Council Policy – CEO Performance Review Cycle

Responsible Directorate	CEO
Responsible Business Unit/s	People & Development
Responsible Officer	Manager People, Development and Wellbeing
Affected Business Units	CEO

Objective

The objective of this Policy is to provide guidance on the processes in relation to the Chief Executive Officer's (CEO) performance review cycle in accordance with relevant legislation, the model standards and internal policies to ensure that they are based on the principles of fairness, integrity and impartiality.

The performance review processes are to:

- be objective and based on facts and evidence.
- engage the CEO and be conducted in a fair and reasonable manner based on agreed performance indicators.
- support and facilitate CEO development.
- recognise achievement and support performance improvement

Scope

Application of these processes include the planning, implementation, facilitation and reporting of all processes related to the CEO's performance review cycle including probation reviews, performance criteria setting, performance monitoring, annual performance and remuneration reviews.

Application of these processes is to be in conjunction with:

- The relevant legislation, including the Model Standards for CEO Recruitment, Performance and Termination Performance, and the Departmental Guidelines for Local Government CEO Recruitment and Selection, Performance Review and Termination, and all other relevant policies, procedures and processes of the Shire.
- The Salaries and Allowances Tribunal's (SAT) parameters and requirements for local government CEO Total Remuneration Packages, and all components of the CEOs remuneration.

Process Program

CEO Employment Committee

The Council will appoint a CEO Employment Committee to facilitate the CEO's performance review processes on behalf of Council.

The CEO Employment Committee's administrative and accountability requirements are as documented in the Shire of Serpentine-Jarrahdale's CEO Employment Committee Terms of Reference.

The primary functions of the CEO Employment Committee are to:

- provide a recommendation on the engagement of an appropriately experienced independent consultant, for the purposes of assisting to conduct the performance process, in consultation with the CEO.
- facilitate the performance review process in accordance with this policy.
- provide a recommendation regarding the independent consultant performance appraisal report for consideration by Council.
- develop the performance agreement and performance criteria with the CEO for approval and mutual agreement with the CEO and Council.

Appointment of Consultant

Council shall have due regard to the advice of the Committee and shall appoint a suitably qualified and experienced independent consultant to assist with the conduct of the performance review process in an independent and equitable fashion.

The independent consultant will have extensive experience in performance reviews of senior executives and preferably local government experience.

The independent consultant should not have any interest in, or relationship with, the Council or the CEO.

The role of the independent consultant will be to:

- develop performance criteria with the Committee and the CEO.
- facilitate the performance review processes including but not limited to:
- assist with planning of the processes.
- collect and collate performance evidence.
- facilitate meetings between the CEO, Committee and Council.
- assist with the provision of feedback to the CEO.
- provide an objective view regarding any performance management related matters between the Council, Committee and CEO.

Council employees may be involved in the CEO's performance review processes through agreement with the Shire President, CEO and Presiding Member, CEO Employment Committee. Council employees may be requested by Council to prepare agendas and take minutes.

CEO Performance Review Processes

It is incumbent upon Elected Members and senior staff to actively participate and have input into the CEO Performance Review processes in accordance with the provisions of this policy.

The CEO and Council must mutually agree on the planned performance criteria in the CEO's Employment Contract. These should relate to the statutory functions of the CEO, performance

criteria relating to the themes, objectives and outcomes contained in the Shire's Council Plan and Corporate Business Plan and executive leadership behaviours.

All performance criteria must contain:

- the aspect of the CEO's role to which the criteria applies
- the indicator used to assess the performance
- the target to be achieved in order for the criteria to be met, and
- evidence used for determining whether the target is achieved.

The CEO's performance criteria will be made publicly available on the Shire's website alongside the relevant minutes of the meeting in accordance with legislative requirements.

Council is responsible for ensuring the CEO is provided with the appropriate resources and support to facilitate the achievement of the performance criteria.

If the CEO's anniversary date does not align with the financial year, then over a period of time agreed between Council and the CEO, the CEO's performance criteria review period (inclusive of remuneration review) will be transitioned to align with the financial year. To give effect to this alignment, Council and the CEO may agree to conduct a performance review(s) for a period of less than 12 months based on performance criteria to align them to the same duration of time.

