

## Chief Executive Officer Performance Review

### Policy Objective

The *Local Government (Administration) Amendment Regulations 2021* (CEO Standard Regulations) require the Shire 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.

The purpose of this Policy is to set out the CEO performance review process in a consistent, transparent manner and to provide overall guidance for process.

### Policy Scope

This Policy is applicable to the review of the CEO's performance in accordance with section 5.38 of the *Local Government Act 1995* and the CEO Standards.

### Policy Statement

#### 1. Performance Review Panel

- 1.1 The Council shall establish a CEO Performance Review Panel (the Panel) to have oversight of the Annual Review Process.
- 1.2 The Panel shall comprise of three members:
  - a) The Shire President
  - b) The Deputy Shire President
  - c) A Council appointed Elected Member
  - d) A Proxy Elected Panel Member
- 1.3 The third and fourth Panel members shall be appointed by a simple majority resolution of Council in the month following a local government election. Panel appointments are valid for a two year period from appointment. The role of the Proxy Panel Member is to take part in the Panel if the third Elected Member is unable to participate in the process.
- 1.4 The primary functions of the Panel are to:
  - a) Appoint the Consultant in accordance with Section 2 below;
  - b) Manage the Consultant appointed;
  - c) Review the results of the performance review process and remuneration review and provide a recommendation to Council on these; and
  - d) Discuss possible KPIs and measurements with the CEO for reporting to Council.

## 2. Appointment of Consultant

- 2.1 The Panel shall appoint a suitably qualified and experienced consultant to assist with the conduct of the performance review process in an independent manner.
- 2.2 To ensure the review process is commenced in a timely manner, the Panel will make the decision to appoint a consultant by no later than April to allow the review to be finalised prior to July of the same year.
- 2.3 The appointed consultant shall, as a minimum, undertake the following as part of the performance review process:
  - a) Prepare and distribute an electronic questionnaire to all current Elected Members to provide feedback on:
    - i. The extent to which the CEO is considered to have achieved the KPI's and measurements that applied during the review period;
    - ii. the CEO's responsibilities during the review period;
    - iii. the extent to which the CEO is considered to have modelled the Shire values during the review period;
    - iv. the organisation's performance during the review period; and
    - v. suggested KPI's for the upcoming review period.
  - b) Prepare and distribute an electronic questionnaire to the CEO to provide a self assessment/feedback on:
    - i. The extent to which they have achieved the KPI's and measurements that applied during the review period;
    - ii. their responsibilities during the review period;
    - iii. the extent to which they have to have modelled the Shire values during the review period;
    - iv. the organisation's performance during the review period; and
    - v. suggested KPI's for the upcoming review period
  - c) Conduct a review of the CEO's remuneration package in line with the Salaries and Allowance Tribunal (SAT) determinations;
  - d) Convene and attend at least one meeting between the consultant and the CEO to discuss the feedback received;
  - e) Convene and attend at least one meeting between the consultant and the Panel to discuss the feedback received;
  - f) Convene and attend at least one meeting between the consultant, the Panel and the CEO to discuss the feedback received;
  - g) Provide to the Panel and the CEO an Annual Performance Review report incorporating the results of the review exercise; and
  - h) Conduct a review of the CEO's KPI's and recommend draft KPI's and measurements for the upcoming review period in discussion with the CEO and the Panel.

## 3. Administrative support

- 3.1 Administrative support for the process will be provided by the Manager People and Culture.
- 3.2 The Manager People and Culture will use this policy as the scope to request quotes from suitably qualified consultants to undertake the review. Quotes will be provided to the Panel for their consideration and selection.

## 4. Performance Review Outcomes

- 4.1 Within one month of the conclusion of the performance review process, the performance review findings and recommendations will be presented as a confidential report (in accordance with section 5.23 of the Act) for endorsement by Council
- a) In accordance with section 18 of the *Local Government (Administration) Amendment Regulations 2021* the review must be endorsed by resolution of an absolute majority of the Council.
- 4.2 Any areas that require attention or improvement must be identified, discussed with the CEO, and a plan agreed to address the issues.
- 4.3 The plan should outline the actions to be taken, who is responsible for the actions and timeframes.
- 4.4 Regular discussion and ongoing feedback on any identified performance issues should be scheduled to ensure improvements are being made.

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