



Shire of
Serpentine
Jarrahdale

CEO Employment Committee Meeting

Unconfirmed Minutes

Monday, 8 August 2022

[rescheduled from 1 August 2022]

5:30pm

Contact Us

Enquiries

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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



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CEO Employment Committee Meeting Minutes –
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Minutes of the CEO Employment Committee Meeting held in the Council Chambers, Civic Centre, 6 Paterson Street, Mundijong on Monday, 8 August 2022.

The Presiding Member, Councillor Rich declared the meeting open at 5:33pm 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 the Elders Past, Present and Emerging.

The Shire President, Councillor Rich advised that the meeting is being audio recorded, in accordance with Council Policy. No other visual or audio recording of this meeting by any other means is allowed.

Minutes

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

Councillors: M Rich.....Presiding Member (Presiding Member)
D Atwell
T Duggin
L Strange (Deputy Member)

Officers: 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 M Byas

Observers: Ms T Cole - People, Development and Wellbeing Manager
Angie Dominish - Senior Consultant, Price Consulting Group Pty Ltd



2. Petitions and Deputations:

Nil.

3. Declaration of Councillors and Officers interest:

Nil.

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 Meeting – 7 February 2022

CEO006/08/22

CEO EMPLOYMENT COMMITTEE RESOLUTION

Moved Cr Atwell, seconded Cr Duggin

That the minutes of the CEO Employment Committee Meeting held on 7 February 2022 be confirmed (E22/1481).

CARRIED UNANIMOUSLY 4/0



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5. Reports for consideration:

5.1 Reports:

5.1.1 - CEO Annual Review 2021/2022 (SJ2071)	
Responsible Officer:	Deputy CEO / Director Community and Organisational Development
Senior Officer:	Deputy CEO / Director Community and Organisational Development
Disclosure of Officer's Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

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 CEO Employment Committee is requested to recommend that Council endorse the CEO Annual Review for the 2021/2022 financial year.

Relevant Previous Decisions of Council

Ordinary Council Meeting - 21 March 2022 - OCM061/03/22 - COUNCIL RESOLUTION / Officer Recommendation
That Council ADOPTS the recommendations outlined in CONFIDENTIAL attachment 1.

Ordinary Council Meeting – 21 February 2022 - OCM003/02/22 - COUNCIL RESOLUTION

- 1. That Council RECEIVES the Unconfirmed Minutes of the CEO Employment Committee Meeting held on 7 February 2022 (E22/1481).*
- 2. That Council ADOPTS CEO Employment Committee Resolution CEO005/02/22 and 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.*



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Ordinary Council Meeting – 20 September 2021 - OCM239/09/21 - COUNCIL RESOLUTION

1. That Council *RECEIVES* the Unconfirmed Minutes of the Special CEO Employment Committee Meeting held on 12 August 2021 [Rescheduled 30 August 2021] (E21/10261).
2. That Council *ADOPTS* CEO Employment Committee Resolution CEO018/08/21 and *ENDORSES* the recommendations as outlined in *CONFIDENTIAL* attachment 1; and *REQUESTS* the Shire President write to Mr Paul Martin, Chief Executive Officer, informing him of the outcomes of the CEO KPI Setting for the 2021/2022 financial year.

Ordinary Council Meeting – 15 February 2021 - OCM003/02/21 - COUNCIL RESOLUTION

1. That Council *RECEIVES* the Unconfirmed Minutes of the CEO Employment Committee held on 8 February 2021 (E21/1549).
2. That Council *ADOPTS* CEO Employment Committee resolution CEO004/02/21 and *APPOINTS* Price Consulting Group Pty Ltd, with the understanding that Angie Dominish be the consultant to work with Council to undertake the development of the Chief Executive Officer Key Performance Criteria, and the Annual Chief Executive Officer Performance Review as per the quotation contained within confidential attachment 1, subject to agreeance by the Chief Executive Officer for the years 2021 and 2022.

Background

The CEO Employment Committee Terms of Reference details the Committee's responsibility in regards to undertaking an annual assessment of the CEO's performance.

In February 2021, Council appointed Price Consulting Group Pty Ltd to support the CEO Employment Committee and the Chief Executive Officer to undertake the annual Chief Executive Officer review and the development of the key performance criteria for the years 2021 and 2022.

Community / Stakeholder Consultation

A series of sessions between Councillors, the CEO and Angie Dominish from Price Consulting Group have been undertaken as outlined in **CONFIDENTIAL attachment 1** and **CONFIDENTIAL attachment 2**.