The required steps relating to each of the processes related to the CEO's performance review cycle (i.e., probation reviews, performance criteria setting, performance monitoring, and annual performance and remuneration reviews) are detailed in the flowcharts contained in the addendum.

Definitions

Nil

Related Documents

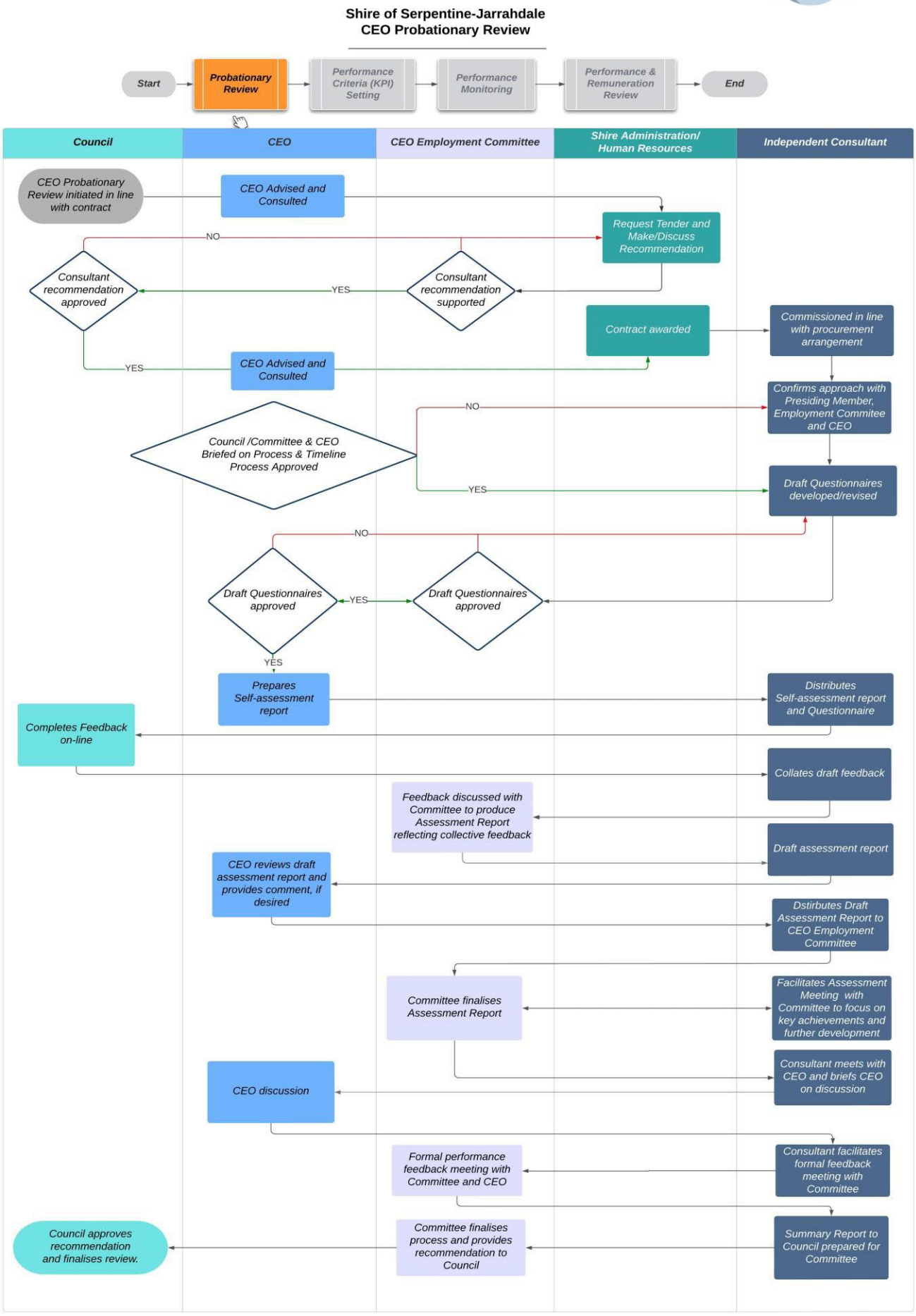
- CEO Employment Contract.
- Department of Local Government, Sport and Cultural Industries Guideline for Local Government – CEO Recruitment and Selection, Performance Review and Termination.
- Shire of Serpentine-Jarrahdale Council Plan and Corporate Business Plans.
- Shire of Serpentine-Jarrahdale CEO Employment Committee Terms of Reference.

