

His Worship the Mayor
Councillors
CITY OF MARION

NOTICE OF REVIEW AND SELECTION COMMITTEE MEETING

Council Chamber, Council Administration Centre
245 Sturt Road, Sturt

Tuesday, 04 December 2018 07:30 PM

The CEO hereby gives Notice pursuant to the provisions under Section 83 of the Local Government Act 1999 that a Review and Selection Committee meeting will be held.

A copy of the Agenda for this meeting is attached in accordance with Section 83 of the Act.

Meetings of the Council are open to the public and interested members of this community are welcome to attend. Access to the Council Chamber is via the main entrance to the Administration Centre on Sturt Road, Sturt.



Adrian Skull
Chief Executive Officer



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OPEN MEETING**KAURNA ACKNOWLEDGEMENT**

We acknowledge the Kurna people, the traditional custodians of this land and pay our respects to their elders past and present.

ELECTED MEMBERS DECLARATION (if any)**CONFIRMATION OF MINUTES****Confirmation of the minutes for the Review and Selection Committee Meeting held on 28 August 2018**

Originating Officer Governance Officer - Victoria Moritz

Corporate Manager Manager Corporate Governance - Kate McKenzie

Report Reference: RSC181204

RECOMMENDATION:

That the minutes of the Review and Selection Committee Meeting held on 28 August 2018 be taken as read and confirmed.

ATTACHMENTS:

#	Attachment	Type
1	RSC280818 - Draft Minutes - 28 August 20182	PDF File

**MINUTES OF THE REVIEW & SELECTION COMMITTEE MEETING
HELD AT ADMINISTRATION CENTRE
245 STURT ROAD, STURT
ON TUESDAY 28 AUGUST 2018**



PRESENT

Elected Members

His Worship the Mayor Kris Hanna
Councillors Janet Byram, Ian Crossland and Jerome Appleby

In Attendance

Adrian Skull	Chief Executive Officer
Steph Roberts	Manager, Human Resources
Vincent Mifsud	General Manager Corporate Services

1. OPEN MEETING

The meeting commenced at 5.04pm

2. KAURNA ACKNOWLEDGEMENT

We acknowledge the Kaurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3. MEMBERS DECLARATION OF INTEREST

The Presiding Member asked if any Member wished to disclose an interest in relation to any item being considered at the meeting.

NA

4. CONFIRMATION OF MINUTES

4.1 Moved Councillor Byram, Seconded Councillor Crossland the Minutes of the Review and Selection Committee meeting held on 1 May 2018 are confirmed as a true and correct record of proceedings.

Carried Unanimously

5. BUSINESS ARISING

Nil

6. PRESENTATION

Nil

5.05pm Moved Councillor Byram, seconded Councillor Crossland to take leave of the meeting and deal with confidential items at the end of the meeting.

Carried Unanimously

7. REPORTS

7.1 5.05pm Corporate and CEO KPI Report Quarter four 2017/18 Report Reference RSC180828R01

Discussion regarding the KPI results

- KPI 4: Total employee costs

Vincent Mifsud provided further explanation: The outdoor workforce when conducting work on capital jobs book time out on time sheets, which is capitalised against the job. In 17/18, there was a reduction of capitalised labour of \$272,000; \$156,000 of this was due to delays in Kerb & Water Table works as a result of consultant delays in developing a 5 year road reseal program, as well as delays in the drainage program associated with delays in service relocations. In these instances outdoor staff perform other work such as repairs & maintenance, training, administrative tasks, etc. which are not capital jobs. Where this occurs their costs are not capitalised and are instead booked to operating expenditure and included under "Employee Costs".

- Question: How can we increase awareness and manage it for the future?
 - o The information becomes available at the end of the financial year.
- Question: Why is labour not separated from Capital works?
 - o Confirmation was provided that it is separated.
- Question: Why are salaries not always booked to operating expenditure?
 - o Under Australian Accounting Standards, all labour directly associated with the physical carrying out of capital works (i.e. direct labour) is required to be capitalised and booked to those capital works jobs.
- Question: Why is there no other work employees can do, while they are not working on capital works, i.e. a program of non-capital works to be performed?
 - o Other non-capital works are performed

ACTION: The Committee requested a report be provided to the next meeting regarding the program of non-capital work conducted each year

ACTION: The committee requested the following information be incorporated into the quarterly KPI reporting for General Council:

- o Actual FTE figures be provided quarterly and at year end
 - o Include a note stating the number of staff on Work Cover and income protection
- KPI 7: Asset Sustainability

Vincent Mifsud provided further explanation regarding the Fleet Optimisation Review Project. It is a good news story and will continue to improve how we procure our fleet.

Moved Councillor Byram, Seconded Councillor Crossland that the Review and Selection Committee:

1. Note this report; acknowledging that the final audited financial statements for KPI's one, four, seven and eight will be provided to Council in a separate report to align with the financial end of year independently audited statements (expected October 2018).

Carried Unanimously

8. CONFIDENTIAL ITEMS

8.1 5.35pm Independent Member - Finance and Audit Committee Meeting Report Reference RSC180828RO2

Moved Councillor Crossland Seconded Councillor Appleby that:

1. Pursuant to Section 90(2) and (3)(a) of the *Local Government Act 1999*, the Committee orders that all persons present be excluded from the meeting as the Committee receives and considers information relating to the Finance and Audit Committee Independent Member performance, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential, given the information relates to the performance of the Independent member.

Carried Unanimously

5.35pm Adrian Skull, Steph Roberts and Vincent Mifsud left the meeting

5.40pm suspended confidence

5.40pm Adrian Skull and Steph Roberts re-entered the meeting

Moved Councillor Crossland, Seconded Councillor Appleby that the Review and Selection Committee recommend to Council:

1. That Ms Emma Hinchey be re-appointed for a period of 3 years until 30 November 2021.

8.2 5.40pm Cover Report - CEO Annual Performance Review 2017/18 Report Reference RSC180828F01

Adrian Skull presented an overview of the 2017/18 year.

- The committee sought clarification regarding Elected Members receiving the summarised rather than the full unedited version of the 360 degree feedback
 - Adrian confirmed he receives the full report
 - The committee discussed regarding whether the elected members should receive the full version. As it is required to be anonymous, the committee agreed the summarised version for elected members is appropriate.

