FEBRUARY 2019  
63 MT BARKER ROAD STIRLING**

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**10. CONFIDENTIAL ITEMS**

Nil

**11. NEXT MEETING**

The next meeting of the CEO Performance Review Panel will be called as a Special Meeting.

**12. CLOSE MEETING**

The meeting closed at 7.15pm.

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Presiding Member \_\_\_\_\_

**ADELAIDE HILLS COUNCIL**  
**CEO PERFORMANCE REVIEW PANEL MEETING**  
**Thursday 20 June 2019**  
**AGENDA BUSINESS ITEM**

**Item:** 7.1

**Originating Officer:** Andrew Aitken, Chief Executive Officer

**Subject:** 2018-2019 CEO Performance Targets Update

**For:** Information

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**SUMMARY**

The role of the Chief Executive Officer (CEO) Performance Review Panel (the Panel) includes reviewing the performance of the CEO, in particular the performance against the Performance Targets and to undertake a review of the CEO's Performance Targets to ensure they remain relevant, achievable and aligned to Council's strategic objectives.

This report provides the latest update on activities against the Performance Targets for 2018-2019.

**RECOMMENDATION**

**That the CEO Performance Review Panel resolves that the report be received and noted.**

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**1. GOVERNANCE**

➤ **Strategic Management Plan/Council Policy**

Goal	Organisational Sustainability
Key Issue	Governance

We diligently adhere to legislative requirements to ensure public accountability and exceed these requirements where possible.

➤ **Legal Implications**

The CEO Performance Review Panel is a Section 41 Committee of Council under the *Local Government Act 1999*.

This report summarises progress against the established and agreed Performance Targets for 2018-2019, and forms part of the performance review process to ensure the CEO is provided with a fair and consistent performance review process that would stand up under scrutiny.



➤ **Risk Management Implications**

The CEO Performance Targets update is an important control in managing the risks of:

*Deficient CEO performance review practices resulting in a lack of accountability and loss of stakeholder confidence.*

Inherent Risk	Residual Risk	Target Risk
Medium (3C)	Medium (3D)	Medium (3D)

Note: there are many other controls that also assist in managing this risk.

*Non-achievement of CEO Performance Targets resulting in loss of community benefit and/or opportunities and/or stakeholder confidence.*

Inherent Risk	Residual Risk	Target Risk
High (3B)	Medium (3D)	Medium (3C)

Note: there are many other controls that also assist in managing this risk.

➤ **Financial and Resource Implications**

There are no financial or resource implications in reporting on projects against the CEO Performance Targets.

➤ **Customer Service and Community/Cultural Implications**

There is a community expectation that the CEO will manage the organisation's human, financial and physical resources to ensure the best outcomes for the community.

There is a community expectation that the CEO is accountable for, and performs against, the agreed Performance Targets.

➤ **Environmental Implications**

Not applicable.

➤ **Engagement/Consultation with Committee, Regional Subsidiary, Advisory Group and Community**

Members of the Executive Leadership Team (detailed below) provided updates on progress of the performance targets (see Appendix 1).

*Council Committees:* Not applicable.

*Council Workshops:* Not applicable.

*Advisory Groups:* Not applicable.

*Administration:* Chief Executive Officer  
Director Community and Customer Service  
Director Corporate Services  
Director Engineering and Assets  
Executive Manager Organisational Development  
Executive Manager Governance & Performance

*Community:* Not applicable

## 2. BACKGROUND

In readiness for the new financial year and in accordance with the CEO's Employment Agreement, Council adopted a new suite of CEO Performance Targets on 26 June 2018 covering the 2018-2019 financial year.

### 12.6. CEO Performance Targets

Moved Cr Kirrilee Boyd  
S/- Cr Ron Nelson

141/18

Council resolves:

1. That the report be received and noted
2. To adopt the proposed 2018-2019 CEO Performance Targets recommended by the CEO Performance Review Panel in Appendix 1 of this report.