Statutory Environment

Local Government Act (1995) Division 4- Local government employees

5.38. Annual review of employees' performance

- (1) *A local government must review the performance of the CEO if the CEO is employed for a term of more than 1 year.*
- (2) *The CEO must ensure that the performance of each other employee who is employed for more than 1 year is reviewed.*
- (3) *A review under subsection (1) or (2) must be conducted at least once in relation to each year of the person's employment.*



CEO Employment Committee Meeting Minutes –
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Local Government (Administration) Regulations (1996) Division 3- Standards for review of performance of CEO's.

16. Performance review process to be agreed between local government and CEO

- (1) The local government and the CEO must agree on —*
 - (a) the process by which the CEO's performance will be reviewed; and*
 - (b) any performance criteria to be met by the CEO that are in addition to the contractual performance criteria.*
- (2) Without limiting subclause (1), the process agreed under subclause (1)(a) must be consistent with clauses 17, 18 and 19.*
- (3) The matters referred to in subclause (1) must be set out in a written document.*

17. Carrying out a performance review

- (1) A review of the performance of the CEO by the local government must be carried out in an impartial and transparent manner.*
- (2) The local government must —*
 - (a) collect evidence regarding the CEO's performance in respect of the contractual performance criteria and any additional performance criteria in a thorough and comprehensive manner; and*
 - (b) review the CEO's performance against the contractual performance criteria and any additional performance criteria, based on that evidence.*

18. Endorsement of performance review by local government

Following a review of the performance of the CEO, the local government must, by resolution of an absolute majority of the council, endorse the review.

19. CEO to be notified of results of performance review

After the local government has endorsed a review of the performance of the CEO under clause 18, the local government must inform the CEO in writing of —

- (a) the results of the review; and*
- (b) if the review identifies any issues about the performance of the CEO — how the local government proposes to address and manage those issues.*

Shire of Serpentine Jarrahdale Standards for CEO Recruitment, Performance and Termination Division 3 - Standards for review of performance of CEO's, outlines the process to be undertaken in the review of the performance of the CEO.

Comment

Angie Dominish, Senior Consultant from Price Consulting Pty Ltd facilitated a series of workshops as an independent consultant to undertake the Chief Executive Officer annual review for 2021/2022 in discussion with Councillors and the CEO.

An assessment report providing an overview of the outcomes of the review process has been prepared by Price Consulting is included with this report as **CONFIDENTIAL attachment 1**.



A summary report including recommendations has been prepared by Price Consulting and is included with this report as **CONFIDENTIAL attachment 2**.

Options and Implications

Option 1

That the CEO Employment Committee recommend Council:

1. ENDORSES the recommendations as outlined in **CONFIDENTIAL attachment 2**; and
2. REQUESTS the Shire President write to Mr Paul Martin, Chief Executive Officer, outlining the results of the Annual Review and providing a copy of the documents contained in **CONFIDENTIAL attachment 1** and **CONFIDENTIAL attachment 2**.

Option 2

That the CEO Employment Committee DOES NOT RECOMMEND Council endorse the recommendations as outlined in **CONFIDENTIAL attachment 2**.

Option 1 is recommended.

Conclusion

The CEO Employment Committee are requested to recommend Council endorse the recommendations as outlined in **CONFIDENTIAL attachment 2**.

Attachments (available under separate cover)

- **5.1.1 – CONFIDENTIAL - attachment 1** – Price Consulting Pty Ltd - Assessment Report - CEO Annual Performance Review 2021 / 2022 (E22/9643)
- **5.1.1 – CONFIDENTIAL - attachment 2** – Price Consulting Pty Ltd - Summary Report to Council - CEO Performance Review 2021 / 2022 (E22/9644)

Alignment with our Strategic Community Plan

Outcome 4.1	A resilient, efficient and effective organisation
Strategy 4.1.1	Provide efficient, effective, innovative, professional management of Shire operations to deliver the best outcome for the community within allocated resources

Financial Implications

Sufficient funds are made available through the annual budget setting process (1000-10100-6230-0000) to meet the costs of CEO annual review.



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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	Nil						
2	Legislative Requirements not met	Price Consulting has advised Councillors of legislative requirements through the review process.	Organisational Performance	Rare	Minor	LOW	
2	CEO Dissatisfaction	CEO has been involved in the annual review process.	Organisational Performance	Rare	Minor	LOW	

Voting Requirements: Simple Majority

CEO007/08/22

CEO EMPLOYMENT COMMITTEE RESOLUTION / Officer Recommendation

Moved Cr Duggin, seconded Cr Strange

That the CEO Employment Committee recommend Council:

1. **ENDORSES** the recommendations as outlined in **CONFIDENTIAL** attachment 2; and
2. **REQUESTS** the Shire President write to Mr Paul Martin, Chief Executive Officer, outlining the results of the Annual Review and providing a copy of the documents contained in **CONFIDENTIAL** attachment 1 and **CONFIDENTIAL** attachment 2.

