



## Executive Committee

### NOTICE OF MEETING

Notice is hereby given that a meeting of the Executive Committee will be held in the

**Mawson Room, Civic Centre  
24 Jetty Road, Brighton**

**Tuesday 20 February 2018 at 6.00pm**

Justin Lynch  
CHIEF EXECUTIVE OFFICER



## **Executive Committee Agenda**

### **1. OPENING**

The Chairperson, Deputy Mayor Wilson will declare the meeting open at            pm.

### **2. APOLOGIES**

2.1        Apologies received

2.2        Absent

### **3. DECLARATION OF INTEREST**

*If a Council Member has an interest (within the terms of the Local Government Act 1999) in a matter before the Council they are asked to disclose the interest to the Council and provide full and accurate details of the relevant interest. Members are reminded to declare their interest before each item.*

### **4. CONFIRMATION OF MINUTES**

#### **Motion**

**That the minutes of the Executive Committee held on 17 May 2016 be taken as read and confirmed.**

Moved Councillor \_\_\_\_\_, Seconded Councillor \_\_\_\_\_

**Carried**

### **5. DISCUSSION**

5.1        Chief Executive Officer Performance Review Process (Report No: 45/18)

### **6. URGENT BUSINESS – Subject to the Leave of the Meeting**

### **7. CLOSURE**

**JUSTIN LYNCH  
CHIEF EXECUTIVE OFFICER**

Item No: 5.1

Subject: **CHIEF EXECUTIVE OFFICER'S PERFORMANCE REVIEW PROCESS**

Date: 20 February 2018

Written By: General Manager, Business Services

General Manager: Business Services, Mr R Bria

---

### **SUMMARY**

The Executive Committee is charged with the responsibility for undertaking the annual performance appraisal of the Chief Executive Officer.

The Executive Committee should review and recommend to Council the performance appraisal process for the 2017/18 financial year.

---

### **RECOMMENDATION**

The Executive Committee advises Council it has considered the Chief Executive Officer's performance review process and recommends:

- 1.
  - 2.
- 

### **COMMUNITY PLAN**

Not Applicable

### **COUNCIL POLICY**

Not Applicable.

### **STATUTORY PROVISIONS**

Not Applicable.

## BACKGROUND

Council established an Executive Committee pursuant to sec 41 of the *Local Government Act* with responsibility for undertaking the annual performance appraisal of the Chief Executive Officer:

- To recommend to Council the form and process of the Chief Executive Officer's annual performance appraisal;
- To undertake the annual performance appraisal;
- To provide a report and to make recommendations to Council on any matters arising from the annual performance appraisal.

The Executive Committee's authority extends to making recommendations to Council and does not have any authority to make decisions in relation to the Chief Executive Officer's employment arrangements. A copy of the committee's terms of reference is included as Attachment 1.

*Refer Attachment 1*

## REPORT

The Chief Executive Officer's employment contract requires that the CEO's performance is reviewed annually and that his TEC (Total Employment Cost) package is also reviewed annually, with the Chief Executive Officer's participation, within one month following the performance review.

On 8 December 2015 Council resolved that the following seven items be the Key Result Areas for the Chief Executive Officer (in order of priority):

1. Effective relations with Elected Members
2. Implementing strategic vision
3. Financial and asset management
4. Effective engagement/reputation (internal and external)
5. People management
6. Delivery of major projects and operational services
7. Economic development strategy

The Chief Executive Officer's last performance review was finalised in May 2017.

The process that was undertaken last year was as follows:

- consistent with the CEO's employment contract, the Chief Executive Officer presented a review of his key performance indicators (based of the seven KRA's) for the financial year at a Council workshop. Attachment 2 is a list of the CEO's key performance indicators.
- a 360 degree survey was conducted with Elected Members, CEO, Senior Staff and five other employees selected at random. This survey seeks feedback on the CEO's performance in the seven (7) key result areas.

- a review of the CEO's remuneration package was undertaken based on the performance review. As an input to this a comparison with other LG CEO's was provided.

It is appropriate for the Executive Committee to discuss and recommend the process and criteria for undertaking the Chief Executive Officer's 2017/18 performance review. His employment contract provides for:

- an annual performance review;
- the TEC (Total Employment Cost) package to be reviewed annually with the Chief Executive Officer's participation, within one month following the performance review and any change to be backdated to take effect from the anniversary of the commencement date (18 May).

It also needs to be noted that the CEO will need to be consulted and agreement reached on any change in process or performance criteria.

#### **BUDGET**

This report does not have any budget implications at this stage.

#### **LIFE CYCLE COSTS**

This report does not have any full life cycle cost implications.



