



Shire of  
Serpentine  
Jarrahdale

# CEO Employment Committee Meeting

## Confirmed Minutes

**Monday, 7 February 2022**

**5:30pm**

Received by Council

21 February 2022 – OCM003/02/22

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### Contact Us

#### Enquiries

Call: (08) 9526 1111

Fax: (08) 9525 5441

Email: [info@sjshire.wa.gov.au](mailto:info@sjshire.wa.gov.au)

#### In Person

Shire of Serpentine Jarrahdale

6 Paterson Street, Mundijong WA 6123

Open Monday to Friday 8.30am-5pm (closed public holidays)



[www.sjshire.wa.gov.au](http://www.sjshire.wa.gov.au)



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Minutes of the CEO Employment Committee Meeting held in the Council Chambers, Civic Centre, 6 Paterson Street, Mundijong on Monday, 7 February 2022.

The Deputy CEO / Director Community and Organisational Development, Ms Helen Sarcich declared the meeting open at 5:30pm and welcomed Councillors and Staff, and acknowledged that the meeting was being held on the traditional land of the Noongar People and paid her respects to their Elders past and present.

The Deputy CEO / Director Community and Organisational Development advised she would be presiding over the meeting until the appointment of the Presiding Member.

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**In accordance with Schedule 2.3 of the *Local Government Act 1995* the Deputy CEO / Director Community and Organisational Development shall preside at the commencement of this CEO Employment Committee Meeting to enable the election of the Presiding Member and the Deputy Presiding Member.**

## Minutes

### 1. Attendances and apologies (including leave of absence):

**Councillors:** M Rich.....Presiding Member (Presiding Member from 5:32pm)  
D Atwell  
M Byas  
T Duggin

**Officers:** Mr P Martin.....Chief Executive Officer (From 5:37pm - 6:15pm)  
Ms H Sarcich.....Deputy CEO / Director Community and  
Organisational Development  
Dr K Parker .....Acting Director Corporate Services  
Ms M Gibson .....Governance Officer – Council and Committees  
(Minute Taker)

**Apologies:** Councillor R Coales  
Councillor L Strange (Deputy)

**Observers:** Ms T Cole – People, Development and Wellbeing Manager



### **1.1 Election of Presiding Member**

The Deputy CEO / Director Community and Organisational Development, Ms Helen Sarcich called for nominations for the position of Presiding Member for the period ending at the next Ordinary Local Government Election in October 2023.

No nominations were received prior to the meeting.

Councillor Rich nominated herself from the floor.

The Deputy CEO / Director Community and Organisational Development, Ms Helen Sarcich asked if there were any further nominations.

No further nominations were received.

There being no further nominations, the Deputy CEO / Director Community and Organisational Development, Ms Helen Sarcich declared Councillor Rich as Presiding Member for the period ending at the next Ordinary Local Government Election in October 2023.

Councillor Rich assumed the Chair as Presiding Member of the CEO Employment Committee at 5:32pm.

### **1.2 Election of Deputy Presiding Member**

The Presiding Member, Councillor Rich called for nominations for the position of Deputy Presiding Member for the period ending at the next Ordinary Local Government Election in October 2023.

No nominations were received prior to the meeting.

Councillor Byas nominated himself from the floor.

The Presiding Member, Councillor Rich asked if there were any further nominations.

No further nominations were received.

There being no further nominations, the Presiding Member, Councillor Rich declared Councillor Byas as Deputy Presiding Member of the CEO Employment Committee for the period ending at the next Ordinary Local Government Election in October 2023.

## **2. Petitions and Deputations:**

Nil.

## **3. Declaration of Councillors and Officers interest:**

Chief Executive Officer, Mr Paul Martin, declared an Impartiality Interest in item 5.1.1 - Reporting on CEO Key Performance Indicators, as the Committee is considering an item relating to reporting and changing KPIs, and these are Mr Martin's KPIs as CEO.



