



# Terms of Reference

## CEO Employment Committee

25 September 2018



## Table of Contents

1.	Name.....	3
2.	Head of Power .....	3
3.	Definitions .....	3
4.	Role of the Committee .....	3
5.	Committee Structure .....	4
6.	Terms of Appointment .....	4
7.	Presiding Member .....	4
8.	Meetings of the Committee .....	5
9.	Powers of the Committee .....	5
10.	Voting .....	6
11.	Review Process .....	6
12.	Timetable.....	7
13.	Dispute .....	7
14.	Reporting Requirements.....	7
15.	Amendment to Terms of Reference .....	8
16.	Termination of Committee .....	8
	Approval and Amendment History .....	8



**1. Name**

The name of the Committee shall be the Shire of Serpentine Jarrahdale **CEO Employment Committee**.

**2. Head of Power**

The Committee is established by Council under Section 5.8 of the *Local Government Act 1995*.

**3. Definitions**

**Act** means the *Local Government Act 1995*.

**Committee** means the Shire of Serpentine Jarrahdale CEO Employment Committee as stipulated in this document.

**Council** means the Council of the Shire of Serpentine Jarrahdale.

**Chief Executive Officer (CEO)** means the Chief Executive Officer of the Shire of Serpentine Jarrahdale.

**Elected Member** means a Councillor of the Shire of Serpentine Jarrahdale Council.

**Independent Facilitator** means the person appointed to assist with the recruitment and performance review process and who is acceptable to both parties, ie. CEO and the Committee.

**KPIs** means Key Performance Indicators as agreed between the CEO and the Committee to deliver the key priorities of the Shire of Serpentine Jarrahdale's Strategic Community Plan and Corporate Business Plan.

**Salaries and Allowances Determination** means the determination provided by the Salaries and Allowances Tribunal under Section 7A of the *Salaries and Allowances Act 1975* which requires the Tribunal at intervals of not more than 12 months, to "inquire into and determine, the amount of remuneration, or the minimum and maximum amounts of remuneration, to be paid or provided to chief executive officers of local governments".

**4. Role of the Committee**

4.1 The Committee is established to fulfil the following functions:

- 4.1.1 In conjunction with an independent facilitator establish appropriate selection criteria, important qualities, knowledge and skills the CEO will need to possess, in order to attain the most suitable candidate for the position of CEO.
- 4.1.2 In conjunction with an independent facilitator establish clear terms and conditions for the CEOs employment contract;
- 4.1.3 Provide a recommendation to Council on the preferred candidate for the position of CEO.



- 4.1.4 In conjunction with an independent facilitator, undertake an annual assessment of the CEO's performance in accordance with the provisions of the CEO's contract of employment and key performance indicators;
- 4.1.5 In consultation with an independent facilitator and the CEO, develop and recommend to Council key performance indicators in order to achieve the key priorities of the Corporate Business Plan, and any other means that will be used to assess the CEO's future performance in order to meet the expectation of Council;
- 4.1.6 Review the CEO's employment contract and position description and make recommendations to Council as and when necessary;
- 4.1.7 Review the CEO's remuneration package annually and make recommendations to Council in relation to remuneration, in accordance with the CEO's contract of employment, having consideration to the CEO's performance, current level of remuneration, and the Salaries and Allowances Determination; and
- 4.1.8 Provide guidance to Council in assessing the CEO's performance.

## **5. Committee Structure**

- 5.1 The Committee shall consist of (5) five elected members;
- 5.1(a) A deputy member shall be appointed;
- 5.2 An independent facilitator of the Committee, who is not a member of the Committee, shall be appointed to the Committee by Council to assist with the performance review process; and
- 5.3 A quorum will be as per Section 5.19 of the *Local Government Act 1995*.

## **6. Terms of Appointment**

Appointment to the Committee shall be determined by the Council following ordinary local government elections, for a term to expire on the date of the subsequent ordinary local government elections. If a member of the Committee resigns prior to an ordinary local government election, the Council will appoint a replacement.

## **7. Presiding Member**

- 7.1 The Committee is to determine the Presiding Member of the Committee at the first meeting of the Committee immediately following the establishment of the Committee or following each biennial local government election, whichever is applicable;
- 7.2 The Committee is to determine a Deputy Presiding Member of the Committee at the first meeting of the Committee immediately following the establishment of the Committee or following each biennial local government election, whichever is applicable;



- 7.3 If the Chairperson is absent from a meeting, the Deputy Presiding Member is to preside at that meeting.
- 7.4 The role of the Presiding Member includes:
  - 7.4.1 overseeing and facilitating the conduct of meetings in accordance with the Act and the Shire's Standing Orders Local Law (2002 as amended);
  - 7.4.2 ensuring all Committee members have an opportunity to participate in discussions in an open and encouraging manner; and
  - 7.4.3 where a matter has been debated significantly and no new information is being discussed, to call the meeting to order and ask for the debate to be finalised and the motion to be put.

