

## HR 015: CEO PERFORMANCE REVIEW

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### Objective

This policy is to provide a consistent, transparent and accountable performance review process for the Chief Executive Officer (CEO) of the Shire of Esperance

### Policy

#### Rationale

This process is documented and adopted by Council to ensure a consistent approach to the Shire of Esperance CEO review.

The review process must be a collaborative, constructive process that is designed to enhance performance and provide guidance for the ensuing twelve months, considering:

1. The CEO's Statutory Role and Responsibilities under the Local Government Act 1995 and other relevant legislation;
2. General Probity and Integrity requirements and expectations associated with the position of CEO;
3. Implementation of the Shire's Strategic and Corporate Business Plans, subject to resource capacity and allocations; and
4. Any specific focus areas or key performance indicators previously agreed between the Council and CEO.

Councillors must be prepared to take a corporate view of this process. The performance review process should be regarded as an opportunity to build relationships and to increase the effectiveness of individuals, systems and processes which will improve the performance and the profile of the Shire of Esperance. Councillors and the CEO participating in the review process must:

- Be fair and objective;
- Use good communication skills;
- Act in good faith;
- Be prepared and actively participate in the process;
- Avoid bias;
- Base conclusions on relevant and substantiated information and/or facts;
- Be able to concentrate on outcomes;

- Ensure procedural fairness for all parties involved;

#### Independent Facilitator

Unless resolved differently by absolute majority, the CEO review process will be coordinated and overseen by an independent facilitator, endorsed by Council. The Shire will utilise its normal procurement process, in sourcing an appropriately experienced and qualified facilitator, in consultation with the Shire President. The Council will endorse the appointment prior to the Review process commencing. If the CEO has any concerns regarding the appointed Independent Facilitator, the CEO will provide the Shire President a written explanation of said concerns, which will be presented to Council when it considers endorsing said appointment.

#### Review Period

At the very minimum, the CEO performance is to be reviewed annually, in accordance with the requirements of Local Government Act 1995.

- The Review period will correspond with the Shire's financial year.
- For planning purposes the review should be undertaken within a month of the anniversary of the CEO's contract, with Key Result Areas to be set at this time.
- An informal interim review may be undertaken during the year at the request of the CEO or Council, to ascertain progress during the relevant review period.
- In the event that Council has concerns about the performance of the CEO, the Shire President will, at the request of Council, undertake an additional interim performance review.
- The Shire President must write to the CEO if Council has requested an interim performance review, outlining the areas of concern to allow the CEO the opportunity to prepare.
- The Shire President must allow the CEO a minimum of one week's notice prior to the commencement of an interim performance review.
- Any changes to the CEO's employment remuneration package determined from the review will take effect at the CEO's employment anniversary date.

#### Review Process

The following process is utilised as the basis of the CEO Performance Review

1. Independent Facilitator appointed;
2. CEO performance assessment survey issued to all Councillors and CEO to complete, which includes questions on:
  - a) Performance related to CEO's Statutory Role
  - b) Performance related to General probity and integrity requirements
  - c) Performance related to achieving Shire's Strategic and Corporate Business Plans
  - d) Performance related to achieving any specific focus areas or key performance indicators (KPI's) identified in the previous performance review
3. Independent Facilitator to develop an assessment report on completed surveys for consideration of Council;

4. Independent Facilitator to investigate or research any significant negative survey result(s) to determine substance and/or reasonableness;
5. Assessment report presented to CEO for response;
6. Assessment report (including CEO response) considered by Council to determine satisfactory or unsatisfactory performance;
7. Council and CEO meet to determine:
  - a) agreed specific focus areas or KRA's for next 12 month Review Period; and
  - b) subject to outcome of the CEO performance review, any amendments of the CEO's employment remuneration package.

.....Policy Ends.....