

ITEM NUMBER: 5.1

CONFIDENTIAL REPORT

PERFORMANCE REVIEW PROCESS – CHIEF EXECUTIVE OFFICER

Pursuant to Section 87(10) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Executive Committee upon the basis that the Committee consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that the Executive Committee will receive, discuss or consider:

- a. **information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of a person or persons (living or dead).**

Recommendation – Exclusion of the Public – Section 90(3)(a) Order

- 1** That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manager, Strategy and Corporate and Staff minute taker in attendance at the meeting in order to consider Report No: 116/23 Performance Review Process – Chief Executive Officer in confidence.
 - 2.** That in accordance with Section 90(3) of the *Local Government Act 1999* the Executive Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 116/23 Performance Review Process – Chief Executive Officer on the following grounds:
 - a.** pursuant to section 90(3)(a) of the Act, the information to be received, discussed or considered in relation to Report No: 116/23 Performance Review Process – Chief Executive Officer is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead), being Chief Executive Officer, Mr Roberto Bria, in that details of his performance will be discussed, which are sensitive and are details only known to those who have participated in the discussion.
 - 3.** The Executive Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.
-

Item No: 5.1

Subject: **PERFORMANCE REVIEW PROCESS – CHIEF EXECUTIVE OFFICER**

Date: 11 April 2023

Written By: General Manager, Strategy and Corporate

General Manager: Strategy and Corporate, Ms P Jackson

SUMMARY

The Executive Committee is charged with the responsibility for undertaking the annual performance review of the Chief Executive Officer (CEO).

This report outlines the process and performance criteria to be used to undertake the 2022/23 review of the CEO. It also recommends a review of the process and criteria for the 2023/24 review, in consultation with the CEO.

RECOMMENDATION

The Executive Committee advises Council it:

1. confirms the process and criteria to be undertaken for the 2022/23 performance review of the Chief Executive Officer;
2. will undertake a review of the process and criteria for the 2023/24 performance review of the Chief Executive Officer, in consultation with the Chief Executive Officer; and

RETAIN IN CONFIDENCE - Section 91(7) Order

3. That having considered Agenda Item 5.1 116/23 Performance Review Process – Chief Executive Officer in confidence under section 90(2) and (3)(a) of the *Local Government Act 1999*, the Executive Committee, pursuant to section 91(7) of that Act orders that the report and attachment be retained in confidence for a period of 24 months and this order be reviewed every 12 months.
-

STRATEGIC PLAN

Statutory compliance

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

Local Government Act 1999

BACKGROUND

Council established an Executive Committee pursuant to Section 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;
- undertake the annual performance appraisal; and
- 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.

REPORT

The CEO's last performance review was in June 2022. In previous years, the following review process has occurred:

- a 360-degree survey with Elected Members, CEO, Senior Staff and five other employees selected at random. This survey seeks feedback on the CEO's performance in seven key result areas previously agreed by Council; and
- consistent with the CEO's employment contract, the Chief Executive Officer has presented a review of his key performance indicators (based on the seven KRAs) for the financial year at a Council meeting;
- an annual staff survey of the current head count with feedback received on culture, leadership, safety and organisational values.

The questions asked in the 2021/22 360-degree Survey are attached for reference.

Refer Attachment 1

The Key Performance Indicators used for the 2021/22 assessment are also attached for reference.

Refer Attachment 2

The process for the 2022/23 review period has commenced. Any changes to the process or performance criteria requires consultation and agreement with the CEO. This consultation has not occurred for the 2022/23 period; therefore the review process will remain as the previous years.

The Executive Committee could commence a review of the CEO's performance review process and performance criteria for the 2023/24 review period now, which would allow for consultation with the CEO prior to 1 July 2023, when the new performance period commences.

It is appropriate for the Executive Committee to discuss and recommend the process and criteria for undertaking the Chief Executive Officer's 2023/24 performance review.

His employment contract provides for:

- an annual performance review; and
- 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 (10 July).

Following the 2021/22 review, feedback was provided by the Independent Member, Ms Christine Molitor, on improvements to the performance review. The recommendations were:

- Enhancing the meaning, impact and/or value that the 360-degree survey has on the review process, and on the CEO's ongoing development, may be gained by allowing 'break-out' reporting of the data (e.g. CEO view compared to view from others, and CEO view compared to view from selected groups' perspectives {de-identification of data being possible}).
- The opportunity to undertake additional qualitative analysis with select stakeholder groups, including the CEO. This could be undertaken in conjunction with the review, or in advance of the review.
- Consideration given to further breaking down quite complex areas in the 360-degree survey so that they can be more appropriately assessed and more relevant and useful feedback to the CEO provided. A good example of this is the question about 'People Management' – the question is very broad and covers tactical and strategic issues, and with careful re-work could provide meaningful information for all.