5.45pm Tim Pfeiffer entered the meeting

Moved Councillor Crossland Seconded Councillor Appleby that:

1. Pursuant to Section 90(2) and (3)(a) of the *Local Government Act 1999*, the Committee orders that all persons present be excluded from the meeting as the Committee receives and considers information relating to the Chief Executive Officer (CEO) 2017/2018 Performance Review, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential, given the information relates to the performance of the CEO.

Carried Unanimously

5.48pm Tim Pfeiffer left the meeting

5.55pm Adrian Skull and Steph Roberts left the meeting

5.57pm Mayor Hanna left the meeting

6.19pm Steph Roberts re-entered the meeting

6.20pm Steph Roberts left the meeting

6.25pm Vincent Mifsud re-entered the meeting

6.28pm Vincent Mifsud left the meeting

7.00pm Steph Roberts re-entered the meeting

Moved Councillor Crossland, Seconded Councillor Appleby that:

1. In accordance with 91(7) and (9) of the *Local Government Act 1999* the Committees orders that this report, all appendices and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(a) of the Act be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2018.

Carried Unanimously

7.09pm the meeting came out of confidence

9. ANY OTHER BUSINESS

10. MEETING CLOSURE

The meeting was declared closed at 7.10pm.

11. NEXT MEETING

To be advised.

CONFIRMED

.....

CHAIRPERSON

/ /

BUSINESS ARISING

CONFIDENTIAL ITEMS

REPORTS FOR DISCUSSION

Terms of Reference and Overview of Skills

Originating Officer	Governance Officer - Victoria Moritz
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	RSC181204R01

REPORT OBJECTIVE

To note the Committee Terms of Reference and provide an opportunity for each of the members to give an overview of their skills.

RECOMMENDATION

That the Review and Selection Committee:

- 1. Notes the Terms of Reference identified at Appendix 1 to the report.**
- 2. Note the overview of skills provided by each of the Committee Members.**

DISCUSSION

The Review and Selection Committee is established in accordance with Section 41 of the *Local Government Act 1999*.

The establishment of a Chief Executive Review Committee is a contractual requirement of Council in accordance with the Chief Executive Officer's Employment Agreement.

The Committee was established for the purposes of:

- Sourcing and recommending to Council the appointment of expert members to Committees
- Reviewing the performance of the Chief Executive Officer
- Recommending a process to Council for the recruitment of the Chief Executive Officer (as required)

At the General Council Meeting on 27 November 2018, Council resolved to include the following additional responsibilities of the committee to broaden the scope and maximise the functionality of the Committee:

- Reviewing, monitoring and recommending to Council relevant strategies regarding the organisation's culture and performance associated with the conduct of Elected Members, employees and volunteers.

- Monitor the organisations direction regarding the efficient and effective delivery of strategic and operational human resource functions
- Ensure the organisation has appropriate employee well-being strategies.

A copy of the Terms of Reference is attached at Appendix 1.

The Committee comprises of the Mayor (Presiding Member) and three Elected Members who each bring different skills and experiences to the meetings.

Each Committee member is invited to give an overview of their own skills and experience relevant to the Committee's objectives (as defined in the Terms of Reference).

Attachment

#	Attachment	Type
1	Review and Selection Committee -Terms of Reference adopted 271118	PDF File

REVIEW AND SELECTION COMMITTEE TERMS OF REFERENCE



1. Establishment

- 1.1 Pursuant to section 41 of the *Local Government Act 1999* (the Act) the Council has established a Chief Executive Officer Performance Review and Selection Committee.

2. Objectives

- 2.1 The Committee is established for the purpose of:
- 2.1.1 Sourcing and recommending to Council the appointment of expert members to Committees.
 - 2.1.2 Reviewing the performance of the Chief Executive Officer
 - 2.1.3 Recommending a process to Council for the recruitment of the Chief Executive Officer (as required).
 - 2.1.4 Reviewing, monitoring and recommending to Council relevant strategies regarding the organisation's culture and performance associated with the conduct of Elected Members, employees and volunteers.
 - 2.1.5 Monitor the organisations direction regarding the efficient and effective delivery of strategic and operational human resource functions
 - 2.1.6 Ensure the organisation has appropriate employee well-being strategies.

3. Membership

- 3.1 Membership of the Committee will comprise:

- (i) the Mayor
- (ii) Three Elected Members

The Membership for the three Elected Members of the Committee continues for the term as resolved by Council.

Elected Member Representatives

- 3.2 The Presiding Member will be the Mayor.
- 3.3 Appointment of the Elected Member representative will be made by Council on a rotational basis as resolved from time to time. Council may resolve to re-appoint an Elected Member representative for consecutive terms.
- 3.4 No additional allowance will be paid to the Mayor or Elected Member representatives over and above the allowance already received by the Elected Member.
- 3.5 If required, training and development will be sourced and provided to the Elected Member Representative on matters/subjects within the Committee's Terms of Reference.

4. Basis of Operation

- 4.1 The Committee does not have any delegated powers of Council, and all decisions of the Committee will constitute recommendations to Council.

- 4.2 For the purposes of Section 41(8) of the Local Government Act 1999, the Council does not impose any reporting and accountability requirements on the basis that all decisions of the Committee constitute recommendations to Council.
- 4.3 Committee meetings will take place at the City of Marion Administration Centre as required to undertake the responsibilities identified in these Terms of Reference
- 4.4 The Committee will meet on an ad-hoc basis at least every six months. Meetings will be convened at the request of the presiding member or the elected members on the Committee.
- 4.5 A quorum for a meeting of the Committee shall be three members of the Committee.
- 4.6 In the absence of the Presiding Member from a meeting, the Deputy Mayor will chair the meeting.
- 4.7 Each member present at a Committee meeting must, subject to a provision of the Local Government Act 1999 to the contrary, vote on a question arising for decision at that meeting.
- 4.8 Where the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2000 and these Terms of Reference do not prescribe procedures to be observed in relation to the conduct of a meeting of the Committee, the Committee may determine its own procedures.
- 4.9 Administrative support will be provided to the Committee as required.