Carried Unanimously
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The purpose of this report is to monitor the progress of the CEO's Performance Targets. This activity is defined in the Panel's Terms of Reference contained in the Specific Functions clauses and specifically Clause 3.1.2.

## 3. SPECIFIC FUNCTIONS

- 3.1 The function of the Panel is to provide advice to Council on the CEO's performance and development, including the following matters:
  - 3.1.1 Determining the Performance Targets for the forthcoming 12 month performance period;
  - 3.1.2 Monitoring the progress on the CEO's agreed Performance Targets for the current 12 month performance period;
  - 3.1.3 Reviewing the CEO's performance over the preceding 12 month performance period, in particular the performance against the agreed Performance Targets and position description requirements;
  - 3.1.4 Identifying development opportunities for the CEO; and
  - 3.1.5 Reviewing the remuneration and conditions of employment of the CEO.

**3. ANALYSIS**

This item provides the opportunity for the CEO to update the CEO Performance Review Panel on the progress against the Performance Targets to date and identify any issues for consideration. This enables the Panel to undertake an interim analysis of the CEO Performance Targets with a view to reviewing priorities and existing timeframes, if required.

**4. OPTIONS**

The CEO Performance Review Panel has the following options:

1. That the report be received and noted (*Recommended*).
2. That the Panel makes alternative/additional recommendations to Council relating to the current suite of Performance Targets.

**5. APPENDIX**

- (1) 2018-2019 CEO Performance Targets Update

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# **Appendix 1**

*2018-2019 CEO Performance Targets Update*

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## 2018-2019 CEO PERFORMANCE TARGETS – UPDATE 20 June 2019

Target	Update
<p><b>1.</b> CWMS Review</p> <p>Provide a recommendation to Council following the EOI process on the future management model for Adelaide Hills Council's Community Wastewater Management System (CWMS).</p>	<p><b>COMPLETE:</b></p> <p>Stage 2 of the CWMS Review Workshop was completed on 14 August. The Prudential Review Report has been completed and was provided to and noted by the Audit Committee 13 August.</p> <p>A CWMS review report was provided to Council at the 28 August meeting outlining the results of the EOI process undertaken with a recommendation to:</p> <ul style="list-style-type: none"> <li>• Undertake a Request for Tender (RFT) process for potential divestment of CWMS assets</li> <li>• To continue to work collaboratively with other participant councils</li> <li>• To continue to undertake further analysis of maintaining CWMS ownership for RFT comparative purposes.</li> </ul> <p>Council resolved as recommended.</p>
<p><b>2.</b> Reconciliation Action Plan</p> <p>Establish a Reconciliation Action Plan (RAP) Working Group (comprising Aboriginal people, Council Members and local residents) to support the development of our RAP, with its membership and its draft Terms of Reference being subject to Council approval.</p>	<p><b>COMPLETE:</b></p> <p>The successful nominees for the working group have been selected and endorsed by Council along with the election of a Council representative being Cr Kirrliee Boyd. MBDC has now endorsed the nominees and selected a representative.</p> <p>The first meeting of the Adelaide Hills Reconciliation Working Group (AHRWG) was held on Wed 22 May at Fabrik. Key actions from this meeting include forming an <i>internal Reconciliation Working Group</i> of staff across key areas of Council business to develop the Reconciliation Action Plan for our Council in collaboration with the AHRWG. These staff would then champion the RAP across Council.</p>