*Adopted 25 August 2015*

## **EXECUTIVE COMMITTEE TERMS OF REFERENCE**

1. The Executive Committee is a committee established under sec 41 of the Local Government Act 1999.
2. The objective of the Executive Committee is to undertake the annual performance appraisal of the Chief Executive Officer.
3. The functions of the Executive Committee are:
  - a. To recommend to Council the form and process of the Chief Executive Officer's annual performance appraisal;
  - b. To undertake the annual performance appraisal;
  - c. To provide a report and to make recommendations to Council on any matters arising from the annual performance appraisal.
4. The Executive Committee's authority extends to making recommendations to Council and does not have any authority to make decisions in relation to the Chief Executive Officer's employment arrangements.
5. Membership of the Executive Committee comprises:
  - a. The Mayor;
  - b. The Deputy Mayor;
  - c. Four other Elected Members being one from each Council ward, appointed by Council.
6. The term of appointment is for the term of Council or as otherwise determined by Council.
7. The Mayor, or in his/her absence, the Deputy Mayor is the Chairperson of the Executive Committee.
8. Meetings are conducted in accordance with Part 3 of *the Local Government (Procedures at Meetings) Regulations 2000*.
9. Minutes of the Executive Committee meetings will be presented to Council as soon as practicable.
10. Meetings will be open to the public unless sec 90(3) of the *Local Government Act 1999* applies.



*Adopted 25 August 2015*

11. A quorum comprises 4 members and no business can be transacted unless a quorum is present.
12. Members shall be provided not less than 3 clear days' notice in writing of the time and place of an ordinary meeting of the Executive Committee and 4 hours' notice of the time and place of a special meeting.

## CEO Performance Appraisal

Key Result Area	Item	Measures required by Elected Members	Evidence
<b>1. Effective Relationships with Elected Members</b>	1.1	Annual presentation to Council on my performance (schedule workshop)	EM calendar appointment
	1.2	360° Survey on CEO + scores	Confidential Report
	1.3	Weekly 1 on 1 with Mayor	Diary appointments
	1.4	Meeting with 1 EM per month	Diary appointments
	1.5	Communication to EM's (via Bulletin, e-mails & calls, IIB's, Briefings, Workshops, via Mayor, media updates, catch ups ...)	Examples: Agenda, diary appointments <b>Refer 1.2</b>
	1.6	Quality of Reports to Council	Satisfaction from EMs with Reports via survey <b>Refer 1.2</b>
	1.7	Status update: Grants	Items in Brief (quarterly)
	1.8	Policies, procedures & strategies to Council (list of Council policies)	100% of policies reviewed
	1.9	Outstanding Reports list	Report to Council (quarterly)
<b>2. Implementation of Council's Strategic Plan 2016-2020</b>	2.1	Strategic Plan document developed	Completed
	2.2	Quality of Life Survey results	On completion
	2.3	CEO champions Vision & Values	<b>Refer 1.2</b>
	2.4	Staff buy-in to vision	Culture & WHS Brand scores
	2.5	Status update: Annual Business Plan	Report to Council (bi-annually)
	2.6	Status update: Budget	Report to Council (quarterly)
<b>3. Financial &amp; Asset Management</b>	3.1	Budget vs Operating result within 5%, including Alwyndor	Audited Accounts (annual)
	3.2	Commercial Operations results (Caravan Park, Broadway Kiosk, Partridge House, GTH (within 5%))	Report to Council (quarterly)
	3.3	Financial Ratios – Financial Liabilities, Asset Sustainability, Interest Cover	Report to Council (quarterly)
	3.4	Risk Management framework - report	Report to Council Audit Committee Minutes
	3.5	Statutory & Governance obligations met – develop compliance program	No complaints resolved by Ombudsman Items in Brief (half-yearly) & 270 reviews
	3.6	Establish Grants Register	By June 2017
	3.7	Asset Management Plan	Report to Council (every 4 years)
	3.8	Leasing Policy/ Community	Report to Council
<b>4. People Management</b>	4.1	Measures of Culture, Leadership developed/reported	Index on Leadership behaviours Leadership score
	4.2	Staff engagement index (could be from Culture measures)	Culture brand / Leadership brand
	4.3	Review of Organisational Structure and functions	Annual review of labour costs/ budget
	4.4	Leadership, Training & Development plans in place	Cornerstone
	4.5	WHS report on obligations	WHS KPI Action Plan



## CEO Performance Appraisal

Key Result Area	Item	Measures required by Elected Members	Evidence
<b>5. Delivery of Major Projects &amp; Operational Services</b>	5.1	Operational activities safe/ WHS compliant	Refer 4.5
	5.2	Implementation of business transition project	Project Plan
	5.3	Report on review policies, authorities, controls, delegations	Report to Council (annual) Refer 3.5
	5.4	Quarterly report to Council on projects > \$100k (90% on-time by 30/6), including Capital	Report to Council (quarterly)
	5.5	Review customer activities and complaints	Report to Council (annual) Refer 3.5
	5.6	Quality of Life ratings on Customer Service	Annual survey
<b>6. Effective engagement/reputation (int/ext)</b>	6.1	Positive reputation in media stories/engagements done	EOFY Report to Council (annual)
	6.2	Liaise with media, LGA, State/Fed Gov't (comment via presentation)	As required Refer 1.1
<b>7. Economic Development Strategy</b>	7.1	Economic Development Strategy created and adopted by Council	Report to Council
	7.2	Meet with SATC, traders, other businesses on needs & concerns	As required Refer 1.1
	7.3	Report on Events program – quality and economic benefit	Report to Council (annual)
	7.4	Promote a culture that reduces red tape	Refer 1.1