5. Terms of Reference

Within the parameters of the Local Government Act 1999, and having regard to the powers, functions and responsibilities of the Chief Executive Officer, the Committee is charged with undertaking the following functions:

- 5.1 CEO Employment Agreement and Performance Review
 - 5.1.1 Arranging for the conduct of the Chief Executive Officer's six month (informal) and annual performance review within the parameters of the Chief Executive Officer's Employment Agreement.
 - 5.1.2 Reviewing the Chief Executive Officer's performance criteria within the parameters of the Chief Executive Officer's Employment Agreement.
 - 5.1.3 Reviewing the Chief Executive Officer's remuneration package within the parameters of the Chief Executive Officer's Employment Agreement.
 - 5.1.4 Reviewing any aspect of the Chief Executive Officer's Employment Agreement within the parameters of the Chief Executive Officer's Employment Agreement.
 - 5.1.5 Recommending to Council the outcomes of the Chief Executive Officer's annual performance review.
 - 5.1.6 Recommending to Council the Chief Executive Officer's remuneration package and performance criteria to be applied for the ensuing year.
 - 5.1.7 Providing feedback to the Chief Executive Officer on outcomes of the performance review, and in conjunction with the Chief Executive Officer, determining appropriate courses of action as required.

- 5.1.8 Recommending to Council any changes to the Chief Executive Officer's Employment Agreement to be further negotiated with the CEO.

5.2 Vacancy of the Office of the Chief Executive Officer

- 5.2.1 The Council will appoint a Chief Executive Officer.
- 5.2.2 In the event a vacancy in the office of the Chief Executive Officer, the Committee will develop and recommend to Council the necessary steps to fill the vacancy in accordance with the requirements the Local Government Act 1999.
- 5.2.3 The Committee will act as the selection group and make recommendations to the Council in accordance with the process developed and adopted in accordance with section 5.2.2.

5.3 Process to Source Appointment of Expert Members to section 41 Committees

- 5.3.1 This Committee and the Chief Executive Officer will act as the selection panel for all expert members to section 41 Committees.
- 5.3.2 This panel will be supported by the manager with the relevant expertise required for the operations of the Committee.
- 5.3.3 The process to be followed by the Committee is:
- Identification of potential candidates via an executive search rather than general advertisement.
 - Short list candidates for interviews/discussion.
 - Interviews with candidates to determine suitability for selection.
 - Determine a preferred candidate and confirm their preparedness to be nominated for appointment.
 - Make recommendation to Council on a preferred candidate.

5.4 Process to Source Appointment of Expert Members to the Development Assessment Panel (DAP)

- 5.4.1 This Committee and the Chief Executive Officer will act as the selection panel for all expert members to the Development Assessment Panel.
- 5.4.2 This panel will be supported by the Manager Development Services and any other manager with the relevant expertise required for the operations of the Committee.
- 5.4.3 The process to be followed by the Committee is:
- Identification of potential candidates via general advertisement.
 - Short list candidates for interviews/discussion.
 - Interviews with candidates to determine suitability for selection.
 - Determine a preferred candidate and confirm their preparedness to be nominated for appointment.
 - Make recommendation to Council on a preferred candidate.

5.5 Review Committee's Performance

Review the Committee's Performance on a bi-annual (every two years) basis using performance indicators developed for that purpose.

Adopted by Council:	27 November 2018
Next Review:	November 2020
Previous Version:	1 November 2016
Owner:	Manager Corporate Governance Manager Human Resources
Applicable Legislation:	Local Government Act 1999

CEO KPIs 2018-19

Originating Officer	Manager Human Resources - Steph Roberts
Corporate Manager	Manager Human Resources - Steph Roberts
General Manager	Chief Executive Officer - Adrian Skull
Report Reference	RSC181204R02

REPORT OBJECTIVE

For the Review and Selection Committee to review and recommend to Council the Chief Executive Officer (CEO) Key Performance Indicators (KPIs), in addition to the Corporate KPIs already in place for the 2018-19 financial year.

EXECUTIVE SUMMARY

Developing and tracking KPIs in the organisation provides actionable metrics to increase organisational effectiveness and efficiency. Implementing a well thought out and comprehensive set of KPIs creates a proactive performance-based operation. They provide all levels of the organisation with clear corporate targets and objectives with the ultimate goal of materially contributing to the success of the organisation.

RECOMMENDATION

That the Review and Selection Committee:

- 1. Review and recommend to Council the following additional CEO KPIs for the 2018-19 financial year:**

-
-
-

DISCUSSION

General Council at its meeting 22 May 2018, endorsed the alignment of the Corporate KPIs with those of the Chief Executive Officer ongoing (report reference GC220518R10). General Council at its meeting 11 September 2018 requested for additional CEO KPIs to be determined at the December 2018 Review and Selection Committee meeting for recommendation to Council, for the 2018_19 financial year, in addition to the endorsed Corporate KPIs (as outlined in Appendix 1).

Attachment

#	Attachment	Type
1	CEO KPIs 2018_19 Appendix 1	PDF File

Appendix 1 Endorsed 2018-19 Corporate KPIs

Key Performance Indicator	Core Target	Stretch Target
Financial Sustainability	Council maintains a break even or positive cash funding position in delivering its annual budget	
Delivery of agreed projects identified in the Annual Business Plan and the third year targets in the 3 year Plan	Greater than or equal to 95%	
Lost Time Injury Frequency Rate	Greater than or equal to 10% reduction from the previous year's result	Greater than or equal to 15% reduction from the previous year's result
Total employee costs (including agency staff)	Less than or equal to 3% increase in actual employee costs (including agency staff) against prior year's actual costs	Less than or equal to 2% increase in actual employee costs (including agency staff) against prior year's actual costs
Staff retention	90% retention	95% retention
Overall satisfaction with Council's performance	Greater than or equal to 75% rated as satisfied or above	Greater than or equal to 85% rated as satisfied or above
Asset Sustainability	Asset Sustainability Ratio greater than or equal to 80%	Asset Sustainability Ratio greater than or equal to 90%
Delivery of Council's capital works program	Greater than or equal to 80% delivery of Council's planned capital works program (adjusted for extraordinary items)	Greater than or equal to 90% delivery of Council's planned capital works program (adjusted for extraordinary items)
Staff engagement	Achievement of an overall employee pulse survey result of 75%, based on 9 metrics (including Community, Values, Safety, Expectations, Valued, Empowerment, Development, Recognition, Happiness)	Achievement of an overall employee pulse survey result of 80%

CEO Performance and Remuneration Review Timeline and Approach 2018_2019

Originating Officer	Manager Human Resources - Steph Roberts
Corporate Manager	Manager Human Resources - Steph Roberts
General Manager	Chief Executive Officer - Adrian Skull
Report Reference	RSC181204R03

REPORT OBJECTIVE

To provide the Review and Selection Committee with a suggested approach and timeline for managing the Chief Executive Officer (CEO) Performance and Remuneration Review for the 2018/19 financial year.