Target	Update
<p><b>3.</b> CRM Integration</p> <p>Enhance the use of the Customer Relationship Management system (CRM) by integrating CRM with the asset management software and the call centre software to enable more seamless management of customer enquiries and requests.</p>	<p>IN PROGRESS:</p> <p>The new Contact Centre software was implemented in September 2018 and included integration with the CRM system. This now enables calls to be more efficiently turned into customer cases and for customer details and history to be more readily available to customer service officers.</p> <p>Integration between the Asset Management System (Confirm) and the CRM system has been designed and developed. In 2018-19 the aim was to apply the integration to two asset classes - trees and playgrounds. The tree phase was completed in December 2018. The playgrounds phase is underway and expected to be completed by 30 June 2019.</p>
<p><b>4.</b> Recycling/Waste Strategy</p> <p>Develop a strategy, to Council's satisfaction, that considers approaches, including long term approaches, for the future collection and processing of recyclables with a view to maximising environmental outcomes, reduce contamination rates and provide a cost effective kerbside recycling service.</p>	<p>IN PROGRESS:</p> <p>A draft Recycling Strategy has been developed and circulated to Council Members ahead of considering a planned report to Council at its 25 June 2019 meeting.</p>
<p><b>5.</b> Customer Experience Survey/Action Plan</p> <p>Undertake a customer experience survey and present an action plan of identified improvement opportunities to Council Members. <i>(As a separate exercise, staff to consider a general satisfaction survey of a random sample of residents.)</i></p>	<p>COMPLETED:</p> <p>The Customer Experience Survey of 400 customers was conducted during September 2018.</p> <p>The results have been analysed by staff, with outcomes leading to a survey Action Plan and revisions to our Customer Experience Action Plan. The results of the survey and the action plan and improvement opportunities have been presented to ELT and subsequently to Council Members at a workshop on 14th May 2019.</p>

Target	Update
<p><b>6.</b>    Library Services Review</p> <p>Review our library services to better understand community preferences in the context of a modern and progressive library service and provide the outcomes of the review with recommendations to Council.</p>	<p>IN PROGRESS:</p> <p>Leanne Muffet of Strategic Matters Pty Ltd has been appointed to undertake the Service Review. Leanne has undertaken a number of service reviews and bodies of work on the future of public libraries for Public Library Services (State Govt.).</p> <p>Key outcomes were presented to Council Members at a workshop on 11 June 2019 with a report to Council planned for the 25 June 2019 meeting.</p>
<p><b>7.</b>    Arts and Heritage Hub</p> <p>Provide a status report to Council on the implementation of the Business Development Framework within 6 months of the appointment of the Hub’s director.</p>	<p>COMPLETE:</p> <p>The Arts and Heritage Hub (Fabrik) Director commenced on 23 July 2018. A report, including an update on the implementation of the Business Development Framework, was presented to Council for noting at its meeting held on 22 January 2019.</p>
<p><b>8.</b>    Stormwater Assets</p> <p>Use the stormwater asset class as a model for refining service levels to ensure they inform and drive asset maintenance plans and report to Council.</p>	<p>IN PROGRESS:</p> <p>The stormwater asset class has been used as a model for refining service levels. These service levels (including street sweeping) have now been established for this asset class. Audits will continue into the future to further refine service levels and asset maintenance plans. We are now exploring other asset class where asset information can help to better inform service levels.</p>

**ADELAIDE HILLS COUNCIL  
CEO PERFORMANCE REVIEW PANEL MEETING  
Thursday 20 June 2019  
AGENDA BUSINESS ITEM**

**Item:** 7.2

**Originating Officer:** Andrew Aitken, Chief Executive Officer

**Subject:** Proposed 2019-2020 CEO Performance Targets

**For:** Information

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**SUMMARY**

The Employment Agreement (the Agreement) between Council and the Chief Executive Officer (CEO) provides for a performance review process.

The review is to assess the CEO's performance contained in the Employment Agreement requires review CEO's position description and performance indicator(s).

The role of the CEO Performance Review Panel (the Panel) includes reviewing the performance of the CEO; in particular the performance against the targets and to undertake a review of the CEO's targets to ensure they remain relevant and aligned to Council's strategic goals.

This report is to provide feedback to the CEO that will assist in further conversations with Council on the proposed performance targets for the 2019-2020 financial year. A final decision will be made by Council later in the year through a recommendation from the Panel to the Council.