Legislation / Local Law Requirements

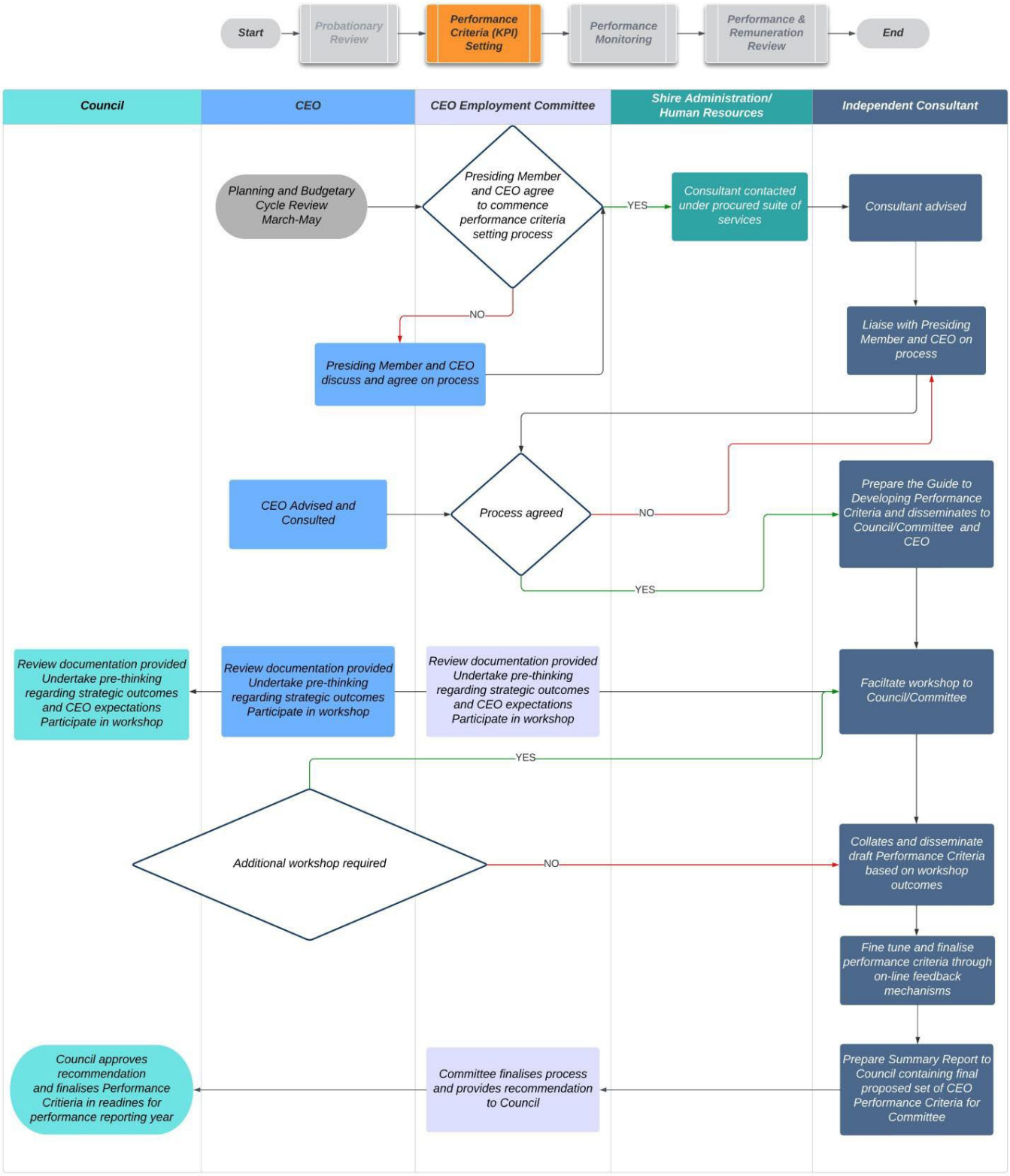
- *Local Government Act 1995*
- *Local Government (Administration) Regulations 1996*
- Salaries and Allowances Tribunal Annual Determination