EXECUTIVE SUMMARY

The employment of a CEO is a critical function of Council and ensuring a best practice CEO Performance and Remuneration Review will bring further accountability and benefits to Council and its community. This report outlines a proposed approach and timeline for the Committee's consideration that is inclusive of the requirements of the CEO's employment contract and other relevant documents. The Review and Selection Committee is requested to review the proposed approach and make a recommendation to Council to be considered at the 29 January General Council Meeting.

RECOMMENDATION

That the Review and Selection Committee:

- 1. Recommends the proposed approach and timeline for the CEO's performance and remuneration review as outlined in Appendix 1 subject to the following amendments:**

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-
-

GENERAL ANALYSIS

Council has the ultimate responsibility for setting strategy and the performance of the organisation and it exercises this responsibility through its only employee (the CEO). The CEO is entrusted with the organisation's day to day management with direction set from Council. As such, there is a unique relationship between the CEO and Council and the evaluation of the CEO's performance can impact this relationship in either a positive or negative manner. Therefore, when setting a CEO performance and remuneration review, consideration should be given to a number of leading practice principles:

- Alignment of CEO performance with the objectives of the organisation.
- Be based on clear expectations developed and agreed in advance with the CEO.
- Have a clear, transparent and agreed link between performance and remuneration.
- Be conducted in a manner conducive to ongoing good governance.
- Be tailored to the specific needs of the organisation.
- Comply with relevant standards for accountability and communication.

The proposed approach outlined in Appendix 1 has been developed with these principles in mind and the requirements of the CEO Employment Contract, agreed Key Performance Indicators (KPIs), the Review and Selection Committee Terms of Reference and the Local Government Association (LGA) Code of Conduct for Assessment of the Chief Executive Officer.

DISCUSSION

The Review and Selection Committee has the responsibility of making recommendations to Council regarding the CEO performance and remuneration. The proposed approach has been developed with the CEO's employment contract requirements in mind including:

- The performance rating agreed by the Council and the CEO as outlined in Schedule 4 of the CEO Employment Agreement
- The position description
- The KPIs agreed by Council and the CEO
- The discharge of the duties, and
- Any other factors considered relevant.

Process

As referenced in the CEO's employment contract, the Committee may engage the services of an external consultant to assist in the assessment of the performance of the CEO. This is considered to be best practice approach for managing a CEO's Performance review as it ensures independence and mitigates potential conflicts of interest. It is recommended that the engagement of a consultant would include the 360-degree component of the performance review:

- The development, implementation (including interviews) and evaluation of a 360 tool, incorporating feedback from people the CEO works directly with, including Elected Members, key leaders and staff, as well as the CEO's self-assessment.
- A written report with the results of the 360-degree feedback.
- It is proposed to once again engage Kathryn McEwen to conduct this work. Kathryn's charge for conducting this work in 2017/18 was \$4000 plus GST. Her quote for conducting the 360-degree feedback in 2018/19 is maintained at \$4000 plus GST.

The outcomes of the CEO's performance is to be determined by aggregating the assessment of the performance criteria and all persons providing feedback against the performance rating scale set out in Schedule 4 of the Employment Agreement.

The Review and Selection Committee would then provide a recommendation to the Council on the outcomes of the CEO's annual performance review.

Council is required to consider and if agreed, adopt the recommendation from the Committee. The Mayor or Review and Selection Committee can provide feedback to the CEO on outcomes of the performance review and jointly determine appropriate courses of action.

Remuneration Review

The ASX Corporate Government Council recommends within principle 8 of their guideline that an organisation should design its executive remuneration to attract, retain and motivate high quality senior executives.

It is noted that if the CEO performance review achieves an outcome of acceptable or higher, the remuneration review as defined in the contract would be triggered. It is noted that any consideration for increase is determined by Council at Council's absolute discretion.

The Review and Selection Committee will be required to recommend to Council the CEO's remuneration package and performance criteria to be applied for the following year.

Adopting a formalised, structured approach to the CEO performance and remuneration review, gives Council a greater likelihood of not only optimising their relationship with the CEO but also improving the overall performance of the organisation.

Attachment

#	Attachment	Type
1	RSC20181204 CEO Performance and Remuneration Review Timeline and Approach 2018_19 Appendix 1	PDF File
2	RSC20181204 CEO Performance and Remuneration Review Timeline and Approach 201819 Appendix 2	PDF File

**Appendix 1 Proposed timeline for conducting the CEO's 2018/2019
Performance and Remuneration Review**

Timeline: CEO Performance and Remuneration Review				
Date	Activity	Meeting	Dependency	Contract / LGA Code of Conduct of the CEO
4 Dec 18	- Review proposed Timeline and process for CEO performance/ remuneration review and make recommendation to Council.	Review and Selection Committee (RSC)	CEO engagement	
29 Jan 19	- Report to Council to seek resolution regarding the process and timeline for CEO Performance and Remuneration Review	General Council meeting	CEO engagement	
April/May 19 EM Forum TBC	- CEO and Organisational KPIs 2019/2020 financial year	Elected Member Forum	Draft budget process timeline (refer appendix 2)	
May 19 RSC meeting TBC	- CEO and organisational KPIs 2019/2020 financial year and make recommendation to Council	RSC	April/May Elected Member Forum	
May 19 GC meeting TBC	CEO and organisational KPIs 2019/2020 financial year	General Council meeting	May Review and Selection Committee	
June 19	Appointment of external consultant to conduct the CEO 360-degree feedback process	RSC	4 Dec RSC and 29 Jan General Council Meeting	

