Notice of Meeting

NOTICE IS HEREBY GIVEN in accordance with Sections 83 and 87 of the Local Government Act 1999, that a meeting of the

CEO Recruitment, Performance Appraisal and Remuneration Review Committee

of the

CITY OF BURNSIDE

Will be held in the Boardroom, Civic Centre
at 401 Greenhill Road, Tusmore

on

Friday 23 June 2017
at 8.30 am

Paul Deb
Chief Executive Officer

CEO Recruitment, Performance Appraisal and Remuneration Review Committee

Agenda

Friday 23 June 2017 at 8.30am
Boardroom, Civic Centre, 401 Greenhill Road, Tusmore

Members: Mayor David Parkin
Councillors Lemon, Piggott and Davis

In attendance: Richard Altman (EO), Andrew Reed and Justin Hinora (Hender Consulting)

1. Apologies

2. Leave of Absence

Nil

3. Confirmation of Minutes

Recommendation:

That the minutes of the CEO Recruitment, Performance Appraisal and Remuneration Review Committee meeting held on 5 June 2017; adjourned from 30 May 2017 be taken as read and confirmed.

4. Correspondence

Nil

5. Business Arising from the Last Meeting

Nil

6. Reports of Officers

6.1 2016/2017 Chief Executive Officer Performance Review Process p5
Attachment A
Attachment B

If you would like to know about Council and Council Committee meeting procedures, please visit our website and type the following address: www.burnside.sa.gov.au/GOTO/MeetingPractice.

6.2 2016/2017 Chief Executive Officer Performance Review Timetable and Role Chart p15
Attachment A

6.3 Setting of CEO KPI's for 2017/2018 – Process p19

7. Finance and Meeting Attendance Report to Council

Nil

8. Other Business

9. Next Meeting

TBC

10. Closure

Item No:	6.1
To:	CEO Recruitment, Performance Appraisal and Remuneration Review Committee
Date:	23 June 2017
Author:	Richard Altman – Executive Officer
Subject:	2016/2017 Chief Executive Officer Performance Review Process
Attachments:	A. 2016/2017 Key Performance Indicators (Deliverables) B. CEO Performance Plan 016-2017 Draft 4

Officer's Recommendation

1. That the Report be received.

2. That the Committee endorse the draft 2016/2017 Chief Executive Officer Performance Review Process.

Purpose

1. To provide the Committee with a process for conducting the 2016/2017 CEO Performance Review.

Discussion

1. The CEO Recruitment, Performance Appraisal and Remuneration Review Committee on 28 June 2016, adopted a set of Key Performance Indicators (Deliverables) for the 2016/2017 period. The KPI's set out a series of goals and indicators against which the CEO's performance would be measured. (Attachment A)

2. The CEO Recruitment, Performance Appraisal and Remuneration Review Committee also developed and adopted a CEO Performance Plan for the 2016/2017 period. The Performance Plan sets out the Performance Criteria and Executive Behaviours against which the CEO's performance would be measured. (Attachment B)

3. The CEO's Employment Agreement dated July 2015 sets out a requirement in Clause 14 for the CEO to participate in an annual performance review which will be conducted in accordance with the CEO Recruitment, Performance Appraisal and Remuneration Review Committee's Terms of Reference.

4. It is proposed that the 2016/2017 CEO Performance Review process to be undertaken seeks Elected Member feedback in relation to the CEO's performance in relation to the agreed KPI's, and the CEO Performance Plan.

5. It is proposed that the 2016/2017 CEO Performance Review process involve the appointed Consultant to conduct individual meetings with each of the Elected Members to seek their feedback, rather than have Elected Members provide their feedback through a questionnaire. This will ensure the CEO receives evidenced based feedback that can be considered for his development.

6. In preparation for the performance review the CEO will prepare a summary of his performance against the agreed KPI's. In this report the CEO should articulate progress against each KPI, and indicate for each KPI if it has been Achieved, Partly Achieved, or Not Achieved. The Consultant will circulate the CEO's report to Elected Members prior to seeking their feedback. Elected Members should then provide

comment to the Consultant regarding the CEO's assessment of his performance. The Consultant will provide a summary of the comments in their report, including whether Elected Members agree with the rating provided by the CEO.

7. The CEO's Employment Agreement in Claude 1: Definitions, sets out a series of ratings to be used in providing an assessment of the CEO's performance. The ratings included in the Agreement are as follows:

   - Rating 1 — CEO's performance did not meet expectation;
   - Rating 2 — CEO's performance was below expectation;
   - Rating 3 — CEO's performance met expectation;
   - Rating 4 — CEO's performance was above expectation;
   - Rating 5 — CEO's performance exceeded expectation.