Amendment Record

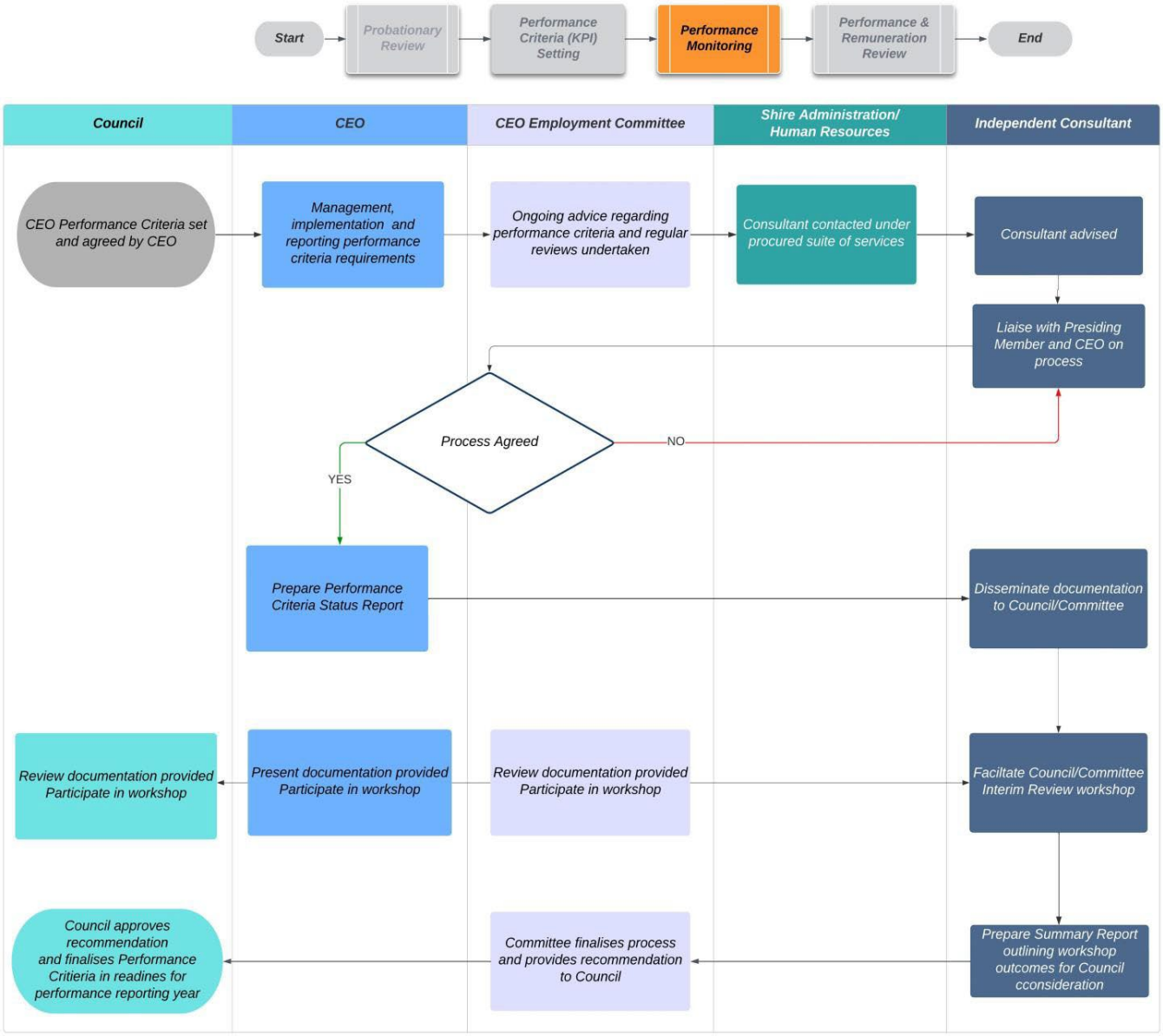
Relevant Delegations			
		Date	**Resolution Number**
Council Adoption		15/05/2023	OCM091/05/23
Version	**Date**	**Resolution Number**	**Amendment Details**
2	17 March 2025	OCM068/03/25	New template and amendments to align with new legislative provisions

