

Council Policy

Council Policy Name: Chief Executive Officer Performance Review

Responsible Directorate: Finance and Corporate Services

Version: DRAFT

1. PURPOSE

- 1.1. The CEO Standards require the City and the Chief Executive Officer (CEO) to agree and set out in a written document the process by which the CEO's performance will be reviewed.
- 1.2. The purpose of this Policy is to set out the CEO performance review process in a transparent manner, and to provide overall guidance for process.

2. SCOPE

- 2.1. This Policy applies to review of the CEO's performance in accordance with section 5.38 of the Act and the CEO Standards.

3. DEFINITIONS

Term	Meaning
Act	<i>Local Government Act 1995</i>
Interest	An interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.
Panel	CEO Performance Review Panel
Policy	this City of Busselton Council policy titled "Chief Executive Officer Performance Review"
CEO Standards	City of Busselton CEO Recruitment, Performance Review and Termination

4. STRATEGIC CONTEXT

- 4.1. This Policy links to Key Goal Area 6 – Leadership of the City's Strategic Community Plan 2017 and specifically the Community Objective 6.1: Governance systems, process and practices are responsible, ethical and transparent.

5. POLICY STATEMENT

- 5.1. Following every local government election Council will appoint a CEO Performance Review Panel comprising of the Mayor and two other elected members. The Panel may also include an independent observer mutually agreed to by the CEO and the Panel.
- 5.2. The Panel is authorised to undertake the CEO performance review, including:
 - a. developing the performance agreement and performance criteria (key performance indicators);
 - b. conducting the performance review in line with this Policy;
 - c. reporting the performance review findings and recommendations to Council; and
 - d. holding regular meetings to discuss and provide feedback if performance issues are identified.
- 5.3. Panel members must:
 - a. undertake the performance review process in a fair and impartial manner;

- b. ensure their assessment is based on evidence of the CEO's achievements against the performance criteria;
 - c. maintain confidentiality in relation to the performance review and any information received; and
 - d. ensure accurate and comprehensive records are kept within the City's record keeping system (using the administrative support provided)
- 5.4. Administrative support for the process will be provided by the Manager responsible for the human resources function.

Independent Consultant

- 5.5. If the Panel does not have the resources and expertise to undertake the performance review process to the expected standard, the Panel may, through the administrative support provided, engage an external consultant facilitator to assist.
- 5.6. A consultant must not have any Interest in, or relationship with, the Council or the CEO.
- 5.7. A consultant may be required to facilitate:
- a. setting performance criteria;
 - b. preparing the performance agreement;
 - c. collecting performance evidence;
 - d. writing the performance appraisal report;
 - e. facilitating meetings between the Panel;
 - f. assisting with the provision of feedback to the CEO;
 - g. formulating plans to support improvement (if required); and
 - h. providing an objective view regarding any performance management related matters.

Performance Criteria

- 5.8. Performance criteria, additional to criteria contained within the CEO's employment contract, may be included in a separate performance agreement, agreed to by the CEO and the Council.
- 5.9. Performance criteria must be specific, measurable, achievable, relevant (or reasonable) and timely.
- 5.10. Adjustments to the performance agreement may be initiated by either the CEO or the Council.

Performance Review Process

- 5.11. Performance of the CEO is to be measured in an objective manner against the performance criteria and the CEO's achievement of duties under their employment contract and section 5.41 of the Act.
- 5.12. The performance review process will generally commence in August each year. The Panel will give the CEO at least one months' notice of commencement of the performance review process.
- 5.13. Within 21 days of being given notice of commencement of the process, the CEO will prepare and submit to the panel a report assessing their own performance against the performance criteria, and their duties under the contract and the Act.
- 5.14. Evidence of performance may also include demonstration of:
- a. progress towards implementing the Council's strategic vision;
 - b. achievement of key business outcomes;
 - c. meeting of statutory requirements and Audit Committee reports;
 - d. organisational KPI results;
 - e. organisational engagement metrics;
 - f. interactions with the Council and Councillors which support a functional local government; and

- g. relationships with relevant organisations, stakeholder groups and professional networks.
- 5.15. Consideration should be given to:
- a. how the CEO has achieved the performance criteria and outcomes and whether their methods are acceptable and sustainable;
 - b. the extent to which performance is contingent upon current circumstances;
 - c. the manner in which the CEO has adapted to and managed changing external circumstances;
 - d. the attention the CEO has given to equal employment opportunity and work health and safety.
- 5.16. It is important that contextual factors, external or otherwise, are given appropriate weight. Failure to meet performance criteria does not necessarily mean the CEO has performed poorly; both performance effort and outcomes should be considered.
- 5.17. The CEO may nominate a representative to assist them in performance review meetings.

Performance Review Outcomes

- 5.18. Within one month of the conclusion of the performance review process, the performance review findings and recommendations will be presented as a confidential report to Council in accordance with section 5.23 of the Act.
- 5.19. Any areas that require attention or improvement must be identified, discussed with the CEO, and a plan agreed to address the issues. The plan should outline the actions to be taken, who is responsible for the actions and timeframes.
- 5.20. Regular discussion and ongoing feedback on the identified performance issues should be scheduled to ensure improvements are being made.

6. RELATED DOCUMENTATION / LEGISLATION

- 6.1. *Local Government Act 1995*
- 6.2. *Local Government (Administration) Regulations 2021*
- 6.3. City of Busselton CEO Standards for Recruitment, Performance Review and Termination

7. REVIEW DETAILS

Review Frequency		3 yearly		
Council Adoption	DATE		Resolution #	