**RECOMMENDATION**

**That the CEO Performance Review Panel resolves that the report be received and noted.**

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**1. GOVERNANCE**

➤ **Strategic Management Plan**

Goal	Organisational Sustainability
Key Issue	Governance

We diligently adhere to legislative requirements to ensure public accountability and exceed these requirements where possible.



➤ **Legal Implications**

The CEO Performance Review Panel is a Section 41 of Committee of Council under the *Local Government Act 1999*.

This process needs to be undertaken appropriately to ensure the CEO is provided with a fair and consistent approach to determine appropriate performance targets, as the performance targets are used in the annual performance review process that directly affects decisions made in relation to the CEO, his performance and remuneration discussions.

Section 96 (Council to have a chief executive officer) of the *Local Government Act 1999*

➤ **Risk Management Implications**

Undertaking regular review of the CEO's performance is an important control mitigating the risk of:

*Deficient CEO performance review practices resulting in a lack of accountability and loss of stakeholder confidence in the organisation.*

Inherent Risk	Residual Risk	Target Risk
Medium (3C)	Medium (3D)	Medium (3D)

Note: there are many other controls that also assist in managing this risk.

*Non-achievement of CEO KPIs result in loss of community benefit and/or opportunities and/or stakeholder confidence in the organisation.*

Inherent Risk	Residual Risk	Target Risk
High (3B)	Medium (3D)	Medium (3D)

Note: there are many other controls that also assist in managing this risk.

➤ **Financial and Resource Implications**

Not applicable.

➤ **Customer Service and Community/Cultural Implications**

There is a community expectation that the CEO will manage the organisation's human, financial and physical resources to ensure they are utilised for the best outcomes for the community.

➤ **Environmental Implications**

Not applicable.

➤ **Engagement/Consultation conducted with Council Committee, Regional Subsidiary, Advisory Group, the Administration and Community**

Consultation on the proposed Performance Targets has been undertaken with those listed below. Consultation with the Council Members will take place in July, before a final recommendation is made to Council from the Panel.

<i>Council Committees:</i>	Not Applicable
<i>Council Workshops:</i>	Not Applicable
<i>Advisory Groups:</i>	Not Applicable
<i>Administration:</i>	Chief Executive Officer Director Community and Customer Service Acting Director Development and Regulatory Services Director Engineering and Assets Director Corporate Services Executive Manager Organisational Development Executive Manager Governance and Performance
<i>Community:</i>	Not Applicable

## **2. BACKGROUND**

### ***CEO Performance Review Panel (the Panel)***

The Panel's Terms of Reference were adopted by Council on 25 July 2017 and state the Panel's specific functions as follows:

## **3. SPECIFIC FUNCTIONS**

- 3.1 The function of the Panel is to provide advice to Council on the CEO's performance and development, including the following matters:
  - 3.1.1 Determining the Performance Targets for the forthcoming 12 month performance period;
  - 3.1.2 Monitoring the progress on the CEO's agreed Performance Targets for the current 12 month performance period;
  - 3.1.3 Reviewing the CEO's performance over the preceding 12 month performance period, in particular the performance against the agreed Performance Targets and position description requirements;
  - 3.1.4 Identifying development opportunities for the CEO; and
  - 3.1.5 Reviewing the remuneration and conditions of employment of the CEO.

### **CEO Employment Agreement**

The CEO's new Employment Agreement commenced on 1 July 2017.

Clause 12 of the Agreement contains the provisions for a performance review process with the following key feature regarding performance indicators:

- 12.4      *The performance review will review the CEO's Position Description and any key performance indicator(s).*

### **CEO Performance Targets**

Preliminary work has been undertaken to develop an appropriate suite of CEO Performance Targets. The Performance Targets have been considered to ensure alignment with Council's Strategic, Corporate and Annual Business Plans.

The proposed suite of Performance Targets for 2019-2020 are attached at **Appendix 1**.

