

His Worship the Mayor
Councillors
CITY OF MARION

NOTICE OF REVIEW AND SELECTION COMMITTEE MEETING

Committee Room 1, Council Administration Centre
245 Sturt Road, Sturt

Tuesday, 02 February 2021 at 06:00 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 Kaurna 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 3 November 2020

Originating Officer Manager People and Culture - Steph Roberts

Corporate Manager Manager People and Culture - Steph Roberts

Report Reference: RSC210202R01

RECOMMENDATION:

That the minutes of the Review and Selection Committee Meeting held on 3 November 2020 be taken as read and confirmed.

ATTACHMENTS:

#	Attachment	Type
1	RSC201103 - Final Minutes	PDF File

MINUTES OF THE RSC201103 - REVIEW AND SELECTION COMMITTEE

Tuesday, 03 November 2020 at 06:00 PM

Council Administration Centre, 245 Sturt Road, Sturt



PRESENT:

Mayor - Kris Hanna, Councillor - Luke Hutchinson, Councillor - Kendra Clancy, Councillor - Matthew Shilling

In Attendance

Acting Chief Executive Officer - Tony Lines
General Manager Corporate Services - Sorana Dinmore
Manager People and Culture - Steph Roberts
Acting Manager Governance - Jaimie Thwaites
Manager Finance – Ray Barnwell
Unit Manager People and Culture – Rachel Read
Volunteer Development Officer - Vanita Schwarz

OPEN MEETING

The Mayor opened the meeting at 06:00 PM

KAURNA ACKNOWLEDGEMENT

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

ELECTED MEMBERS DECLARATION (if any)

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

Nil declarations were made

CONFIRMATION OF MINUTES

Confirmation of the minutes for the Review and Selection Committee Meeting held on 4 August 2020 and the Special Review and Selection Committee Meeting held on 22 September 2020

Report Reference: RSC201103R01

Moved Councillor Shilling, Seconded Councillor Clancy

That the minutes of the Review and Selection Committee Meeting held on 4 August 2020 and Special Review and Selection Committee Meeting held on 22 September 2020 be taken as read and confirmed.

CARRIED UNANIMOUSLY

BUSINESS ARISING - Nil

REPORTS FOR DISCUSSION - Nil

REPORTS FOR NOTING

6.03pm Vanita Schwarz, Rachel Read joined the meeting

Volunteer Program Report

Report Reference: RSC201103R02

- Discussion regarding skilled volunteers for specific purposes.
- Skills Match program was explained, including an overview of some of the roles volunteers have been engaged in for short term, industry-based opportunities.

6.07pm Tony Lines joined the meeting

Moved Councillor Clancy, Seconded Councillor Hutchinson

That the Review and Selection Committee:

1. Notes the report

CARRIED UNANIMOUSLY

6.10pm Vanita Schwarz, Rachel Read left the meeting

6.10pm Sorana Dinmore, Ray Barnwell joined the meeting

REPORTS FOR NOTING

Corporate and CEO KPI Report Quarter One 2020/21

Report Reference: RSC201103R03

- Amendment made to Page 29 and distributed to Elected Members
- KPI's will be discussed and reviewed at the Elected Member Planning day in January 2021
- Clarification on Financial Sustainability
 - o Council's Adopted KPI on Financial Sustainability now includes a stretch target being:
 - That Council maintains a break-even or positive cash funding position in delivering the Annual Budget
 - o It was also noted that the wording of Council's Operating Surplus Ratio target will be amended to clarify the target set in Council's Long-Term Financial Plan, which is to maintain 'an operating surplus ratio averaging between 0 and 10% over each consecutive 5-year period', as discussed at the General Council meeting on 27 October 2020 (GC201027R08).
- Community engagement communications measurement defined through errors or inconsistency

Moved Councillor Shilling, Seconded Councillor Hutchinson

That the Review and Selection Committee:

1. Notes this report.

CARRIED UNANIMOUSLY

6.20pm Tony Lines, Jaimie Thwaites, Sorana Dinmore, Ray Barnwell left the meeting

CONFIDENTIAL ITEMS

Cover Report - CEO Annual Performance Review 2019-20

Report Reference: RSC201103F01

Moved Councillor Clancy, Seconded Councillor Shilling

That pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the Committee orders that all persons present, with the exception of the following persons: Steph Roberts, be excluded from the meeting as the Committee receives and considers information relating to the CEO Annual Performance Review 2019-20, 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

6.21pm the meeting went into confidence

6.21pm Steph Roberts left the meeting

Moved Councillor Clancy, Seconded Councillor Shilling

In accordance with 90(2) and (3)(a) of the Local Government Act 1999 the Committee 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 2020.