8. It is proposed that each Elected Member in their meeting with the Consultant provide feedback for each of the Performance Criteria and Executive Behaviours included in the CEO's Performance Plan 2016-2017.The Consultant should provide in their written report a summary of the feedback. The Consultant should also seek from each Elected Member a performance rating for each Performance Criteria and Executive Behaviour, as outlined above, and provide a summary in the report.

Attachment A

2016/2017 KEY PERFORMANCE INDICATORS (DELIVERABLES)			
Key Result Area	**Key Performance Indicator**		**Other Information**
1 **Financial sustainability**	1.1	Deliver against the annual business plan, including against the budget as agreed by Council.	Plan to be agreed in June 2016 Deliver the plan by June 2017
	1.2	Review the long term 10 Year Financial Plan to ensure it is relevant and meets the needs of Council. Amend as needed in consultation with Council.	During 2016-17 year.
	1.3	Efficiency & Effectiveness Review.	Present at least two new potential revenue streams for Council consideration by 28 February 2017. Present savings initiatives worth at least $1.5m for Council consideration by 28 February 2017.
	1.4	Deliver the 2015-2016 annual report to meet the Local Government deadline and with an unqualified audit opinion.	
2 **People and Culture**	2.1	Demonstrate successful outcomes from the implementation of Action Plans arising from the results of the OCI to improve areas of need.	Organisational Culture Survey OCI conducted in November 2015
	2.2	Demonstrate successful outcomes from the implementation of personal performance development plan based on the LSI feedback.	LifeStyles Inventory LSI conducted in April 2016 to provide feedback on the Chief Executive Officer.
3 **Governance**	3.1	Achieve a master score from the 2016-17 Appraisal Survey conducted with Elected Members no less than the score achieved in 2015-16.	
4 **Business Excellence**	4.1	Deliver the ERA project including the achievement of contractual confirmation of annual private water sales of at least 100ML through ERA Water.	Within budget and on time.
	4.2	Civic Centre Master Plan	Provide Council with a draft Civic Centre Master Plan by 31 Dec 2016 for adoption.
	4.3	Hazelwood Park Master Plan	Provide Council with a Hazelwood Park Master Plan by 31 December 2016

			for adoption.
	4.4	Kensington Gardens Reserve Master Plan	Provide Council with a Kensington Gardens Reserve Master Plan by 30 June 2017 for adoption.
	4.5	Magill Precinct Master Plan	Establish a strategy for progressing the Magill Village plan including engaging the City of Campbelltown with the initiative by 31 December 2016.
	4.6	Conyngham Street Depot site	Deliver a Master Plan by June 2017
	4.7	Take the lead role in coordinating Burnside's responses to the implementation of the Planning Act 2015, the 30 Year Plan for Greater Adelaide and the Glenside Hospital Redevelopment Project	Report to Council as appropriate
	4.8	Capital Projects	Deliver 90% of capital projects (defined by value) within adopted forecast.
	4.9	Constable Hyde Memorial Gardens	Finalise transfer into the ownership of the City of Burnside By 30 June 2017
	4.10	Develop an Economic Development Strategy and submit to Council	By 30 June 2017
5 **Risk Management**	5.1	Implement actions plans to address any non-conformances or observations identified as result of the 2016 WHS Management System KPI Audit	Ongoing

Attachment B

CEO PERFORMANCE PLAN 2016-2017 Draft 4

PERFORMANCE CRITERIA	
1. STRATEGIC PLANNING	
1.1	Work closely with Council to ensure strategic plans are prepared and implemented
1.2	Communicate the Council vision and strategy effectively to all key stakeholders
1.3	Ensure Annual Business Plans are completed and communicated on time
1.4	Prepare long term asset management and financial management plan to ensure Council sustainability
1.5	Consult ratepayers and other key private and public stakeholders effectively in the development of strategic and business plans
1.6	Maintain a continuous review of the Council's progress in attaining the Objectives and Strategies of the Strategic Plan

PERFORMANCE CRITERIA	
2. HUMAN RESOURCE MANAGEMENT	
2.1	Lead, develop, motivate and manage the human resources of the organisation
2.2	Ensure the organisation is flexible and appropriate
2.3	Ensure recruitment is undertaken in line with contemporary and equal opportunity principles and practices
2.4	Ensure professional development and training opportunities, programs, records and policies are in place
2.5	Ensure Council has an effective management system in place to meet its obligations under the Work, Health and Safety and Return to Work legislation, and Performance Standards for Self Insurers
2.6	Ensure contemporary performance management procedures are in place and adhered to
2.7	Review remuneration and conditions for senior management regularly and ensure they conduct similar interviews for their teams
2.8	Create a constructive and productive staff culture