Timeline: CEO Performance and Remuneration Review				
Date	Activity	Meeting	Dependency	Contract / LGA Code of Conduct of the CEO
Sept 19	Conduct 360-degree feedback Kathryn McEwen Cost \$4000 + GST	N/A	29 Jan Council resolution	The entire process to take no longer than 6 weeks
Oct 19	Assess performance against KPIs	N/A	Audited Financial Statements considered at - Audit Committee October date TBC - Council to adopt October date TBC	
Oct 19	Opportunity for Mayor to review the KPI results and 360 feedback (prior to 1/11 R&S meeting)	N/A		
Oct 19	HR conduct a remuneration assessment (market testing, using available data), to inform R&S committee (if required/dependent on the performance outcome)	N/A		
Nov 19 RSC TBC	<ul style="list-style-type: none">Results of the performance review presented:<ul style="list-style-type: none">FeedbackKPIsRemuneration review recommendationCEO to provide an overview of the year in review / assess own performance (KPI results and 360 discussion) and provide to Review and Selection CommitteeContract review / extension recommendation to Council	RSC		Remuneration review to be conducted within two (2) months of the performance review (unless a review of 'less than Acceptable' performance is achieved)
Nov 19 GC TBC	Recommendation CEO performance review, remuneration and contract review/extension, seeking resolution. CEO to attend at the end of the confidential item to be informed of decision.	Council Meeting		
Nov 19	The Mayor provide feedback to the CEO on outcomes of the performance review and in conjunction with the CEO, determine appropriate courses of action.	N/A	November GC resolution	Written report shall be compiled with respect to the annual performance review and a copy provided to the CEO
December	Letter from Mayor to CEO outlining outcomes of the performance review and any required contract amendments			

Appendix 2 DRAFT 2019-2020 Planning and Budgeting Process

The table below outlines the key steps and indicative timeframes in the planning and budgeting process. It also highlights the critical decision points for Council through the process (highlighted in the blue shaded areas) and the opportunities for FAC feedback (highlighted in the green shaded areas).

Stage	Focus	Timing
1	Staff analysis of planning inputs – committed projects/programs, labour budgets, new initiatives, review of WAPs.	September- January
2	High level draft budget model development: <ul style="list-style-type: none"> Elected Members' consideration of current unfunded initiatives, known priority initiatives Elected Members' input in setting tolerance/ key assumptions, parameters for management Draft base Budget Model developed based on parameters set 	December- January
3	Initial new priorities identified for input into draft Budget Model development	January
4	Finance & Audit Committee - Feedback on the proposed framework, assumptions and associated risks in setting the Annual Business Plan for 2018/19 and the Long Term Financial Plan	December
5	<ul style="list-style-type: none"> LTFP aligned with set parameters, Council resolutions and prioritised new activities High Level draft Budget/LTFP modelling presented to Elected Members 	January January
6	Finance & Audit Committee – Update provided on Development Draft Annual Business Plan & LTFP, Framework and Assumptions – FAC feedback sought	February
7	Draft Annual Business Plan /LTFP Framework and Assumptions endorsed and adopted	March
8	<ul style="list-style-type: none"> Draft Annual Business Plan and Comprehensive Draft Budget Elected Member Forum – Rating data, rates discussion, 2018/19 priority projects list modelling, 	March
9	Set Tentative Rates Set draft priority projects list for consultation	March / April
10	Draft Annual Business Plan endorsed and adopted for Community Consultation	April
11	Community Consultation period (Min. 21 Days)	April / May
12	Community Consultation Feedback to Council	May
13	Final rates discussion Final priority projects discussions	May / June
14	Finance & Audit Committee – Post Community Consultation Feedback	May
15	Final Draft Annual Business Plan and LTFP endorsed by Council for Adoption	June
16	Lock in final plan and budget in preparation for adoption	June
17	Annual Business Plan / LTFP adopted	June

REPORTS FOR NOTING

Corporate and CEO KPI Report Quarter One 2018/19

Originating Officer	Governance Officer - Victoria Moritz
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
	Chief Executive Officer - Adrian Skull
Report Reference	RSC181204R04

REPORT OBJECTIVE

To advise the Review and Selection Committee of the results of the CEO and Corporate KPI's for quarter one 2018/19.