## **8. Meetings of the Committee**

- 8.1 The Committee will meet at least once a year to facilitate an annual assessment of the CEO's performance.
- 8.2 An ordinary or a special meeting of the Committee is to be held:
  - 8.2.1 if called for by either the Chairperson or at least two Committee members in a notice to the CEO setting out the date and purpose of the proposed meeting; or
  - 8.2.2 if so decided by the Committee; or
  - 8.2.3 if called for by Council.
- 8.3 The Committee may invite Shire employees, appointed facilitator or others to attend meetings and provide pertinent information, where necessary.
- 8.4 The Committee shall meet with the CEO on such dates and at such times as the Committee determines to receive and discuss an update on the progress of key performance indicators or other matters.
- 8.5. Minutes of Committee meetings will be kept in accordance with section 5.22 of the Local Government Act and the Shire's Standing Orders Local Law 2002 (as amended).
- 8.6 The Committee may close the meeting to members of the public if the meeting deals with any of the matters listed in section 5.23(2):

## **9. Powers of the Committee**

- 9.1 The Committee is a formally appointed committee of Council and is responsible to that body.
- 9.2 The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility.
- 9.3 The Committee does not have any delegated authority.





- 9.4 The Committee recommendations must be adopted by Council before implementation.

## **10. Voting**

Each member of the Committee at a meeting will have one vote.

The Chairperson does not in the event of an equality of votes have a casting vote.

In the event of a tied vote the matter will be referred to the Council for deliberation.

## **11. Review Process**

The review process comprises the following steps:

- 11.1 Council appoints an independent facilitator to assist with the performance review process and who is acceptable to both parties, ie. the CEO and the Committee.
- 11.2 Committee meets to confirm process with independent facilitator;
- 11.3 CEO provides a written report and self-rating to the Committee against the Key Performance Indicators (KPIs);
- 11.4 All elected members will participate in the performance review process;
- 11.5 All elected members shall individually and independently rate and discuss the performance of the CEO against each of the Key Performance Indicators (KPIs) and provide such assessment directly and confidentially to the independent facilitator;
- 11.6 The independent facilitator will consolidate all scores and comments from interviews to present a first draft of the assessment report to the Committee to discuss and agree overall ratings;
- 11.7 The CEO meets with the Committee and independent facilitator for feedback and discussion;
- 11.8 The Committee agrees on final ratings;
- 11.9 The Committee and CEO agree to KPIs for the forthcoming year in review;
- 11.10 The independent facilitator completes the final report, with final ratings and specific comments against each KPI;
- 11.11 The CEO meets with the Committee and independent facilitator for discussion of remuneration package changes; and
- 11.12 The final report, new KPIs and any remuneration packages recommendations are provided to Council for consideration in accordance with the CEO contract of employment.

**12. Timetable**

ACTION	TIMING	RESPONSIBILITY
Appointment of CEO Employment Committee (CEOEC)	Post Government elections Local	Council
Appoint independent external facilitator to assist with appraisal process	Following Government elections Local	Council
Commencement of Appraisal Process: Briefing to Council	Date TBA	CEOEC / Facilitator
CEO Self-Assessment	Date TBA	CEO
Interviews	Date TBA	Facilitator – Elected Members and CEO
Draft Councillor feedback report to CEOEC	Date TBA	Facilitator
CEOEC Meeting: Review feedback report and finalise as Appraisal Report	Date TBA	CEOEC / Facilitator
Appraisal report provided to CEO; briefing for CEO	Date TBA	Facilitator
CEOEC Meeting: Appraisal; Review/update key focus areas/objectives	Date TBA	CEOEC / CEO / Facilitator
Draft Council Report	Date TBA	Facilitator
Report to Council; briefing	Date TBA	CEOEC / Facilitator
Schedule ensuing year's process	Date TBA	Council / CEOEC

**13. Dispute**

13.1 Where the CEO disagrees with the feedback he/she is entitled to request Council consider the rating.

**14. Reporting Requirements**

Recommendations arising from the Committee's deliberations shall be presented to the earliest available ordinary meeting of Council.

**15. Amendment to Terms of Reference**

The Committee is to conduct a review of its terms of reference, providing Council with recommendations for any changes every two years.

**16. Termination of Committee**

Termination of the Committee shall be:

16.1 in accordance with the Act; or

16.2 at the discretion of Council.

**Approval and Amendment History**

Reviewed/Modified	Reference	Date	Comment
Adopted	SCM014/0816	08/08/2016	Adopt Terms of Reference
Reviewed	OCM156/11/17	27/11/2017	Adopted Terms of Reference
Reviewed	OCM102/09/18	25/09/2018	Reviewed and Amended Terms of Reference - inserted 5.1(a) - amended 5.3