PERFORMANCE CRITERIA	
3. FINANCIAL & ASSET MANAGEMENT	
3.1	Ensure annual and long term financial plans are prepared, monitored and controlled
3.2	Complete the annual budgeting process in close consultation with the Executive and finance
3.3	Ensure close monitoring and controlling of budgets following variance analysis to ensure sound fiscal management
3.4	Ensure Council is provided with timely and accurate financial reports to aid key decision making
3.5	Ensure long term asset management plans are in place and closely monitored
3.6	Ensure strong and well researched business cases are prepared to support projects
3.7	Ensure cash flow is monitored and controlled
3.8	Ensure the collection and security of revenues and efficient utilisation of Council funds and assets
3.9	Ensure any commercial activities of the Council have clearly defined financial goals (including rate of return on assets) in line with stated community service obligations
3.10	Ensure the efficient and effective management and monitoring of the Council's operating revenue and expenditure

PERFORMANCE CRITERIA	
4. OPERATIONS MANAGEMENT & PROJECTS	
4.1	Ensure improved productivity and quality by regularly reviewing existing policies, authorities, controls, workplace agreements, delegations and systems
4.2	Proactively champion and develop a strong customer service focus for the organisation
4.3	Provide an overview of the various operational areas of Council and report to Council and its committees on a regular and formal basis regarding the progress of the Council's operations
4.4	Maintain the quality of overall project management of Council projects
4.5	Ensure projects are completed in line with time and budgetary constraints and project status regularly monitored and communicated
4.6	Enhance the Council's systems and technology consistent with the agreed strategic direction of the Council

PERFORMANCE CRITERIA	
5. STAKEHOLDER MANAGEMENT & COMMUNICATION	
5.1	Liaise with community organisations and regional interests as necessary for the achievement of Council's objectives
5.2	Establish constructive ways of communicating with the community
5.3	Provide input to any Commonwealth, State or Local Government initiatives affecting the City of Burnside
5.4	Liaise effectively with local government authorities, the Local Government Association and other government authorities and agencies
5.5	Ensure community consultation programs are conducted, analysed and incorporated in the strategic planning process
5.6	Represent the Council at appropriate events to maintain and if necessary enhance the Council's public profile within the community and amongst stakeholders
5.7	Ensure Council activities and initiatives are appropriately promoted and communicated
5.8	Ensures the organisation is responsive to requests for service and advice from the community

PERFORMANCE CRITERIA	
6. ADVICE TO & RELATIONSHIP WITH COUNCIL	
6.1	Develops and maintains a positive working relationship with you as an Elected Members
6.2	The CEO and Executive provide you with support, guidance, service quality and accuracy of information, recommendations and related matters.
6.3	Ensures you are provided with a suite of reports that indicate the status, success and effectiveness of all operations and projects
6.4	Ensures that the Council's statutory and governance obligations are met in a timely and effective manner
6.5	Ensures that you as an Elected Member are provided with appropriate professional development opportunities and services
6.6	Develops effective communication and working relationships between the Councillors and the Administration

7. EXECUTIVE BEHAVIOURS
LEADERSHIP
Demonstrates leadership and vision
Adopts a collaborative management style
Sets clear and reasonable tasks and deadlines and supports staff in the achievement thereof
Delegates appropriate tasks to subordinates and empowers them to succeed
Acknowledges and recognises others' skills, abilities and achievements
Gives feedback to staff re performance constructively
Is approachable and available and spends sufficient time with relevant team members
Motivates and encourages others
Sets a strong example in terms of time management, organisation and associated professional standards
Is receptive to and encouraging of positive and proactive change
PERSONAL ATTRIBUTES
Demonstrates integrity and high ethical standards
Remains calm and resilient at all times despite pressures
Maintains confidentiality at all times
Is prepared to admit fault and rectify issues with own performance
Welcomes and accepts feedback constructively
Seeks and is receptive to other points of view
Possesses genuine presence, confidence and assuredness.
COMMUNICATION SKILLS
Delivers verbal messages clearly and succinctly
Delivers written messages clearly and succinctly
Delivers difficult messages and/or bad news effectively i.e. is a truth teller
INTERPERSONAL SKILLS
Establish immediate credibility and rapport with internal and external stakeholders to facilitate outcomes.
Treats all colleagues professionally and with dignity and respect

Effectively negotiates beneficial outcomes for the organisation without compromising stakeholder relationships
COMMERCIAL ACUMEN
Demonstrates well developed commercial acumen in line with non-financial corporate objectives
Demonstrates well developed political acumen whilst maintaining probity and transparency
Possesses a keen eye for process improvement and the capacity to implement changes to this end
Demonstrates versatility and flexibility in finding innovative solutions to problems
Thinks and acts strategically
Exercises sound judgement and makes decisions that are based on reasoned and well researched information
Demonstrates thorough understanding of relevant area of professional expertise
Makes the tough decisions where necessary rather than choosing the popular option
Demonstrates genuine courage in the workplace i.e. breaks new ground via calculated and considered risk taking