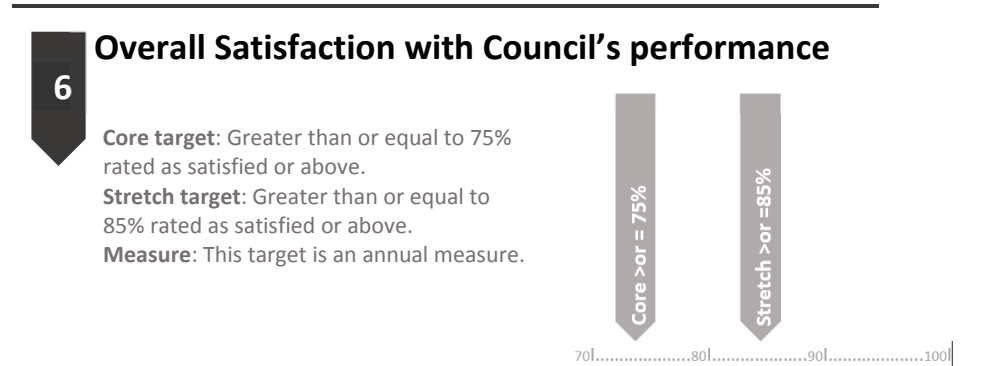
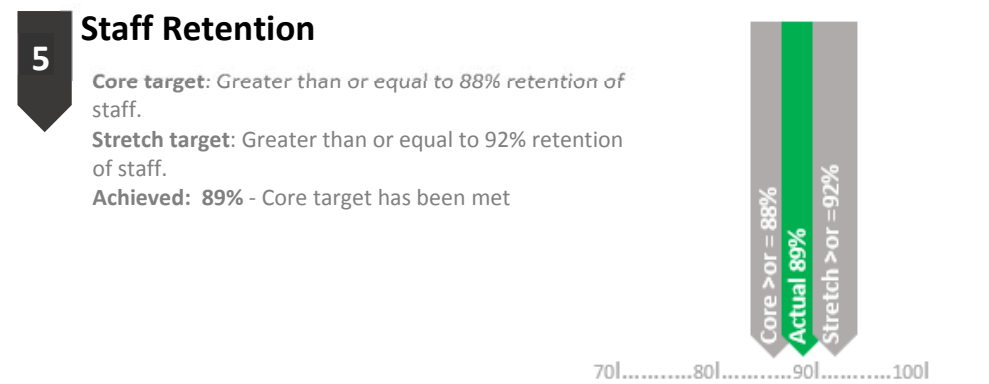
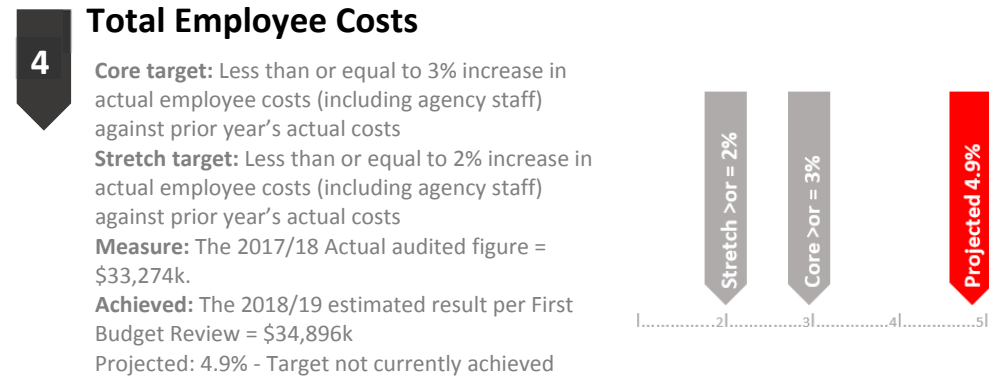
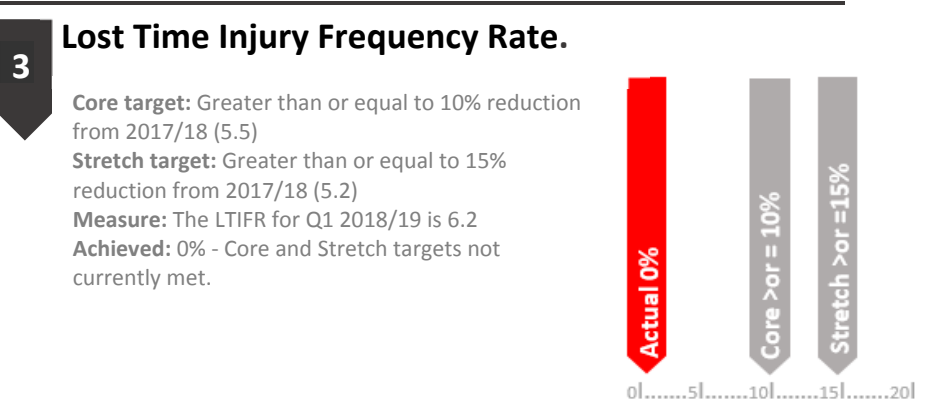
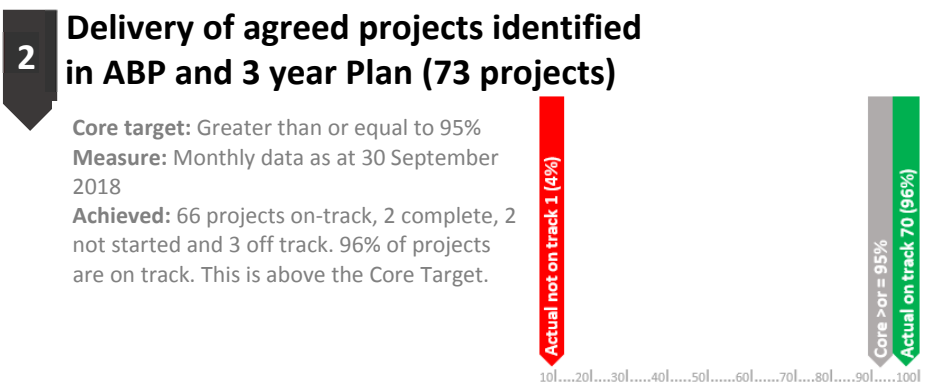
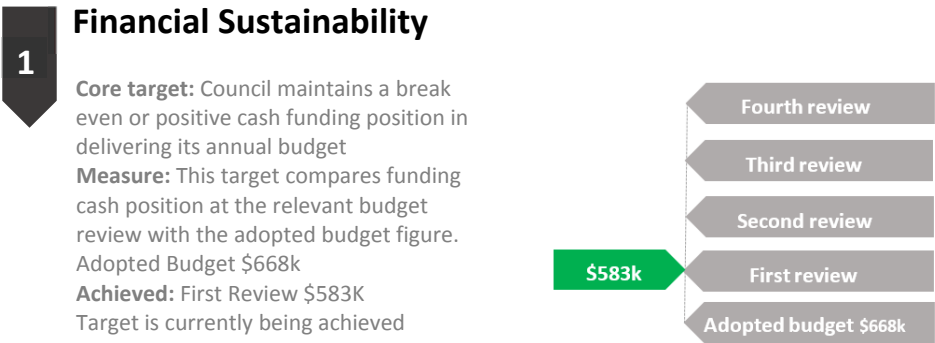
RECOMMENDATION

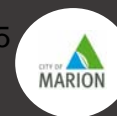
That the Review and Selection Committee;

- Note this report**

Attachment

#	Attachment	Type
1	Corporate and CEO KPI Report Quarter One 2018-19 - Appendix 1	PDF File
2	Corporate and CEO KPI Report Quarter One 2018-19 - Appendix 2	PDF File
3	Corporate and CEO KPI Report Quarter One 2018-19 - Appendix 3	PDF File
4	Corporate and CEO KPI Report Quarter One 2018-19 - Appendix 4	PDF File





QUARTER ONE: JULY '18 – SEPT '18

Asset Sustainability

7

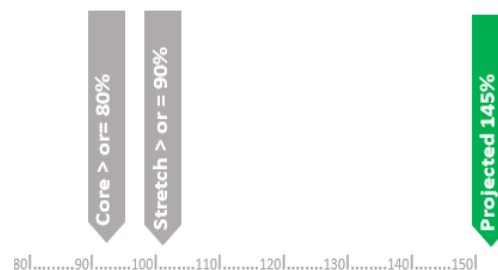
Core target: Asset Sustainability Ratio greater than or equal to 80%

Stretch target: Asset Sustainability Ratio greater than or equal to 90%

Achieved: Projected: 145% per First Budget Review. Core and Stretch targets are currently being surpassed.