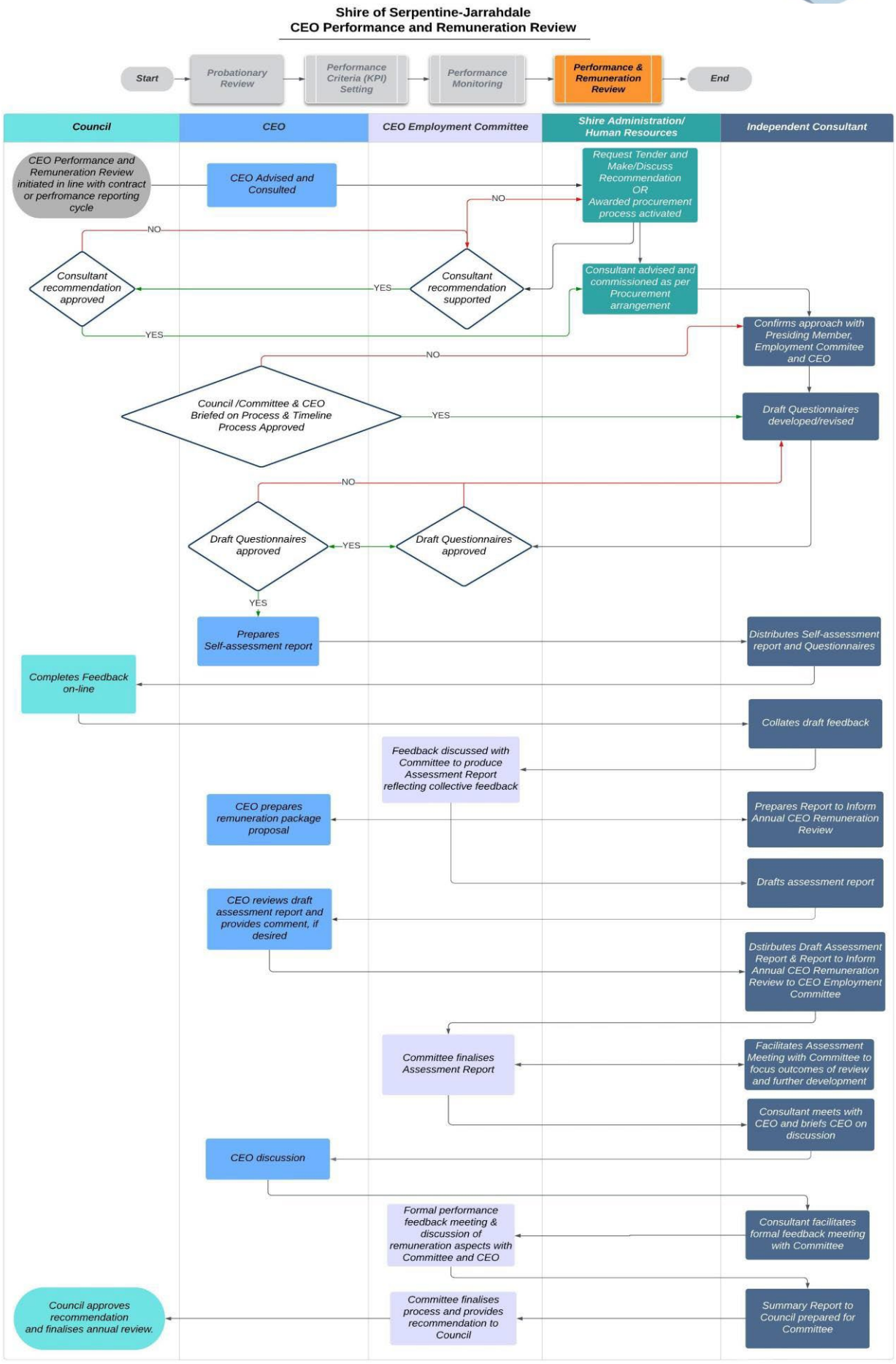

Shire of Serpentine-Jarrahdale
CEO Probationary Review
Start
Probationary Review
Performance Criteria (KPI) Setting
Performance Monitoring
Performance & Remuneration Review
End
Council
CEO
CEO Employment Committee
Shire Administration/ Human Resources
Independent Consultant
CEO Probationary Review initiated in line with contract
CEO Advised and Consulted
Request Tender and Make/Discuss Recommendation
NO
Consultant recommendation approved
YES
Consultant recommendation supported
Contract awarded
Commissioned in line with procurement arrangement
YES
CEO Advised and Consulted
Confirms approach with Presiding Member, Employment Commitee and CEO
NO
Council /Committee & CEO Briefed on Process & Timeline Process Approved
YES
Draft Questionnaires developed/revised
NO
Draft Questionnaires approved
YES
Draft Questionnaires approved
YES
Prepares Self-assessment report
Distributes Self-assessment report and Questionnaire
Completes Feedback on-line
Collates draft feedback
Feedback discussed with Committee to produce Assessment Report reflecting collective feedback
Draft assessment report
CEO reviews draft assessment report and provides comment, if desired
Dstirbutes Draft Assessment Report to CEO Employment Committee
Committee finalises Assessment Report
Facilitates Assessment Meeting with Committee to focus on key achievements and further development
Consultant meets with CEO and briefs CEO on discussion
CEO discussion
Formal performance feedback meeting with Committee and CEO
Consultant facilitates formal feedback meeting with Committee
Council approves recommendation and finalises review.
Committee finalises process and provides recommendation to Council
Summary Report to Council prepared for Committee

Shire of Serpentine-Jarrahdale
CEO Performance Criteria Setting



Shire of Serpentine-Jarrahdale
CEO Performance Criteria Monitoring




Shire of Serpentine-Jarrahdale