Item No:	6.2
To:	CEO Recruitment, Performance Appraisal and Remuneration Review Committee
Date:	23 June 2017
Author:	Richard Altman – Executive Officer
Subject:	2016/2017 Chief Executive Officer Performance Review Timetable
Attachments:	A. CEO Performance Appraisal & Remuneration 2016/2017 Timeline and Role Chart

Officer's Recommendation

1. That the Report be received.

2. That the Committee endorse the draft 2016/2017 Chief Executive Officer Performance Review Timeline.

Purpose

1. To provide the Committee with a timeline for conducting the 2016/2017 CEO Performance Review.

Discussion

1. The CEO's Employment Agreement dated July 2015 sets out a requirement in Clause 14 for the CEO to participate in an annual performance review which will be conducted in accordance with the CEO Recruitment, Performance Appraisal and Remuneration Review Committee's Terms of Reference. The Agreement does not specify a timeline for the review to be completed.

2. The CEO's Employment Agreement dated July 2015 sets out a requirement in Clause 15 that Council review the Total Employment Cost (TEC) package of the CEO annually.

3. The CEO Recruitment, Performance Appraisal and Remuneration Review Committee, Terms of Reference sets out in 14.2.1 that the Committee should prepare a draft performance plan for Council's consideration. The intent of developing such a Plan is to provide a basis for conducting the CEO Performance Review.

4. A proposed timeline for conducting the CEO Performance Review for 2016/2017, and for conducting the Remuneration Review is provided in Attachment A. The timeline also includes the timing for the development of the 2017/2018 Performance Plan.

5. The proposed timeline ensures that feedback from the CEO Performance Review is considered in making recommendations for any changes in the CEO's remuneration or terms and conditions of employment.

Attachment A

	2017/18 Performance Plan	2016/17 Performance Review	Remuneration Review	Council
May		Workshop Committee and Remuneration Advisor (TBA)		
Late June		CEO to present interim progress report to Council		
Late June	Independent facilitator to assist in design of performance plan			
July	Invite EMs to provide written input into the goals and measures for the annual plan	Seek written input from CEO on full year's achievements against agreed KPI's		
July	Invite CEO to provide written input into the goals and measures for the annual plan	Invite all EMs to participate in providing feedback in confidential meetings with the Consultant	Remuneration Advisor to advise on salary and/or conditions	
July	Draft performance plan inc goals & activities in accordance with Strategic Plan			
July	Present draft to Council	Collect and collate written performance review feedback from all EM's		Receive and consider Performance Plan Provide written performance review feedback input
July	Receive input from EMs at Council meeting 2 weeks later			Provide feedback on Plan at Council meeting
July	Finalise Performance plan and distribute to EMs			
July / August	Finalise Performance Plan and distribute to CEO		Meet with Advisor to review salary and conditions Prepare a report	
July / August		Discuss EM comments on performance with the CEO	Discuss recommendations for any changes in salary and/or conditions with CEO	
July / August		Consultant to prepare report for the Committee. Committee to review and Consultant to finalise report for Council	Recommend any changes in remuneration to Council	
August		Provide copies of Performance Review Report to EM's		Performance Review report and Remuneration Review report be presented to Council
August		Mayor to provide feedback to CEO based on Council discussion	Mayor to provide feedback to CEO on Council decision	
September		Review Committee TOR		

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Item No: 6.3
To: CEO Recruitment, Performance Appraisal and Remuneration Review Committee
Date: 23 June 2017
Author: Richard Altman – Executive Officer
Subject: Setting of CEO KPI's for 2017/2018 - Process
Attachments: NIL

Officer's Recommendation

1. That the Report be received.

2. That the Committee endorse the draft process for setting of the CEO KPI's for 2017/2018.

Purpose

1. To provide the Committee with a process and steps for setting the KPI's for the CEO for the year 2017/2018.

Discussion

1. The CEO Recruitment, Performance Appraisal and Remuneration Review Committee Terms of Reference sets out in Clause 14.2.1 the responsibility of the Committee to determine the performance plan for the CEO, and to then measure performance against that plan. The Committee's role is to prepare a draft performance plan for Council's consideration and determination.

2. The following steps are recommended for developing the CEO performance plan for the year 2017/2018:

    2.1 Invite Elected Members to provide written input into the goals and measures to be included in the performance plan.

    2.2 Invite the CEO to provide written input into the goals and measures to be included in the performance plan.

    2.3 Prepare a draft performance plan including the goals and activities to align with the Strategic Plan.

    2.4 Present the draft performance plan to Council.

    2.5 Seek and receive input from Elected Members at a Council Meeting.

    2.6 Finalise the performance plan following input from Council, and distribute to Elected Members.

    2.7 Provide final copy of the performance plan to the CEO.