Works at the Edwardstown Soldiers Memorial Recreation Oval totalling \$6.0m have a significant impact on this ratio.

The *Asset Sustainability Ratio* indicates whether Council is renewing or replacing existing assets at the rate of consumption.



8

Delivery of Council's capital works program

Core target: Greater than or equal to 80% delivery of Council's planned capital works program (adjusted for extraordinary items)

Stretch target: Greater than or equal to 90% delivery of Council's planned capital works program (adjusted for extraordinary items)

Achieved: This target is an annual measure.

Staff Engagement

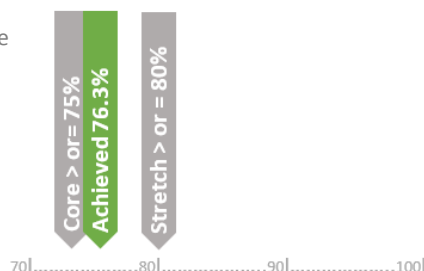
9

Core target: Achievement of an overall employee pulse survey result of 75%, based on 9 metrics

Stretch target: Achievement of an overall employee pulse survey result of 80%

Measure: Staff quarterly Pulse survey results.

Achieved: 76.3%. Core target currently being achieved.



Corporate and CEO KPI Report Quarter One 2018/19 – APPENDIX 2

KPI	Details	Target	Stretch Target	Qtr 1	Qtr 2	Qtr 3	Qtr 4
1	Financial sustainability.	Council maintains a break even or positive cash funding position in delivering its annual budget	-	\$583k			
				Comment: Adopted Budget \$668k. First Review \$583k. Target is currently being met			
2	Delivery of agreed projects identified in the <i>Annual Business Plan</i> and the third year targets in the three-year plan.	Greater than or equal to 95%	-	Verbal update			
				Comment: There are 73 projects identified. 96% of projects are recorded as on Track. The Core target has been met.			
3	Lost Time Injury Frequency Rate.	Greater than or equal to 10% reduction from the previous year's result (5.5)	Greater than or equal to 15% reduction from the previous year's result (5.2)	33% increase			
				Comment: The LTIFR for Q1 2018/19 is 6.2. Core and Strength targets have not been met.			
4	Total employee costs (inc agency).	Less than or equal to 3% increase in actual employee costs (including agency staff) against prior year's actual costs	Less than or equal to 2% increase in actual employee costs (including agency staff) against prior year's actual costs	4.9% (projected)			
				Comment: The 2017/18 actual audited figure = \$33,274k. The 2018/19 estimated result per First Budget Review = \$34,896k. The target (as projected) has not been achieved.			
5	Staff Retention	Greater than or equal to 88% retention	Greater than or equal to 92% retention	89%			
				Comment: 89% was achieved. Core target has been met.			
6	Overall satisfaction with Council's performance.	Greater than or equal to 75% rated as satisfied or above	Greater than or equal to 85% rated as satisfied or above	N/A			
				Comment: This is an annual measure.			
7	Asset sustainability.	Asset sustainability ratio greater than or equal to 80%	Asset sustainability ratio greater than or equal to 90%	145% (projected)			
				Comment: projected 145% per First Budget Review. Core and Stretch targets are currently being surpassed. Works at the Edwardstown Soldiers Memorial Recreation Oval totalling \$6.0m have a significant impact on this ratio.			
8	Delivery of Council's capital works.	Greater than or equal to 80% of Council's planned capital works program (adjusted for extraordinary items)	Greater than or equal to 90% of Council's planned capital works program (adjusted for extraordinary items)	N/A			
				Comment: This is an annual measure.			
9	Staff Engagement	Achievement of an overall employee pulse survey result of 75% based on 9 metrics	Achievement of an overall employee pulse survey result of 80%	76.3%			
				Comment: Council has achieved its Core target of 75%.			

FULLTIME EQUIVALENT (FTE) Employee and Agency

APPENDIX 3

The number of FTE employees (staff and agency) employed across the organisation as at 30 September 2018.



Note: The FTE figure of 355.19 includes 17.09 FTE relating to staff on Income Protection and Work Cover.

There are currently 4.0 temporary vacant positions comprised of:

- Recruitment in progress (required position) 3.0
- Currently under review (1.0)

The following tables provide comparative FTE data with the Gap Year Team Members, Pool Staff and Grant Funded positions being excluded.



Labour and FTE Movement Summary

	2018/19 \$000's	2017/18 \$000's	2016/17 \$000's	2015/16 \$000's	2014/15 \$000's	2013/14 \$000's	2012/13 \$000's
Total Employee Costs (including Agency) % Movement on Prior Year	34,896 4.9%	33,274 3.27%	32,221 1.40%	31,783 0.10%	31,757 0.70%	31,532 4.30%	30,239
Total Number of Employees (FTE at 30 June) % Movement on Prior Year	355.19 -0.01%	360.41 4.80%	344 0.60%	342 -1.70%	348 -0.90%	351 -2.20%	359

Program of non-capital works

Originating Officer	Manager Engineering and Field Services - Mathew Allen
Corporate Manager	Manager Engineering and Field Services - Mathew Allen
General Manager	General Manager City Services - Tony Lines
Report Reference	RSC181204R05

REPORT OBJECTIVE

The purpose of this report is to provide the Review and Selection Committee with an outline of non-capital work conducted by field staff each year.