CARRIED UNANIMOUSLY

6.34pm Steph Roberts joined the meeting

6.34pm the meeting came out of confidence

WORKSHOP / PRESENTATION ITEMS - Nil

OTHER BUSINESS

Review and Selection Committee Timetable 2021

Informal discussion regarding the Review and Selection Committee Timetable for 2021.

This item was deferred to resolve with the new committee members.

MEETING CLOSURE

Meeting Declared Closed at 06.35 PM

CONFIRMED THIS 2ND DAY OF FEBRUARY 2021

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CHAIRPERSON

BUSINESS ARISING**CONFIDENTIAL ITEMS****Cover Report - CEO Recruitment**

Originating Officer	Executive Assistant to CEO - Dana Bartlett
Corporate Manager	Manager People and Culture - Steph Roberts
General Manager	Chief Executive Officer - Adrian Skull
Report Reference	RSC210202F01

RECOMMENDATION

That pursuant to Section 90(2) and (3)(a) of the Local Government Act, 1999 the Committee orders that all persons present, with the exception of Chief Executive Officer, Manager People and Culture, be excluded from the meeting as the Committee receives and considers information relating to the recruitment of the Chief Executive Officer, upon the basis that the Committee 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 recruitment of the Chief Executive Officer.

CEO Recruitment

CONFIDENTIAL

Reason For Passing This Resolution:

Local Government Act (SA) 1999 S 90 (2) 3(d) (i) and (ii) : commercial information of a confidential nature (not being a trade secret) the disclosure of which (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and (ii) would, on balance, be contrary to the public interest.

REPORTS FOR DISCUSSION

Council Assessment Panel Recruitment Process

Originating Officer	Team Leader - Planning - Alex Wright
Corporate Manager	Manager Development and Regulatory Services - Warwick Deller-Coombs
General Manager	General Manager City Development - Ilia Houridis
Report Reference	RSC210202R02

REPORT OBJECTIVE

The purpose of this report is to seek feedback from the Review & Selection Committee (RSC) on the proposed recruitment process for the Council Assessment Panel (CAP). The terms of two existing Independent CAP Members, and that of the deputy Independent CAP Member, expire 30 June 2021. Direction is sought from the RSC whether it wishes to reappoint these Members and/or undertake a recruitment process for all or some of the positions.

EXECUTIVE SUMMARY

Pursuant to Clause 5.4.1 of the Committee's Terms of Reference, the Review and Selection Committee (RSC) and the Chief Executive Officer act as the selection panel for all independent expert Members to the Council Assessment Panel (CAP).

This report outlines the proposed recruitment process to the RSC pursuant to Clause 5.4.1 of the Terms of Reference and to advise the Committee that this recruitment process is to commence shortly, as the terms of the two Independent CAP Members and the Deputy Independent Member, expires on 30 June 2021.

The next appointees and remaining members of the CAP will transition into operating under the new PDI Act and Planning and Design code.

In appointing new members, the RSC should consider the following in assessing candidates which is outlined in greater detail in the report:

- Accreditation of panel members;
- Ability to preside over applications under the new PDI Act and Planning and Design Code;
- Their role as an independent relevant authority under the new Act; and
- New roles and responsibilities of the CAP under the new Code.

Options for consideration include:

- reappoint for a one or two year term
- recruit for a one or two year term.

RECOMMENDATION

That the Review and Selection Committee:

Delete any recommendations not required

- 1. Endorses the reappointment of the following Independent Council Assessment Members for a 12 month term to expire on the 1 July 2022 **OR** a further 24 month term to expire on 1 July 2023.**

- Ms Yvonne Stenson
- Mr Bryn Adams

3. Requests that Administration commence the recruitment process for **x** number of Independent Council Assessment Panel Member(s) for a period of 1 year **OR** for a period of 2 years.
4. Endorses the reappointment of the Deputy Independent Council Assessment Panel Member for a (12 **OR** 24 month) term to expire on (1 July 2022 **OR** 1 July 2023).

OR

Requests that Administration commence the recruitment process for a Deputy Independent Council Assessment Panel Member for a (12 **OR** 24 month) term to expire on (1 July 2022 **OR** 1 July 2023).

5. Notes that following the closure of the advertising period seeking expressions of interest, the Elected Members of the Review and Selection Committee together with the Chief Executive Officer or delegate, shortlist candidates, and then interview candidates and make recommendations to Council on preferred candidates, for both the Presiding Member and general positions.
6. Please note the Council member will be addressed via a separate report.

BACKGROUND

Clause 5.4.1 of the Terms of Reference for the Review and Selection Committee (RSC) provides that this Committee and the Chief Executive Officer will act as the selection panel for all expert Members to the Council Assessment Panel (CAP).

Clause 5.4.3 outlines the process to be followed by the Committee, which is as follows:

- *Identification of potential candidates via general advertisement*
- *Shortlist 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 preferred candidates.*

Following the recommendation from the RSC, Council are the official appointing body of the CAP Members.