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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5.1.2 - CEO Key Performance Indicators 2022/2023 (SJ2071)	
Responsible Officer:	Deputy CEO / Director Community and Organisational Development
Senior Officer:	Deputy CEO / Director Community and Organisational Development
Disclosure of Officer's Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

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 CEO Employment Committee is requested to recommend that Council endorse the Key Performance Indicators for the Chief Executive Officer for the 2022/2023 financial year.

Relevant Previous Decisions of Council

<p><i>Ordinary Council Meeting – 21 February 2022 - OCM003/02/22 - COUNCIL RESOLUTION</i></p> <ol style="list-style-type: none"><i>That Council RECEIVES the Unconfirmed Minutes of the CEO Employment Committee Meeting held on 7 February 2022 (E22/1481).</i><i>That Council ADOPTS CEO Employment Committee Resolution CEO005/02/22 and REQUESTS the Chief Executive Officer to:</i><ol style="list-style-type: none"><i>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;</i><i>Hold a workshop with all Councillors to discuss the CEO KPIs related to the 2021-22 Financial Year; and</i><i>Refer any amendments which are mutually agreed to be made to KPIs directly to Council for consideration.</i>
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<p><i>Ordinary Council Meeting – 20 September 2021 - OCM239/09/21 – COUNCIL RESOLUTION</i></p> <ol style="list-style-type: none"><i>That Council RECEIVES the Unconfirmed Minutes of the Special CEO Employment Committee Meeting held on 12 August 2021 [Rescheduled 30 August 2021] (E21/10261).</i><i>That Council ADOPTS CEO Employment Committee Resolution CEO018/08/21 and ENDORSES the recommendations as outlined in CONFIDENTIAL attachment 1; and REQUESTS the Shire President write to Mr Paul Martin, Chief Executive Officer, informing him of the outcomes of the CEO KPI Setting for the 2021/2022 financial year.</i>



Ordinary Council Meeting – 15 February 2021 - OCM003/02/21 -COUNCIL RESOLUTION

1. *That Council RECEIVES the Unconfirmed Minutes of the CEO Employment Committee held on 8 February 2021 (E21/1549).*
2. *That Council ADOPTS CEO Employment Committee resolution CEO004/02/21 and APPOINTS Price Consulting Group Pty Ltd, with the understanding that Angie Dominish be the consultant to work with Council to undertake the development of the Chief Executive Officer Key Performance Criteria, and the Annual Chief Executive Officer Performance Review as per the quotation contained within confidential attachment 1, subject to agreeance by the Chief Executive Officer for the years 2021 and 2022.*

Background

The CEO Employment Committee Terms of Reference details the Committee's responsibility in regards to developing and recommending to Council annual key performance indicators for the CEO.

In February 2021, Council appointed Price Consulting Group Pty Ltd to support the CEO Employment Committee and the Chief Executive Officer to undertake the annual Chief Executive Officer review and the development of the key performance criteria for the years 2021 and 2022.

Community / Stakeholder Consultation

A series of sessions between Councillors, the CEO and Angie Dominish from Price Consulting Group have been undertaken as outlined in **CONFIDENTIAL attachment 1**.

Statutory Environment

Local Government Act (1995) Division 4- Local government employees

5.38. Annual review of employees' performance

- (1) *A local government must review the performance of the CEO if the CEO is employed for a term of more than 1 year.*
- (2) *The CEO must ensure that the performance of each other employee who is employed for more than 1 year is reviewed.*
- (3) *A review under subsection (1) or (2) must be conducted at least once in relation to each year of the person's employment.*

Local Government (Administration) Regulations (1996) Division 3- Standards for review of performance of CEO's.

16. Performance review process to be agreed between local government and CEO

- (1) *The local government and the CEO must agree on —*
 - (a) *the process by which the CEO's performance will be reviewed; and*
 - (b) *any performance criteria to be met by the CEO that are in addition to the contractual performance criteria.*
- (2) *Without limiting subclause (1), the process agreed under subclause (1)(a) must be consistent with clauses 17, 18 and 19.*



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(3) The matters referred to in subclause (1) must be set out in a written document.

17. Carrying out a performance review

(1) A review of the performance of the CEO by the local government must be carried out in an impartial and transparent manner.

(2) The local government must —

(a) collect evidence regarding the CEO's performance in respect of the contractual performance criteria and any additional performance criteria in a thorough and comprehensive manner; and

(b) review the CEO's performance against the contractual performance criteria and any additional performance criteria, based on that evidence.

18. Endorsement of performance review by local government

Following a review of the performance of the CEO, the local government must, by resolution of an absolute majority of the council, endorse the review.

19. CEO to be notified of results of performance review

After the local government has endorsed a review of the performance of the CEO under clause 18, the local government must inform the CEO in writing of —

(a) the results of the review; and

(b) if the review identifies any issues about the performance of the CEO — how the local government proposes to address and manage those issues.

