

## 10.2 CEO Performance and Remuneration Review

<b>Report Reference</b>	GC22061410.2
<b>Originating Officer</b>	Manager People and Culture – Jessica Lynch
<b>Corporate Manager</b>	Manager People and Culture - Jessica Lynch
<b>General Manager</b>	Chief Executive Officer - Tony Harrison

### CONFIDENTIAL MOTION

That pursuant to Section 90(2) and (3)(d) of the Local Government Act 1999, the Council orders that all persons present, with the exception of the following persons: Chief Executive Officer, General Manager City Services, General Manager City Development, General Manager Corporate Services, Manager People and Culture, Manager Office of the CEO, Unit Governance and Council Support, Executive Officer to the CEO be excluded from the meeting as the Council receives and considers information relating to CEO Performance and Remuneration 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 commercial figures of an independent third party.

### REPORT HISTORY

List any relevant report references - optional field, remove table and heading if not required

Report Reference	Report Title
SRSC211207F72	CEO Remuneration Review
GC220125F18.2	CEO Remuneration Review
RSC220503F8.1	CEO Performance and Remuneration Review

### REPORT OBJECTIVE

For Council to endorse the appointment of an external consultant to conduct the Chief Executive Officer (CEO) 360-degree feedback process for the CEO Performance and Remuneration Review, as recommended by the Review and Selection Committee.

### EXECUTIVE SUMMARY

The employment of a CEO is a critical function of Council and ensuring a best practice CEO Performance and Remuneration Review will ring further accountability and benefits to Council and its community.

As per the requirements of the *Local Government Act 1999 Section 102A* and in accordance with Section 11 of the Employment Agreement, the CEO is to undergo a performance review in August of each year, or at other times determined by the Council. Council must obtain and consider the advice of a qualified independent person in support of the review.

At the Review and Selection Committee held on 3 May 2022, it was resolved to recommend to Council the appointment of the external consultant, Kathryn McEwen, to deliver the 360-degree feedback process and reports for the 2021-22 CEO Performance and Remuneration Review.

## RECOMMENDATION

### That Council:

1. **Endorses the appointment of the external consultant, Kathryn McEwen, to deliver the 360-degree feedback process and reports for the 2021-22 CEO Performance and Remuneration Review.**
2. **In accordance with Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that this report, CEO Remuneration Review, any appendices and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(d) of the Act, except when required to effect or comply with the Council's resolution(s) regarding this matter, 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 2022.**

## DISCUSSION

Tony Harrison was appointed to the position of Chief Executive Officer (CEO) on 27 April 2021.

As per the requirements of the *Local Government Act 1999 Section 102A (1)* and in accordance with Section 11 of the Employment Agreement, the CEO is to undergo a performance review in August of each year, or at other times determined by the Council.

On 7 December 2021, the Review and Selection Committee endorsed a proposed approach and timeline for the CEO's Performance and Remuneration Review for 2021-22. Council endorsed the proposed approach and timeline at the General Council Meeting on 8 February 2022.

The approach and timelines outlined in Attachment 1 (updated) were developed with reference to:

- The Review and Selection Committee Terms of Reference
- *Local Government Act 1999* Reforms
- The CEO's Employment Agreement requirements, including:
  - The CEO position description (Schedule 1)
  - The KPIs agreed by the Council (Schedule 2)
  - The performance rating agreed by the Council and the CEO (Schedule 4)
- Leading practice principles
- The discharge of the duties
- Caretaker policy for Local Government Elections, and
- Any other factors considered by Council as relevant.

In alignment to the requirements of Section 102A (2) of the *Local Government Act 1999*, Council must obtain and consider the advice of a qualified independent person on review under subsection (1). Under this Section, a "qualified independent person" means a person who is:

- (a) not a member or employee of the Council; and
- (b) determined by the Council to have appropriate qualifications or experience in human resource management.

As endorsed by Council on 8 February 2022, the external consultant will assist in the assessment of the performance of the CEO. The consultant will be responsible for facilitating the 360-degree component of the performance review, including:

- The development, implementation (including interviews) and evaluation of a 360 tool, incorporating feedback from persons who work directly with the CEO, 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 outcome 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.

It is proposed that Council appoint Ms Kathryn McEwen as a qualified independent person to undertake the delivery of the 360-degree feedback component of the performance review.

Ms McEwen is a registered organisational psychologist with over 38-years experience in human resource management consulting, executive coaching, and workplace mediation. Ms McEwen holds qualifications in Psychology and Organisational Psychology from the University of Western Australia and Curtin University. The Australian Psychological Society (APS) has recognised Ms McEwen's contribution to the field of psychology through awarding the status of Fellow. Ms McEwen is a past Chair of the SA College of Organisational Psychologists, a founding member of the APS's Interest Group in Coaching Psychology, the CEO and Founder of Resilience at Work (R@W) and Hurn-McEwen HR Consultants.

Ms Ewen has confirmed a fee of \$5,000 plus GST to undertake the 360-degree survey process, phone interviews, preparation of reports and feedback to the CEO.

## **ATTACHMENTS**

1. Attachment 1 Timeline for conducting the [11.2.1 - 2 pages]