On 27 April 2020, Council resolved to appoint the following Independent Members to the Council Assessment Panel for the following length of time:

- Mr Terry Mosel (Presiding Member) until 30 June 2022
- Mr Michael Davis until 30 June 2022;
- Ms Yvonne Svenson until 30 June 2021;
- Mr Bryn Adams until 30 June 2021; and
- Mr Gavin Lloyd-Jones (Deputy Member) until 30 June 2021.

The current term for two Independent Members, Ms Yvonne Svenson and Mr Bryn Adams, and the Deputy Member, Mr Gavin Lloyd-Jones, are due to expire on 30 June 2021.

Accordingly, Council must either commence the recruitment process outlined in Clause 5.4.3 by placing an advertisement in the Adelaide Advertiser and relevant online website seeking expressions of interest for Independent Members for the CAP, and/or reappoint some or all of the expiring Members to the Panel.

If the recruitment process outlined in Clause 5.4.3 is pursued, the RSC may need to meet outside of its schedule of meetings to progress the recruitment process in a timely manner, as the process includes interviews with candidates.

DISCUSSION

The Review and Selection Committee (RSC) is required to make a recommendation to Council regarding the appointment of Independent Members to the CAP. The CAP shall comprise a maximum of 5 (five) Members, only 1 (one) of which can be (but need not be) an Elected Member of Council.

Councillor Raelene Telfer is the current Elected Member appointed to the CAP, with Councillor Matthew Shilling as the Deputy Elected Member. These appointments expire on 30 June 2021. These appointments were made by Council, therefore the Review and Selection Committee need only consider the appointment of the Independent Member positions as well as the deputy Member position.

The role of the Deputy Member is to act in place of Panel Members in the event they are unable to attend a meeting (i.e. illness, holiday etc.). Council can choose to appoint up to five (5) Deputy Members.

The term of office for each CAP Member is determined by Council but in any event shall not exceed 2 years, in accordance with the Council Assessment Panel Terms of Reference (adopted 22 August 2017). It should be noted that the option exists for Council to appoint Members to a lesser term. An Independent Member is entitled to be re-appointed as a CAP Member for multiple successive terms by Council resolution. A Council Representative is entitled to be re-appointed as a CAP Member for a second successive term by a resolution of the Council.

Transition to the Planning, Development and Infrastructure Act 2016

It is anticipated the Planning Development and Infrastructure Act 2016 (PDI Act) will become fully operational in March 2021.

Applications lodged from the commencement of the new Code, will be assessed against the PDI Act and the new Planning and Design Code (which replaces the City of Marion Development Plan). Applications lodged prior to the commencement of the Planning & Design Code will continue to be assessed against the Development Act 1993 and the City of Marion Development Plan.

It is anticipated that for a significant period of time, the CAP will be considering applications against both the PDI Act and the Development Act.

Applications on Public Notification

Following a review of the Planning and Design Code it is anticipated the volume of applications to be considered by the CAP will be less, especially residential type applications. However, as explained in the Council report of 27 January 2021 and summarised below, the CAP will also have new responsibilities.

Applications under the PDI Act 2016 that require public notification will, by default, require assessment by the Panel (Section 93 of the Act). The types of development that will require assessment and consideration by the CAP are outlined within the Planning & Design Code, Procedural Matters (PM) Table of each zone.

As an example, under the new Code, unless a building height of 9 metres is exceeded, all forms of 'dwelling(s)' are excluded from public notification within the General Neighbourhood Zone (which replaces Marion Plains Policy Area 8 and Medium Density Policy Area 12). This is similar in other residential based zones, such as the Hills Neighbourhood Zone and Suburban Neighbourhood Zone.

A table comparing existing to proposed Residential Zones and future public notification triggers is summarised in Attachment 1.

It is however likely that a similar number of applications which are non-residential in nature (commercial, major projects etc.) will continue to be assessed by the Panel.

New Roles and Responsibilities of the CAP

Where an Assessment Manager has acted as the relevant authority (i.e. made a decision), the applicant may apply to the assessment panel to review a decision. For example, should the Assessment Manager issue a refusal, the applicant can apply to the Panel to review the decision in lieu of appealing to the ERD Court.

In this respect, the Panel is tasked with reviewing the original decision and will ultimately be required to either affirm, vary or set aside the original (and substitute its own) decision.

Given the Panel is empowered to review and potentially overturn a decision of the Assessment Manager, it is critical Members who are appointed have a considerable and knowledgeable understanding of not only the Planning & Design Code, but are comfortable in undertaking a potential review process.

Accreditation of Panel Members

Section 88 of the PDI Act requires CAP Members to obtain accreditation in order to perform, exercise or discharge the functions, powers or duties relevant to acting as a Member of an assessment panel.