Shire of Serpentine Jarrahdale Standards for CEO Recruitment, Performance and Termination Division 3 - Standards for review of performance of CEO's, outlines the process to be undertaken in the review of the performance of the CEO.

Comment

Angie Dominish, Senior Consultant from Price Consulting Pty Ltd facilitated a series of workshops as an independent consultant to develop a set of performance indicators for 2022/2023, in discussion with Councillors and the CEO.

A report prepared by Price Consulting outlining the proposed CEO KPI's for 2022 /2023 is at **CONFIDENTIAL attachment 2**.

Options and Implications

Option 1

That the CEO Employment Committee recommend Council:

1. ENDORSES the CEO KPI's as outlined in **CONFIDENTIAL attachment 2**; and
2. REQUESTS the Shire President write to Mr Paul Martin, Chief Executive Officer, informing him of the outcomes of the CEO KPI Setting.

Option 2

That the CEO Employment Committee DOES NOT RECOMMEND Council endorse the CEO KPI's as outlined in **CONFIDENTIAL attachment 2**.



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Option 1 is recommended.

Conclusion

The CEO Employment Committee are requested to recommend Council endorse the CEO KPI's as outlined in **CONFIDENTIAL attachment 2**.

Attachments (available under separate cover)

- **5.1.2 – CONFIDENTIAL - attachment 1** – Price Consulting Pty Ltd - Summary Report to Council - CEO Performance Review 2021 / 2022 (E22/9644)
- **5.1.2 – CONFIDENTIAL - attachment 2** – Proposed CEO KPI's 2022 / 2023 (E22/9645)

Alignment with our Strategic Community Plan

Outcome 4.1	A resilient, efficient and effective organisation
Strategy 4.1.1	Provide efficient, effective, innovative, professional management of Shire operations to deliver the best outcome for the community within allocated resources

Financial Implications

Sufficient funds are available through the annual budget setting process Budget (1000-10100-6230-0000) to meet the costs of CEO KPI Setting.

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	Nil						
2	Legislative Requirements not met	Price Consulting has advised Councillors of legislative requirements through the review process.	Organisational Performance	Rare	Minor	LOW	



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Voting Requirements: Simple Majority

CEO008/08/22

CEO EMPLOYMENT COMMITTEE RESOLUTION / Officer Recommendation

Moved Cr Strange, seconded Cr Atwell

That the CEO Employment Committee recommend Council:

- 1. ENDORSES the CEO KPI's as outlined in CONFIDENTIAL attachment 2; and**
- 2. REQUESTS the Shire President write to Mr Paul Martin, Chief Executive Officer, informing him of the outcomes of the CEO KPI Setting.**

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.



5.1.3 - CONFIDENTIAL - Arrangements for CEO Annual Performance Review and CEO Key Performance Indicator Development for 2023 and 2024 (SJ2071)	
Responsible Officer:	Deputy CEO / Director Community and Organisational Development
Senior Officer:	Deputy CEO / Director Community and Organisational Development
Disclosure of Officer's Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

CEO009/08/22

CEO EMPLOYMENT COMMITTEE RESOLUTION

Moved Cr Strange, seconded Cr Duggin

That the meeting be closed to members of the public while item 5.1.3 is discussed pursuant to section 5.23(2)(a) and (c) of the *Local Government Act 1995*.

CARRIED UNANIMOUSLY 4/0

At 5:36pm, the meeting went behind closed doors.

Angie Dominish left the meeting at 5:36pm.

Voting Requirements: Simple Majority

CEO010/08/22

CEO EMPLOYMENT COMMITTEE RESOLUTION / Officer Recommendation

Moved Cr Duggin, seconded Cr Atwell

That the CEO Employment Committee recommends that Council:

- 1. APPROVES that the Chief Executive Officer Key Performance Indicator setting and Annual Performance Review process will be undertaken in July of each year;**
- 2. APPROVES that an independent facilitator be engaged for a period of two years, to assist with the Key Performance Indicator setting and Annual Performance Review process; and**
- 3. REQUESTS the Deputy CEO / Director Community and Organisational Development seek quotations from external facilitators.**

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.



CEO011/08/22

CEO EMPLOYMENT COMMITTEE RESOLUTION

Moved Cr Strange, seconded Cr Duggin

That the meeting be reopened to members of the public.

CARRIED UNANIMOUSLY 4/0

At 5:41pm, the doors were reopened to members of the public.

Presiding Member, Councillor Rich read aloud the Council Resolution for item 5.1.3 for the benefit of the recording.

Unconfirmed



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 5:43pm.

I certify that these minutes were confirmed at the CEO Employment Committee Meeting held on _____

.....
Presiding Member – Councillor Rich

..... Date

Unconfirmed