RECOMMENDATION

That the Review and Selection Committee:

1. Notes the report

DISCUSSION

At the Review and Selection Committee meeting held on 28 August 2018, the Committee requested a report be provided to the next meeting regarding the program of non-capital work conducted each year.

There are a number of activities field staff undertake when Capital Works have been delayed that relate to kerb and water table repairs, footpath repairs, structural repairs to stormwater infrastructure and road repairs. These works are generated through either customer requests or staff identification of asset defects. The works are necessary and are made safe until such time resources are made available to undertake the necessary repair.

Additional ad-hoc work is also generated from time to time. For example, approximately 500 tonne of material stockpiled from the Glade Crescent wetland project required carting to landfill.

Refer to Appendix 1 that identifies the activities and number of non-capital works undertaken during 2017/18.

Attachment

#	Attachment	Type
1	List of non-capital works 2017-18	PDF File

APPENDIX 1 - List of non-capital works 2017-18

Monthly Stats 2017 / 2018															
ITEM / CSR's	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	TOTAL	AV	
Bus Shelters - Maintenance	2	2	0	1	0	1	2	2	2	1	1	1	15	1.25	
Bus Shelters - New Approved, Works/Relocate Existing	0	0	0	0	0	0	0	1	0	0	0	1	2	0.17	
Bus Stops - Approved, Works/Relocation	2	1	2	5	1	0	0	1	2	1	0	3	18	1.50	
Bus Stops - Maintenance	2	1	1	1	0	1	1	0	0	0	0	0	7	0.58	
Footpaths - Inspected Council to Fix	28	23	30	14	22	25	7	21	22	16	45	24	277	23.08	
Footpaths - Inspected Council to Fix (Grinding)	6	6	2	8	0	12	2	2	7	0	5	1	51	4.25	
Footpaths - Inspected Council to Fix (Paving)	8	5	38	27	26	14	3	5	8	0	26	1	161	13.42	
Footpaths - Inspection Required - Tree Damage	0	1	1	0	0	0	0	1	1	0	1	0	5	0.42	
Footpaths - N25 Qty - Maintenance	32.4	30.6	14.2	18.2	30.36	21	29.6	27.8	31	17.4	77	33.8	363.36	30.28	
Footpaths - N25 Qty - Proactive	76.2	58.2	56	30	51.6	25.6	30.6	41.4	76.6	47.8	15.8	43.2	553	46.08	
Kerbs - General Enquiries / Inspection Required	5	20	11	11	5	2	0	6	7	4	10	6	87	7.25	
Kerbs - Kerb Ramp - New / Modification - Approved Works	0	1	2	2	3	1	0	2	0	0	1	1	13	1.08	
Kerbs - Repairs Required	1	2	3	3	3	8	0	3	0	0	2	2	27	2.25	
Line Marking - Metres Marked	10500	22300	26441	40086	34410	11007	26542	15701	16397	22666	4611.5	8304.2	238965	19913.78	
N25 - QTY - Other	25.4	22.6	30.8	32.2	22.6	10.6	15	27.6	18	36.6	37.4	114.6	393.4	32.78	
N25 - QTY - Total	134	111.4	101	80.4	104.56	57.2	75.2	96.8	125.6	101.8	130.2	191.6	1309.76	109.15	
Nature Strips - Hard Surfaces							4	4	6	5	9	3	31	2.58	
Road Maintenance Repairs Required	12	30	25	22	16	7	6	13	12	6	12	16	177	14.75	
Side Entry Pit Cleaning Program - Number Cleaned	234	196	148	220	176	91	0	197	185	95	192	189	1923	160.25	
Signs Community Facilities - Damaged/Missing	2	1	3	0	1	2	2	2	1	2	2	1	19	1.58	
Signs Community Facilities - Installation Approved & New	0	4	1	5	3	3	0	1	3	1	3	1	25	2.08	
Signs Parking - Damaged/Missing	12	3	9	9	10	3	2	7	4	3	5	7	74	6.17	
Signs Parking - Installation Approved & New	2	5	9	1	2	0	1	3	4	8	8	3	46	3.83	
Signs Reserves/Ovals - Damaged/Missing	2	2	3	2	1	2	4	5	5	4	2	7	39	3.25	
Signs Reserves/Ovals - Installation Approved & New	1	3	2	1	2	4	1	0	0	6	0	13	33	2.75	
Signs Road Traffic/Advisory/Directional - Damaged/Missing	5	10	18	15	11	4	6	10	12	5	5	6	107	8.92	
Signs Road Traffic/Advisory/Directional - Installation Approved	4	1	1	9	0	5	1	3	5	2	8	3	42	3.50	
Signs Street Names - Damaged/Missing	4	8	25	12	15	0	2	8	7	3	7	10	101	8.42	
Signs Street Names - Installation Approved & New	0	0	1	0	0	0	1	0	2	0	0	2	6	0.50	
Signs Traffic/School - Damaged/Missing	1	2	0	0	2	2	1	1	1	6	1	0	17	1.42	
Signs Traffic/School - Installation Approved & New	1	0	0	0	2	5	0	2	0	0	0	0	10	0.83	
Stormwater in Street - From Blocked Pit	10	6	5	4	7	2	1	1	6	4	11	1	58	4.83	
Stormwater in Street - From Broken/Missing SEP	0	15	7	15	13	2	7	1	17	8	11	9	105	8.75	
Stormwater in Street - From water Pooling	9	7	9	5	1	9	0	0	2	2	7	4	55	4.58	
Stormwater in Street - SEP Structural	0	0	0	0	3	1	0	1	0	0	2	1	8	0.67	
Street Sweeping - Sweeping Travel Distance	879	781	764	1074	838	726	572	578	566	832	681	486	8777	731.42	
Street Sweeping - Tonnage	93	98.22	77.42	97.42	105.1	50.28	115.82	65.12	100.2	57.36	87.62	77.44	1025	85.42	
Street Sweeping - Vehicle Travel Distance	3345	2954	2649	3424	2891	2801	2053	2509	2205	2930	2676	2284	32721	2726.75	

WORKSHOP / PRESENTATION ITEMS

OTHER BUSINESS

MEETING CLOSURE