The Accredited Professionals Scheme became operational under the PDI Act from 1 April 2019 and accordingly, it is essential that Members must be eligible and willing to attain and retain an Accredited Professional – Planning level 2 accreditation in order to serve on the CAP.

Candidates should already hold Accredited Professional – Planning Level 2 accreditation when applying for any vacant position and our advertisement will reflect this.

Administration recommends that Members must be responsible, at their own cost, to obtain and retain Accredited Professional – Planning Level 2 accreditation.

Maintaining the accreditation also involves certain amounts of professional development which would be paid for and undertaken by the Independent Members (this will be tax deductible for them).

The appointed Elected Member does not require accreditation if the Council is satisfied the person is appropriately qualified to act as a Member of the assessment panel on account of the person's experience in local government.

Financial Implications

Meetings are scheduled to occur in the first week of every month (except the first week of January), with a second meeting to occur on the third week of the month, on an as need basis.

Remuneration for Independent Members is included in the budget each year. Currently, the Presiding Member receives a fee of \$500 per meeting, whilst the Independent Member receives a fee of \$400 per meeting. The Council appointed Elected Member receives a fee of \$200 per meeting.

Many CAP Members in South Australia sit on multiple CAPs, it is therefore not recommended that Council pay accreditation fees or directly contribute to professional development.

However, given the increased costs of gaining accreditation and maintaining professional development, as well as the changes from the transition to the PDI Act, it is suggested that Council staff review the remuneration of the Independent Members by December 2021, including consideration of benchmarking with other Council's.

Conclusion

In summary, Members are required to demonstrate a high knowledge of the operation and requirements of the Development Act 1993 and the City of Marion Development Plan, in addition to the PDI Act and the Planning and Design Code.

Recommended approach

A staggered approach to appointments has been sought to prevent instances where all Members may be replaced at the same time. This is to provide continuity and maintain 'Marion knowledge' during any transition.

Note, if Members are appointed for 12 months then all four Independent Member positions will expire 30 June 2022.

It is recommended a term of 24 months be offered.

Option 1:

Seek expressions of interest from (appropriately qualified/experienced) Members of the public for the two Independent Member positions (2 Independent Member positions) of the CAP, for either a 12 month or 2 year term to be determined by Council.

Option 2:

Re-appoint current Members to the CAP (provided Members are willing to be re-appointed and maintain accreditation) for a term of 24 months, expiring 30 June 2023. If this option is selected, the existing Members that wish to be reappointed will need to demonstrate they hold the applicable qualifications, or are in the process of receiving qualification.

Option 3:

A combination of the two options above, whereby one current Independent CAP Member is appointed to the CAP and expressions of interest sought are from appropriately qualified/experienced Members of the public to serve on the CAP, for a term to be determined by Council.

It is recommended the current Deputy Independent Member be reappointed.

If the Committee wishes to discuss any personal information relating to any of the existing CAP Members, it is recommended that the Committee resolve to move into confidence with the following resolution:

'That pursuant to Section 90(2) and 90(3)(a) of the Local Government Act 1999, the Review and Selection Committee orders that all persons present, with the exception of the following persons: Adrian Skull, Ilia Houridis, Kate McKenzie, Warwick Deller-Coombs and Alex Wright any other person remaining in room, be excluded from the meeting as the Committee receives and considers information relating to the selection of candidates for the Council Assessment Panel, upon the basis that the Committee 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 personal affairs of Council Assessment Panel Members.'

Proposed Timeline (for options that require public advertising of CAP positions)

Determine process and timeline	Early February
Advertise for CAP Members (opens)	Mid February
Advertisement for CAP Members closes	Late February
Compile a list of applicants and report to Special Review and Selection Committee Meeting with applications	Late February
RSC to short list applicants	Early March
Interviews with applicants	Mid March
Special Review and Selection Committee Meeting	Late March
Finalise report to RSC for recommendation to Council	Early April
Council resolution to appoint recommended Members	27 April or 11 May

Noting that if the RSC reappointed the current Members and current deputy Member, the matter would be brought to the next available Council meeting for resolution.