It is recommended that Executive Committee consider the feedback provided by Ms Molitor and undertake a review of the performance review process and criteria, in consultation with the CEO.

BUDGET

Any costs associated with the CEO's performance review and incorporated in operational budgets.

LIFE CYCLE COSTS

There are no life cycle costs associated with this report.

Attachment 1



Chief Executive Officer – 360° Survey

Respondents are asked to provide a rating using the following scale:

- Major concerns
- Minor concerns
- Satisfactory
- Good
- Very good
- Excellent

Effective Relationships with Elected Members

1. The CEO develops and maintains positive and productive relationships with all Elected Members.
2. The CEO delivers effective communication strategies to ensure Elected Members are able to make informed decisions.
3. The CEO delivers an effective suite of well researched reports for Elected Members that indicate the status of operations and major projects.
4. The CEO provides balanced advice and makes recommendations to Council on policies, procedures and strategies.
5. Officers' reports in the Agenda are well considered, containing data that should have been known at the time of the decision.
6. Overall the CEO develops and maintains positive and productive relationships with all Elected Members and provides them with sound advice, professional development, effective communications and support in order for them to meet their responsibilities.

Implementation of Council's Strategic Plan

7. The CEO demonstrates leadership in setting Council's strategic plans and effectively communicates and delivers Council's vision and objectives.

Financial and Asset Management

8. The CEO ensures Council's long term financial sustainability through sound financial and asset planning, budget management and financial reporting.

People Management

9. The CEO demonstrates leadership in driving positive outcomes in relation to recruitment, retention, remuneration, training, performance appraisal, induction, professional development and industrial relations and actively develops a positive staff culture and safe working environment.

Delivery of Major Projects and Operational Services

10. The CEO oversees all of Council's operations to ensure delivery of effective, efficient and high quality services to the community and the delivery of major projects on time and within budget.

Effective Engagement/Reputation (Internal/External)

11. The CEO develops and maintains positive and effective relationships and communications with Council's stakeholders including, but not limited to, ratepayers, Commonwealth and State Government.

Holdfast's Leadership Capability

Rated on a scale where 1 is the lowest and 5 is the highest

12. Accept Accountability – take responsibility and delivery on promises
13. Relationship Driven – build positive relationships
14. Innovate and Change – lead change and embrace new ideas
15. Strategic Focussed – create and communicate a clear vision
16. Empower Others – support people to do their best

Start

17. What behaviours or actions could the CEO start adopting, in order to improve his individual performance?

Stop

18. What unfavourable behaviours or actions could the CEO stop, in order to improve his individual performance?

Continue

19. What desirable behaviours or actions are working well for the CEO, which you would like to see continue?

Attachment 2



Chief Executive Officer – Key Performance Indicators 2021/22

Item	Key Performance Indicator (per Position Description)	Evidence
1	Overall staff satisfaction rating >4 (out of 5)	UniSA Annual Culture Survey
2	Overall organisational climate rating >3.5 (out of 5)	UniSA Annual Culture Survey (measuring Trust, Support, Fairness, Innovation, Recognition)
3	85% delivery on Annual Business Plan targets	Corporate Management Reporting
4	WHS/Risk Strategic Plans and Programs in place and met	WHS Strategic Plan & Programs; Risk Evaluation Plan (attached to rebate)
5	Long Term Financial Plan in place to ensure Council sustainability	Long Term Financial Plan
6	Asset Management Plan in place to ensure Council sustainability	Asset Management Plan
7	An operating ratio of 0-10% over a five year period	Annual Report/Council Reports
8	A net financial liabilities ratio of less than 75%	Annual Report/Council Reports
9	Decrease the reliance on rate revenue to be within the range of 70%-75% over a 5 year period	Annual Report/Council Reports
10	Improve asset sustainability ratio to be within the range of 90-110% over a five year period	Annual Report/Council Reports
11	Council resolutions are implemented within specified timelines	Council Minutes
12	Maintain Quality of Life Survey overall rating average of 7 or above	Survey Results