CEO Performance and Remuneration Review
Start
Probationary Review
Performance Criteria (KPI) Setting
Performance Monitoring
Performance & Remuneration Review
End
Council
CEO
CEO Employment Committee
Shire Administration/ Human Resources
Independent Consultant
CEO Performance and Remuneration Review initiated in line with contract or perfromance reporting cycle
CEO Advised and Consulted
Request Tender and Make/Discuss Recommendation OR Awarded procurement process activated
NO
NO
Consultant recommendation approved
YES
Consultant recommendation supported
Consultant advised and commissioned as per Procurement arrangement
YES
Confirms approach with Presiding Member, Employment Commitee and CEO
NO
Council /Committee & CEO Briefed on Process & Timeline Process Approved
YES
Draft Questionnaires developed/revised
NO
Draft Questionnaires approved
YES
Draft Questionnaires approved
YES
Prepares Self-assessment report
Distributes Self-assessment report and Questionnaires
Completes Feedback on-line
Collates draft feedback
Feedback discussed with Committee to produce Assessment Report reflecting collective feedback
CEO prepares remuneration package proposal
Prepares Report to Inform Annual CEO Remuneration Review
Drafts assessment report
CEO reviews draft assessment report and provides comment, if desired
Dstirbutes Draft Assessment Report & Report to Inform Annual CEO Remuneration Review to CEO Employment Committee
Committee finalises Assessment Report
Facilitates Assessment Meeting with Committee to focus outcomes of review and further development
Consultant meets with CEO and briefs CEO on discussion
CEO discussion
Formal performance feedback meeting & discussion of remuneration aspects with Committee and CEO
Consultant facilitates formal feedback meeting with Committee
Council approves recommendation and finalises annual review.
Committee finalises process and provides recommendation to Council
Summary Report to Council prepared for Committee