Attachment

#	Attachment	Type
1	Comparison - Existing to Proposed Residential Zones and Future Public Notification Triggers	PDF File

Comparison - Existing to Proposed Residential Zones and Future Public Notification Triggers

Current Zone	Proposed Zone	Public Notification Trigger
Marion Plains Policy Area 8; Lonsdale Policy Area 9; Medium Density Policy Area 12; Northern Policy Area 13;	General Neighbourhood	- Exceeding maximum building height of 9 metres
Hills Policy Area 11; Foothills and Seaside Policy Area 23	Hills Neighbourhood	- Exceeding maximum building height of 9 metres - Retaining exceeding 1.5 metres; or - Where more than 1.5 metres is to be retained in total, are stepped in a series of low walls each not exceeding 1m in height and separated by at least 700mm.
Cement Hill Policy Area 10; Racecourse Policy Area 15; Southern Policy Area 18; Coastal Policy Area 21	Suburban Neighbourhood	- Exceeding maximum building height of 9 metres
Residential Character Policy Area 17	Establish Neighbourhood	- Exceeding maximum building height of 1 level - Exceeding Maximum building height of 9 metres
Regeneration Policy Area 16	Housing Diversity Neighbourhood	- Exceeding Maximum building height of 9 metres

CEO Performance and Remuneration Review Timeline and Approach 2020-2021

Originating Officer	Manager People and Culture - Steph Roberts
Corporate Manager	Manager People and Culture - Steph Roberts
General Manager	Chief Executive Officer - Adrian Skull
Report Reference	RSC210202R03

REPORT OBJECTIVE

To determine the recommendation to Council for the approach and timeline for the CEO 2020-2021 performance and remuneration review.

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 covers 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 9 March General Council Meeting.

RECOMMENDATION

That the Review and Selection Committee:

1. Recommends either option 1 a or 1 b

1 a) Elected Members provide performance feedback to the CEO during an Elected Member Forum

or

1 b) Engage an external consultant to conduct a 360 degree feedback process, including Elected Member, Senior Leader and External Stakeholder feedback, at a cost of approximately \$4000.

2. 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.

In 2019/20 Elected Members provided feedback to the CEO during an Elected Member Forum and did not use an external consultant. In the event Elected Members choose to engage a specialist consultant to conduct the 360-degree component of the performance review, it would include:

- The development, implementation (including interviews) and evaluation of a 360 feedback 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.
- The cost would be approximately \$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	Review and Selection Committee 2 Feb 21 Appendix 1	PDF File
2	Review and Selection Committee 2 Feb 21 Appendix 2	PDF File

**Appendix 1 Proposed timeline for conducting the CEO's 2020_2021
Performance and Remuneration Review**

Timeline: CEO Performance and Remuneration Review				
Date	Activity	Meeting	Dependency	Contract / LGA Code of Conduct of the CEO
2 February 21	- Review proposed Timeline and process for CEO performance/ remuneration review and make recommendation to Council.	Review and Selection Committee (RSC)	CEO engagement	
9 March	- Report to Council to seek resolution regarding the process and timeline for CEO Performance and Remuneration Review	General Council meeting	CEO engagement	
March - April 21 EM Forum TBC	- Workshop CEO and Organisational KPIs 2021/2022 financial year	Elected Member Forum	Draft budget process timeline (refer appendix 2)	
4 May 21	- CEO and organisational KPIs 2021/2022 financial year and make recommendation to Council (consider any further CEO KPIs on top of the organisational KPIs)	RSC	March-April Elected Member Forum	
TBC	CEO and organisational KPIs 2021/2022 financial year	General Council meeting	May Review and Selection Committee	
June 21 Or 21 Sept activity	Appointment of external consultant to conduct the CEO 360-degree feedback process	RSC	2 Feb RSC and 9 March General Council Meeting	

Timeline: CEO Performance and Remuneration Review				
Date	Activity	Meeting	Dependency	Contract / LGA Code of Conduct of the CEO
Sept 21	Conduct 360-degree feedback Kathryn McEwen Cost approximately \$4000 + GST	N/A	9 March Council resolution	The entire process to take no longer than 6 weeks
21 September Or June/Sept activity	Elected Members to provide performance feedback to the CEO. CEO present an overview of the year's performance	Elected Member Forum	2 Feb RSC and 9 March General Council Meeting	
Oct 21	Assess performance against KPIs	N/A	Audited Financial Statements considered at - Audit Committee 12 October 21 - Council to adopt October 21	
Oct 21	Opportunity for Mayor to review the KPI results and 360 feedback (prior to 1/11 R&S meeting)	N/A		
Oct 21	People and Culture conduct a remuneration assessment (market testing, using available data), to inform R&S committee (if required/dependent on the performance outcome)	N/A		
2 Nov 21	<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)
23 Nov 21	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 21	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

December	Letter from Mayor to CEO outlining outcomes of the performance review and any required contract amendments			copy provided to the CEO
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Annual Business Plan 2021-22 Planning and budgeting process