## **3. ANALYSIS**

The suite of Performance Targets for the CEO are used, along with the Position Description, to review his annual performance.

In considering the 2019-2020 CEO's Performance Targets, the Panel may want to consider the degree to which the suite provides:

- an holistic indicator of CEO performance
- clarity in terms of what is to be measured (and what success looks like)
- how it will be measured.

It is also important to ensure the suite of Performance Targets are achievable over that coming year. It is recommended that the Panel, with the CEO, critically analyse the expectations on how many Performance Targets can realistically be achieved over the 12 month period to ensure the CEO and organisation are being set up for success.

The desired outcome of this item is to provide feedback to the CEO that will assist in further conversations with Council on the proposed performance targets for the 2019-2020 financial year. A final decision will be made by Council on the suite of performance targets through a recommendation from the Panel to the Council.

## **4. OPTIONS**

The Panel has the following options:

1. To discuss this suite of proposed 2019-2020 CEO Performance Targets and provide feedback to the CEO.

## **5. APPENDIX**

Proposed 2019-2020 CEO Performance Targets

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# **Appendix 1**

## *Proposed 2019-2020 CEO Performance Targets*

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## PROPOSED 2019-2020 CEO PERFORMANCE TARGETS

	Target
1.	<b>Strategic Plan</b> Finalise an engagement led draft Adelaide Hills Council Strategic Plan for Council's consideration by February 2020. <i>Organisational Sustainability</i>
2.	<b>Carbon Management Plan</b> Finalise the draft Carbon Management Plan for Council's consideration by December 2019. Ensure the draft includes a target of 100% renewable energy (electricity) for the Adelaide Hills Council (as an organisation) by a defined date as well as a series of staged targets over the intervening period. <i>Place</i>
3.	<b>Boundary Reform</b> Establish a plan to review the current Adelaide Hills Council boundaries, including an approach to engaging with relevant councils and stakeholders to discuss with a view to possible boundary reform, for Council's consideration by October 2019. <i>Explore</i>
4.	<b>Community Perception Survey</b> Undertake a customer perception survey and present an action plan of identified improvement opportunities to Council Members. <i>Connect</i>
5.	<b>Planning Portal</b> Ensure the Planning Portal is established and functional by the launch of the new PDI Act implementation (1 July 2020). <i>Prosper</i>
6.	<b>Community &amp; Recreation Facilities Framework</b> Establish a framework for Council's consideration that applies to Council and community owned community and recreation facilities, based on an approach that has consistency, equity and shared responsibility. <i>Prosper</i>

**ADELAIDE HILLS COUNCIL  
CEO PERFORMANCE REVIEW PANEL  
Thursday 20 June 2019  
AGENDA BUSINESS ITEM**

**Item:** 7.3

**Originating Officer:** Megan Sutherland, Executive Manager Organisational Development

**Subject:** 2019 CEO Performance Review Panel Meeting and Process Schedule

**For:** Decision

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**SUMMARY**

The role of the CEO Performance Review Panel (the Panel) is to provide advice to Council on matters relating to the performance and development of the CEO. This report outlines the proposed process, actions and timeframes in which the Panel will undertake this work in 2019.

The agreement of the year's meeting and process dates enables required work to be undertaken in preparation for the CEO Performance Review Panel meetings and to manage the process for the review of the CEO's performance.

**RECOMMENDATION**

**The Panel resolves that:**

- 1. the report be received and noted.**
  - 2. the 2019 CEO Performance Review Panel Meeting and Process Schedule, as contained in Appendix 1, be adopted.**
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**1. GOVERNANCE**

➤ **Strategic Management Plan**

Goal	Organisational Sustainability
Key Issue	Governance

We diligently adhere to legislative requirements to ensure public accountability and exceed these requirements where possible.

➤ **Legal Implications**

The CEO Performance Review Panel is a Section 41 Committee of Council under the *Local Government Act 1999* (the Act).