**4. Receipt of minutes or reports and consideration of adoption of recommendations from Committee meetings held since the previous Council meetings:**

**4.1 Minutes of previous CEO Employment Committee Meetings**

**4.1.1 CEO Employment Committee – 2 August 2021 [rescheduled 30 August 2021]**

**CEO001/02/22**

**CEO EMPLOYMENT COMMITTEE RESOLUTION**

**Moved Cr Byas, seconded Cr Atwell**

**That the minutes of the CEO Employment Committee Meeting held on 2 August 2021 [rescheduled 30 August 2021] be confirmed (E21/10260).**

**CARRIED UNANIMOUSLY 4/0**

**4.1.2 Special CEO Employment Committee – 12 August 2021 [rescheduled 30 August 2021]**

**CEO002/02/22**

**CEO EMPLOYMENT COMMITTEE RESOLUTION**

**Moved Cr Byas, seconded Cr Atwell**

**That the minutes of the Special CEO Employment Committee Meeting held on 12 August 2021 [rescheduled 30 August 2021] be confirmed (E21/10261).**

**CARRIED UNANIMOUSLY 4/0**



## 5. Reports for consideration:

### 5.1 Reports:

5.1.1 – Reporting on CEO Key Performance Indicators (SJ2071)	
<b>Responsible Officer:</b>	Chief Executive Officer
<b>Senior Officer:</b>	Chief Executive Officer
<b>Disclosure of Officer's Interest:</b>	The CEO has declared an Impartiality Interest in this item.

### Authority / Discretion

Executive	The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets.
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### Report Purpose

The purpose of this report is to enable the Committee to consider means of supporting a discussion with the Council on developing a process to enable the CEO to regularly report on CEO KPIs and request the Council make amendments where there is mutual agreement on the need for a change.

### Relevant Previous Decisions of Council

There are no previous Council decisions relating to this matter.

### Background

At the last CEO annual review both the Council and the CEO agreed on the need to have a regular (e.g. 6 monthly) discussion between the parties and reporting on KPI progression however no details or arrangements were made or agreed.

### Community / Stakeholder Consultation

Nil.

### Statutory Environment

Regulation 16 of Schedule 2 of the *Local Government (Administration) Regulations 1996* provides that the Local Government and the CEO must agree on the process by which the CEO's performance will be reviewed and any performance criteria to be met by the CEO that are in addition to the contractual performance criteria.

### Comment

There is not set approach used across the industry to regularly report on CEO KPIs. Some local governments do not do it, others do it in an adhoc manner and some do it regularly.

The organisation already reports on CEO KPIs indirectly through quarterly reporting on the Corporate Business Plan. However, this does not provide a forum for the Council and CEO



to discuss progress of KPIs to ensure alignment in expectations and to raise any issues being experienced by either party.

Any changes to KPIs must be mutually agreed upon between the parties.

The CEO is recommending that in the longer term a process be established and agreed between the parties and in the interim prior to this being established the CEO and Councillors conduct a workshop on this current years KPIs.

As part of the performance of its duties over the course of the financial year Council has made amendments to Shire activities that have or can have an impact on the delivery of CEO KPIs. In the short-term, a workshop with Council is considered to be the most effective and reasonable means to support a discussion between Council and the CEO as the employee on the impact of delivery of KPIs and any adjustments required. This type of arrangement is consistent with good performance measurement practice across organisations and is used similarly between Managers and Officers internally at the Shire.

### **Options and Implications**

#### Option 1

That the CEO Employment Committee recommend Council REQUESTS the Chief Executive Officer to:

1. Develop a process for consideration by the CEO Employment Committee for the regular reporting and discussion on CEO KPIs between the CEO and all Councillors to come into effect in the 2022-23 Financial Year;
2. Hold a workshop with all Councillors to discuss the CEO KPIs related to the 2021-22 Financial Year; and
3. Refer any amendments which are mutually agreed to be made to KPIs directly to Council for consideration.

#### Option 2

That the CEO Employment Committee recommend Council resolves NOT TO ESTABLISH a process to regularly review CEO KPIs leaving it to an annual process.

#### Option 3

That the CEO Employment Committee recommend Council REQUESTS that a consultant be engaged to consult with both the Council and the CEO and prepare a draft process for regular reviewing and reporting upon CEO KPIs.

Option 1 is recommended.

### **Conclusion**

Feedback received across the Local Government sector indicates a process of regular reporting and discussion between Council and the CEO on KPIs is beneficial to both parties. Hence it is recommended that a process be drafted for consideration.

### **Attachments (available under separate cover)**

Nil.