Attachment 2

Stage	Focus	Timing
1	Staff analysis of planning inputs – Research and Engagement for the Environmental Scan, committed projected/program and labour budgets.	October - January 2021
2	High level draft budget model development: <ul style="list-style-type: none"> Elected Members input in setting tolerance/ key assumptions, parameters for management Elected Members consideration of current unfunded initiatives, new priority initiatives and staff new initiatives Draft Budget Model developed based on parameters set 	November-January 2021
3	Finance & Audit Committee - Feedback on the proposed framework, assumptions and associated risks in setting the Annual Business Plan for 2021/22 and the Long-Term Financial Plan	8 December 2020
4	<ul style="list-style-type: none"> LTFP aligned with set parameters, Council resolutions and prioritised new activities High Level draft Budget/LTFP model presented to Elected Members 	January Planning Day- 30 January 2021
5	Finance & Audit Committee – Update provided on Development Draft Annual Business Plan & LTFP, Framework and Assumptions – FAC feedback sought	25 February 2021
6	Draft Annual Business Plan /LTFP Framework and Assumptions endorsed and adopted	March 2021
7	<ul style="list-style-type: none"> Elected Member Forum – Rating data, rates discussion, 2021/22 priority projects list modelling. Draft Annual Business Plan and Comprehensive Draft Budget 	16 March 2021
8	Set Tentative Rates Set draft priority projects list for consultation	March-April
9	Draft Annual Business Plan endorsed and adopted for Community Consultation	27 April 2021
10	Community Consultation period (Min. 21 Days)	28 April - 18 May 2021
11	Community Consultation Feedback to Council	25 May 2021
12	Final rates discussion Final priority projects discussions	May - June
13	Finance & Audit Committee – Update on Community Consultation Feedback	19 May 2021
14	Final Draft Annual Business Plan and LTFP endorsed by Council for Adoption	8 June 2021
15	Annual Business Plan / LTFP adopted	22 June 2021

REPORTS FOR NOTING

Corporate and CEO KPI Report Quarter Two 2020/21

Originating Officer	Governance Officer - Victoria Moritz
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager City Services - Tony Lines
	Chief Executive Officer - Adrian Skull
Report Reference	RSC210202R04

REPORT OBJECTIVE

To advise the Committee of the results of the CEO and Corporate KPI's for quarter two 2020/21.

RECOMMENDATION

That the Committee:

- 1. Notes this report and information contained within the attachments for Quarter Two.**

Attachment

#	Attachment	Type
1	Attachment 1 - KPI Overview	PDF File
2	Attachment 1a - Supporting Information for KPI2	PDF File
3	Attachment 2 - KPI Summary	PDF File
4	Attachment 3 - FTE Employees (Staff and Agency)	PDF File
5	Attachment 4 - Labour and FTE Movement Summary	PDF File

CHIEF EXECUTIVE OFFICER and CORPORATE KEY PERFORMANCE INDICATORS 2020/21

QUARTER TWO: OCTOBER '20 – DECEMBER '20 - ATTACHMENT 1

1

Financial Sustainability

Core target: Council maintains, on average a break even or better funding (cash) position over the Long-Term Financial Plan

Stretch target: Council maintains a break-even or positive position in delivering its Annual Budget.

Measure: This target compares funding cash position at the relevant budget review with the adopted budget figure.

Result: First budget review forecasts end of year surplus of \$0.163M. Stretch target is forecast to be met.

Forecast = \$0.163M

Final Audited Results

Third review

Second review

First review

Adopted budget \$0

4

Total Employee Costs

Core target: Less than or equal to 3% increase in actual employee costs (including agency staff) against prior year's actual costs – adjusted for Council endorsed changes to meet resourcing requirements.

Stretch target: Less than or equal to 2% increase in actual employee costs (including agency staff) against prior year's actual costs – adjusted for Council endorsed changes to meet resourcing requirements.

Measure: The 2019/20 Actual audited figure = \$36.487M

Result: Actual Forecast is 4.0% - after adjusting for the additional positions approved by Council (Digital Transformation and CSI Resource) the KPI forecast result is reduced to 2.04%. Core Target is forecast to be met.

Stretch >or= 2%

Forecast = 2.04%

Core >or= 3%

1|.....2|.....3|.....4|

2

Delivery of agreed projects identified in ABP and 4-year Plan (32 projects)

Core target: Greater than or equal to 95%

Measure: Monthly data as at 31 December 2020

Result: 100% 32 projects are on track (including completed and deferred).

Note: Refer Appendix 1a for supporting information

Core >or= 95%

On Track 32 (100%)

85|.....90|.....95|.....100|

3

Lost Time Injury Frequency Rate.

Core target: Greater than or equal to 10% reduction from 2019/20 = 5.49

Stretch target: Greater than or equal to 15% reduction from 2019/20 = 5.19

Measure: The LTIFR for Q2 2020/21 is 11.6

Result: 47.4% Increase. The Core Target has not been met.

Stretch >or= -15%

Core >or= -10%

Result = 47.4% Increase

-20|.....0|.....20|.....40|.....60|

5

Overall Satisfaction with Council's performance

Core target: Greater than or equal to 75% rated as satisfied or above.