The regular review of the CEO's performance needs to be undertaken appropriately to ensure the CEO is provided with a fair and consistent approach to performance reviews. The process needs to stand up under scrutiny, as the process, review tool and outcomes of the review directly affect decisions made in relation to the CEO, his performance, remuneration and employment agreement.

Section 87 of the Act sets out the provisions for the calling and timing of Council Committee meetings.

Section 88 of the Act sets out the provisions relating to public notice of Council Committee meetings.

➤ **Risk Management Implications**

Regular CEO PRP meetings are an important control in managing the risks of:

*Deficient CEO performance review practices result in a lack of accountability and loss of stakeholder confidence.*

Inherent Risk	Residual Risk	Target Risk
Medium (3C)	Medium (3D)	Medium (3D)

Note: there are many other controls that also assist in managing this risk.

*Non-achievement of CEO KPIs result in loss of community benefit and/or opportunities and/or stakeholder confidence.*

Inherent Risk	Residual Risk	Target Risk
High (3B)	Medium (3D)	Medium (3C)

Note: there are many other controls that also assist in managing this risk.

➤ **Financial and Resource Implications**

The costs associated with the operations of the Panel are contained in the current budget.

➤ **Customer Service and Community/Cultural Implications**

There is an expectation that the requirements of the Terms of Reference will be adhered to and the CEO Performance Review Panel will have nominated meetings to undertake the work of the Panel and make recommendations to Council.

As a s41 committee, the schedule of meetings will be posted on Council's website and meetings are open to the public unless the provisions of s90 (Meetings to be held in public except in special circumstances) apply to specific agenda items.

➤ **Environmental Implications**

Not applicable.

➤ **Engagement/Consultation conducted with Council Committee, Regional Subsidiary, Advisory Group, the Administration and Community**

<i>Council Committees:</i>	Not applicable
<i>Council Workshops:</i>	Not applicable
<i>Advisory Groups:</i>	Not applicable
<i>Administration:</i>	Chief Executive Officer Executive Manager Governance and Performance
<i>Community:</i>	Not applicable

**2. BACKGROUND**

Establishing the CEO Performance Review Panel meetings schedule for 2019 enables the required planning to be undertaken by the Administration in preparation for the meetings.

Setting meeting dates enables Panel Members to prioritise the meetings or notify in advance if they will be unable to attend. Setting the schedule enables Council to meet its legislative obligations under s87 and s88 of the Act.

**3. ANALYSIS**

The meeting schedule (**Appendix 1**) is proposed from discussions with the CEO Performance Review Panel Presiding Member, the CEO, the Executive Manager Governance and Performance and the Executive Manager Organisational Development.

The schedule and timeframes covers the internal review process, as determined by Council decision on 26 February 2019:

**12.9 Proposal to Undertake CEO Performance Review Internally**

9.30pm Cr Grant left the Chamber

9.31pm Cr Grant returned to the Chamber

Moved Cr Mark Osterstock

S/- Cr Kirsty Parkin

39/19

Council resolves:

1. That the report be received and noted
2. To undertake the 2019 CEO Performance Review using an internal process incorporating all of the Elected Members and utilise a consultant to undertake the Total Employment Cost package review.

Carried Unanimously
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This proposed meeting and process schedule has identified the following elements:

1. CEO Performance Review Panel meetings for 2019
2. Workshops with Council and where required, other senior leaders
3. Review process timeframes
4. Council meetings where recommendations from the Panel must be provided for decision.

Note: the dates are indicative of the timeframes and guide the process. They may change to meet changing needs.

#### **4. OPTIONS**

1. That the Panel accept's the proposed meeting and process schedule for 2019.  
(Recommended)
2. That the Panel change or amend the proposed meeting and process schedule for 2019.
3. That the Panel agree to a different meeting and process schedule for 2019.