### Alignment with our Strategic Community Plan

<b>Outcome 4.2</b>	A strategically focused Council
<b>Strategy 4.2.3</b>	Provide clear strategic direction to the administration

### Financial Implications

Officers do not foresee any financial implications associated with the matters raised in this report unless Council decides to proceed with Option 3. Option 3 would be expected to cost between \$5,000-\$10,000.

### Risk Implications

Risk has been assessed on the Officer Options and Implications:

Officer Option	Risk Description	Controls	Principal Consequence Category	Risk Assessment			Risk Mitigation Strategies (to further lower the risk rating if required)
				Likelihood	Consequence	Risk Rating	
1	There are no material risks associated with this option						
2	This approach could cause confusion at the time of reviewing performance and potential non-compliance with the Standards for review of performance of CEOs		Organisational Performance	Possible	Minor	LOW	
3	There are no material risks associated with this option beyond the expenditure identified in the report						

**Voting Requirements:** Simple Majority

## Officer Recommendation

That the CEO Employment Committee recommend Council REQUESTS the Chief Executive Officer to:

1. Develop a process for consideration by the CEO Employment Committee for the regular reporting and discussion on CEO KPIs between the CEO and all Councillors to come into effect in the 2022-23 Financial Year;
2. Hold a workshop with all Councillors to discuss the CEO KPIs related to the 2021-22 Financial Year; and
3. Refer any amendments which are mutually agreed to be made to KPIs directly to Council for consideration.

**CEO003/02/22****CEO EMPLOYMENT COMMITTEE RESOLUTION**

**Moved Cr Atwell, seconded Cr Duggin**

**That Standing Orders 9.5, 9.6, 10.7 and 10.13 be suspended at 5:37pm in order to further discuss item 5.1.1.**

**CARRIED UNANIMOUSLY 4/0**

**The following Officers left the Chambers at 5:37pm:**

Ms H Sarcich.....Deputy CEO / Director Community and Organisational Development  
Dr K Parker.....Acting Director Corporate Services  
Ms T Cole.....People, Development and Wellbeing Manager  
Ms M Gibson .....Governance Officer – Council and Committees (Minute Taker)

**The Chief Executive Officer, Mr Paul Martin arrived at the meeting at 5:37pm.**

**The Chief Executive Officer, Mr Paul Martin left the meeting at 6:15pm.**

**The following Officers returned to the Chambers at 6:15pm:**

Ms H Sarcich.....Deputy CEO / Director Community and Organisational Development  
Dr K Parker.....Acting Director Corporate Services  
Ms T Cole.....People, Development and Wellbeing Manager  
Ms M Gibson .....Governance Officer – Council and Committees (Minute Taker)

**CEO004/02/22****CEO EMPLOYMENT COMMITTEE RESOLUTION**

**Moved Cr Byas, seconded Cr Atwell**

**That Standing Orders be reinstated at 6:16pm.**

**CARRIED UNANIMOUSLY 4/0**



**CEO005/02/22**

**CEO EMPLOYMENT COMMITTEE RESOLUTION / Officer Recommendation**

**Moved Cr Byas, seconded Cr Duggin**

**That the CEO Employment Committee recommend Council REQUESTS the Chief Executive Officer to:**

- 1. Develop a process for consideration by the CEO Employment Committee for the regular reporting and discussion on CEO KPIs between the CEO and all Councillors to come into effect in the 2022-23 Financial Year;**
- 2. Hold a workshop with all Councillors to discuss the CEO KPIs related to the 2021-22 Financial Year; and**
- 3. Refer any amendments which are mutually agreed to be made to KPIs directly to Council for consideration.**

**CARRIED UNANIMOUSLY 4/0**

*Please note that the CEO Employment Committee does not have delegated authority to make decisions. All recommendations of the CEO Employment Committee are presented to Council for ratification.*



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**6. Motions of which notice has been given:**

Nil.

**7. Urgent business:**

Nil.

**8. Closure:**

There being no further business, the Presiding Member declared the meeting closed at 6:17pm.

I certify that these minutes were confirmed at the CEO Employment Committee Meeting held on 8 August 2022 [rescheduled from 1 August 2022]

.....  
Presiding Member – Councillor Rich

10/08/2022

..... Date