Stretch target: Greater than or equal to 85% rated as satisfied or above.

Measure: Community Survey

Result: N/A

Note: As this is an annual measure the next survey results will be available at the end of the 2020/21 reporting year.

6

Asset Sustainability

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

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

Result: Projected at 87% per adopted budget. Core Target is forecast to be met.

Core > or= 80%

Projected = 87%

Stretch > or= 90%

60|.....70|.....80|.....90|

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



7 Delivery of Council's capital works program

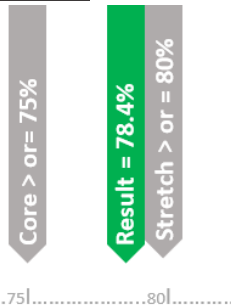
Core target: Greater than or equal to 85% delivery of Council's planned capital works program (adjusted for extraordinary items)
Stretch target: Greater than or equal to 90% delivery of Council's planned capital works program (adjusted for extraordinary items)
Result: This is an Annual Measure. The Core Target is expected to be met.

10 Carbon Neutrality

Core target: Actual annual emissions less than the plan's annual target emissions
Stretch target: Actual annual emissions 5% less than the plan's annual target emissions.
Measure: Carbon emissions footprint, measured against Council's endorsed Carbon Neutral Plan
Result: This KPI is applicable 2021/22 onwards and will not be reported during the 2020/21 financial year.

8 Staff Teamgaze Survey and Field Staff Survey Results

Core target: Achievement of an overall employee pulse survey result of 75%, based on 9 metrics
Stretch target: Achievement of an overall employee survey result of 80%
Measure: Staff Teamgaze survey results.
Result: 78.4%. The Core Target has been met.



***Note:** The Teamgaze employee engagement tool is now being utilised, based on 9 metrics (including Communication, Leader Support, Collaboration, Resources, Integrity, Respect, Innovation, Safety and Wellbeing).

9 Community Engagement / Communications

Core target: Project specific communications to the public should be timely and accurate
Stretch target: 100%
Measure: Based on feedback received on project specific distributed communications.
Result: 100%. The Core Target has been met. There were 26 pieces of project specific communications items during this period. There has been no feedback on inaccurate or untimely information in relation to these.



ATTACHMENT 1a – Supporting Information

As at 31 December 2020 - 100% (32 projects) are on-track.

The on-track includes projects that were started or completed in the 2020/21 financial year and also includes those projects that are deferred.

It is noted that in Quarter One, we reported on 38 projects. This included projects that were completed from year 1 of the 4-year plan. These have now been removed and we will just be reporting on the second-year targets of the Annual Business Plan and 4-year plan being the 32 projects reported on in this quarter.

Table 1: Year 2 Projects

Project Name	Start Date	Completion Date	Q1	Q1 Supporting Comments
Metrics that Matter 2.0	01/08/19		Deferred	Project is still deferred. There is a scope of works to still be worked out for Phase 2. This project is a cross council collaboration with more discussion to be had.
Third Community Bus Trial	01/07/2019		Deferred	New route information was being promoted when COVID 19 pandemic was announced the Community Bus service, including the new route and the third bus, was placed on hold. Unfortunately the new volunteers and some existing volunteers resigned during this time. Currently risk assessments are being conducted to plan for reinstating community bus service and the third bus trial.
Transition to New Planning and Design Code	01/01/2020		Deferred	State Government have delayed transition to PD code until March 2021.
Expanded Online Booking Service Delivery	01/07/2019	01/10/2020	Completed	
Maximise Outcomes of Seacliff Park Development Plan Amendment	01/07/2019	30/10/2020	Completed	
Neighbourhood Centres Extended Operating Hours Trial	01/07/2019	01/10/2020	Completed	

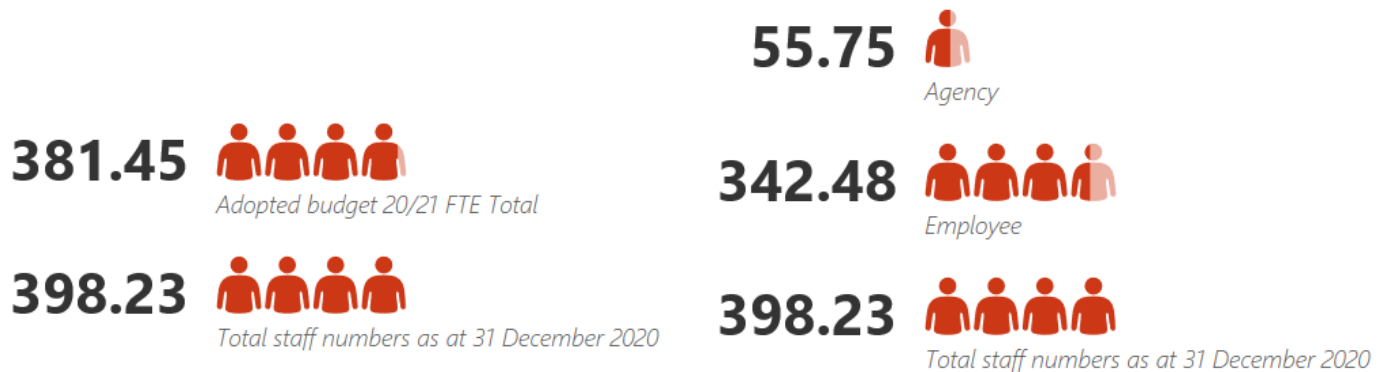
Corporate and CEO KPI Report Quarter Two 2020/21 – ATTACHMENT 2