#### **5. APPENDIX**

1. 2019 CEO Performance Review Panel Meeting and Process Schedule

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# **Appendix 1**

## *2019 CEO Performance Review Panel Meeting and Process Schedule*

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## 2019 CEO PERFORMANCE REVIEW PANEL MEETING AND PROCESS SCHEDULE

Proposed dates to guide the review of the CEO and regular meetings of the CEO PRP.

Target date	Subject	Actions
Thursday 20 June 2019	CEO PRP meeting (formal public meeting)	<ul style="list-style-type: none"> <li>Update from CEO on Performance Targets</li> <li>Discuss CEO Performance Review Panel (CEO PRP) Meeting and Process Schedule for 2019</li> <li>Discuss Proposed CEO Performance Targets 2019/2020</li> </ul>
Monday 1 July 2019	Remuneration Review sourced	<ul style="list-style-type: none"> <li>Executive Manager OD appoints consultant to undertake CEO remuneration review</li> </ul>
Tuesday 9 July 2019	Council Workshop	<ul style="list-style-type: none"> <li>CEO provides a verbal report on performance against the Performance Targets and position objectives for 2018-2019 to the Council Members and Senior Leaders</li> <li>Discuss proposed CEO Performance Targets for 2019 - 2020 (report to Council for decision in July 2019)</li> </ul>
Wednesday 10 July 2019	CEO Feedback opens	<ul style="list-style-type: none"> <li>Council Members and Senior Leaders complete review tool</li> </ul>
Thursday 11 July 2019	CEO PRP meeting (formal public meeting)	<ul style="list-style-type: none"> <li>Update from CEO on Performance Targets for 2018-2019</li> <li>CEO Performance Targets for 2019- 2020 – recommendation from the Panel to Council</li> </ul>
Friday 19 July 2019	CEO Feedback closes	<ul style="list-style-type: none"> <li>Council Members and Senior Leaders have completed review tool returned to Executive Manager Organisational Development (OD)</li> </ul>
Tuesday 23 July 2019	Report to Council	<ul style="list-style-type: none"> <li>Proposed CEO Performance Targets 2019-2020</li> </ul>
COB Monday 22 July 2019	Feedback collated	<ul style="list-style-type: none"> <li>All responses are collated ready for performance discussion with CEO</li> </ul>
Before 30 July 2019	Review discussion with CEO	<ul style="list-style-type: none"> <li>Review discussion held between, CEO, Panel Presiding Member, Mayor and Executive Manager OD (advice and administrative support)</li> </ul>
Wednesday 31 July 2019	Review Report completed	<ul style="list-style-type: none"> <li>Executive Manager OD completes review report</li> </ul>

## 2019 CEO PERFORMANCE REVIEW PANEL MEETING AND PROCESS SCHEDULE

Proposed dates to guide the review of the CEO and regular meetings of the CEO PRP.

Target date	Subject	Actions
Thursday 1 August 2019	CEO PRP workshop (confidential)	<ul style="list-style-type: none"> <li>Panel discusses the CEO Performance Review Report and remuneration report</li> </ul>
Thursday 8 August 2019	CEO PRP meeting (confidential)	<ul style="list-style-type: none"> <li>Update from CEO on Performance Targets 2019-2020</li> <li>CEO performance review and remuneration review - Panel recommendation to Council</li> </ul>
Tuesday 13 August 2019	Council Workshop (confidential)	<ul style="list-style-type: none"> <li>Panel Presiding Member debriefs the Council and Senior Leaders on the CEO Performance Report <i>(CEO, Senior Leaders attend Council Workshop)</i></li> </ul>
Thursday 27 August 2019	Report to Council (confidential item)	<ul style="list-style-type: none"> <li>Council determines CEO PRP resolution regarding CEO performance and remuneration</li> </ul>
Thursday 7 November 2019	CEO PRP meeting (confidential)	<ul style="list-style-type: none"> <li>Update from CEO on Performance Targets 2019-2020</li> </ul>