KPI	Details	Target	Stretch Target	Qtr 1	Qtr 2	Qtr 3	Qtr 4
1	Financial sustainability.	Council maintains, on average a break even or better funding (cash) position over the Long Term Financial Plan	Council maintains a break-even or positive cash funding position in delivering its Annual Budget	\$0.154M	\$0.163M		
				Result: First budget review forecast and end of year surplus of \$0.163M. Stretch target is forecast to be met.			
2	Delivery of agreed projects identified in the <i>Annual Business Plan</i> and the second year targets in the four-year plan.	Greater than or equal to 95%	No Stretch Target	97%	100%		
				Result: 100% - 32 projects are on track including 3 projects that have been deferred and 3 projects that have been completed in 2020/21.			
3	Lost Time Injury Frequency Rate.	Greater than or equal to 10% reduction from the previous year's result 2019/20 = 5.49	Greater than or equal to 15% reduction from the previous year's result 2019/20 = 5.19	47.4% increase	47.4% increase		
				Result: 47.4% Increase. The Core Target has 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 – adjusted for Council endorsed changes to meet resourcing requirements	Less than or equal to 2% increase in actual employee costs (including agency staff) against prior year's actual costs – adjusted for Council endorsed changes to meet resourcing requirements	2.0%	2.04%		
				Result: Actual Forecast is 4.0% - after adjusting for the additional positions approved by Council (Digital Transformation and CSI Resource) the KPI forecast result is reduced to 2.04%. Target is forecast to be met.			
5	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	N/A		
				As this is an annual measure the next survey results will be available at the end of the 2020/21 reporting year.			
6	Asset sustainability.	Asset Renewal Funding Ratio greater than or equal to 80%	Asset Renewal Funding Ratio greater than or equal to 90%	109% (projected)	87% (projected)		
				Result: Projected at 87% per adopted budget. Core Target is forecast to be met.			
7	Delivery of Council's capital works program.	Greater than or equal to 85% 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	N/A		
				This is an Annual Measure. Expected to achieve core target.			
8	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%	80.6%	78.4%		
				Result: 78.4%. The Core target has been met.			
9	Community engagement / communications	Project specific communication to the public should be timely and accurate	100%	96.5%	100%		
				Result = 100% accuracy. There were 26 pieces project specific communications during this period. There has been no feedback on inaccurate or untimely information in relation to these.			
10	Carbon Neutrality – carbon emissions footprint, measured against Council's endorsed Carbon Neutral Plan (applicable 2021/22 onwards)	Actual annual emissions less than the plan's annual target emissions	Actual annual emissions 5% less than the plan's annual target emissions	NA			
				This KPI is applicable 2021/22 onwards and will not be reported during the 2020/21 financial year.			

ATTACHMENT 3

FULLTIME EQUIVALENT (FTE) EMPLOYEE AGENCY

The number of FTE employees (staff and agency) employed across the organisation as at 31 December 2020.



There are currently 12 temporary vacant positions comprised of:

- | | |
|---|-----|
| • Recruitment in progress (required position) | 7.0 |
| • Currently under review | 4.0 |
| • Vacant required position | 1.0 |

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



ATTACHMENT 4

LABOUR AND FTE MOVEMENT SUMMARY

	2020/21 \$000's	2019/20 \$000's	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	37,973*	36,487	34,861	33,274	32,221	31,783	31,757	31,532	30,239
	4.07%	4.66%	4.77%	3.27%	1.40%	0.10%	0.70%	4.30%	
Total Number of Employees (FTE at 31 December 2020)** % Movement on Prior Year	398	358	365	360	344	342	348	351	359
	11.17%	-1.9%	1.38%	4.80%	0.60%	-1.70%	-0.90%	-2.20%	

5-Year average FTE to June 2020 353.8

*Adopted Budget used for second quarter comparative

** As at 31 December 2020 includes seasonal agency staff

WORKSHOP / PRESENTATION ITEMS - Nil

OTHER BUSINESS

MEETING CLOSURE