



CEO PERFORMANCE REVIEW COMMITTEE

TERMS OF REFERENCE

1. Name

The name of the Committee shall be the Shire of Wyndham East Kimberley CEO Performance Review Committee (CEOPRC).

2. Head of Power

The Committee is established by Council under Section 5.8 of the *Local Government Act 1995*.

3. Definitions

Act means the *Local Government Act 1995*.

Committee means the Shire of Wyndham East Kimberley CEO Performance Review Committee as stipulated in this document.

Council means the Council of the Shire of Wyndham East Kimberley.

Chief Executive Officer (CEO) means the Chief Executive Officer of the Shire of Wyndham East Kimberley.

Elected Member means a Councillor of the Shire of Wyndham East Kimberley Council.

Independent Facilitator means the person appointed to assist with the performance review process and who is acceptable to both parties, ie. CEO and Committee.

KRAs means Key Result Areas as agreed between the CEO and Committee to deliver the key priorities of the Shire of Wyndham East Kimberley Corporate Business Plan.

Salaries and Allowances Determination means the determination provided by the Salaries and Allowances Tribunal under Section 7A of the *Salaries and Allowances Act 1975* which requires the Tribunal at intervals of not more than 12 months, to “inquire into and determine, the amount of remuneration, or the minimum and maximum amounts of remuneration, to be paid or provided to chief executive officers of local governments”.

4. Objectives

4.1 The Committee is established to fulfil the following functions:

- 4.1.1 Undertake an annual assessment of the CEO's performance in accordance with the provisions of the CEO's contract of employment as well as relevant statutory requirements;
- 4.1.2 In conjunction with the CEO, develop key result areas to deliver Council's key strategic priorities including those reflected in the Shire's Corporate Business Plan;
- 4.1.3 Review the CEO's Total Reward Package annually and make recommendations to Council in relation to remuneration in accordance with the relevant terms of the contract of employment, taking into consideration the CEO's performance, the existing level of remuneration, and the applicable Salaries and Allowances Tribunal Determination.
- 4.1.4 Provide positive communication opportunities between Council and the CEO; and
- 4.1.5 Provide guidance to Council in assessing the CEO's performance.

5. Committee Structure

- 5.1 The Committee shall consist of the Shire President, Deputy President and two elected members;
- 5.2 An independent facilitator, who is not a member of the Committee, shall be appointed under delegation to the Committee by Council to assist with the performance review process; and
- 5.3 A quorum will be three members.

The Committee is supported by the Manager Organisational Development and his or her nominees, principally the Senior Risk and Governance Officer.

6. Terms of Appointment

Appointment to the Committee shall be determined by the Council following ordinary local government elections, for a term to expire on the date of the subsequent ordinary local government elections. If a member of the Committee resigns prior to an ordinary local government election, the Council will appoint a replacement.

7. Presiding Member

- 7.1 The Committee is to determine the Presiding Member of the Committee at the first meeting of the Committee immediately following the establishment of the Committee or following each biennial local government election, whichever is applicable;
- 7.2 Following the appointment of the Presiding Member, the Committee is to determine a Deputy Presiding Member of the Committee at the first meeting of the Committee immediately following the establishment of the Committee or following each biennial local government election, whichever is applicable;
- 7.3 If the Presiding Member is absent from a meeting, the Deputy Presiding Member is to preside at that meeting.
- 7.4 The role of the Presiding Member includes:
 - 7.4.1 overseeing and facilitating the conduct of meetings in accordance with the Act and the Shire's Meeting Procedures Local Law (2016);
 - 7.4.2 ensuring all Committee members have an opportunity to participate in discussions in an open and encouraging manner; and
 - 7.4.3 where a matter has been debated significantly and no new information is being discussed, to call the meeting to order and ask for the debate to be finalised and the matter resolved.

8. Meetings of the Committee

- 8.1 The Committee will meet as required to facilitate an annual assessment of the CEO's performance in accordance with section 12 ('Timetable').
- 8.2 A meeting of the Committee is to be held:
 - 8.2.1 if called for by either the Presiding Member or at least two Committee members in a notice to the CEO setting out the date and purpose of the proposed meeting; or
 - 8.2.2 if so decided by the Committee; or
 - 8.2.3 if called for by Council.
- 8.3 The Committee shall also meet with the CEO at least six monthly on such dates and at such times as the Committee determines to receive and discuss an update on the progress of KRAs or other matters.
- 8.4 The Committee may invite Shire employees, appointed facilitator or others to attend meetings and provide pertinent information, where necessary.

9. Powers of the Committee

- 9.1 The Committee is a formally appointed committee of Council and is responsible to that body.
- 9.2 The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility.
- 9.3 The Committee does not have any delegated authority.
- 9.4 The Committee recommendations are to be referred to Council for consideration and decision before implementation.

10. Voting

- 10.1 Each member of the Committee at a meeting will have one vote.
- 10.2 The Presiding Member, in the event of an equality of votes, will have a casting vote.

11. Review Process

The review process comprises the following steps:

- 11.1 Council appoints an independent facilitator to assist the Committee with the performance review process. The facilitator is to be acceptable to both parties, ie. CEO and Council.
- 11.2 Committee meets to confirm process with independent facilitator;
- 11.3 CEO provides a written report and self-rating to the Committee against the Key Result Areas (KRAs);
- 11.4 All elected members will participate in the performance review process;
- 11.5 All elected members shall individually and independently rate and comment on the performance of the CEO against each of the KRAs and provide such assessment directly and confidentially to the independent facilitator;
- 11.6 The independent facilitator will consolidate all scores and comments so as to present an 'reviewer report' to the Committee to discuss and validate overall ratings;
- 11.7 The CEO meets with the Committee and independent facilitator for feedback and discussion;
- 11.8 The Committee determines final ratings;
- 11.9 The Committee and CEO determine KRAs for the forthcoming review period;

- 11.10 The independent facilitator completes the final report, with final ratings and specific comments against each KRA;
- 11.11 The CEO meets with the Committee and independent facilitator for discussion of the remuneration package in accordance with the contract of employment; and
- 11.12 The final report, new KRAs and any remuneration packages recommendations are provided to Council for consideration prior to May in each year in accordance with the CEO contract of employment.

12. Timetable

ACTION	TIMING	RESPONSIBILITY
Appoint independent external facilitator	May OMC	Council
Elected Member: Session on CEO Appraisal process included in induction program	Post Local Government elections (October - alternate years)	Governance
Appointment of CEOPRC	Post Local Government elections	Council
Commencement of Appraisal Process: Briefing to Elected Members	July	Council / Facilitator
CEO Self-Assessment	July	CEO
Schedule meetings and interviews	July	Facilitator
Questionnaire and CEO Report to Councillors	July	Facilitator
Interviews	August	Facilitator – Elected Members and CEO
CEOPRC Meeting: Review feedback report and finalise as Appraisal Report	August	CEOPRC / Facilitator
Appraisal report provided to CEO; briefing for CEO	August	Facilitator
CEOPRC Meeting: Appraisal; Review/update key focus areas/objectives	August	CEOPRC / CEO / Facilitator
Draft Council Report	August	Facilitator
Report to Council	August OMC	CEOPRC / Facilitator
Schedule ensuing year's process	August OMC	Council / CEOPRC

13. Dispute

- 13.1 Where the CEO disagrees with the feedback he/she is entitled to request Council to reconsider the rating.

14. Reporting Requirements

Recommendations arising from the Committee's deliberations shall be presented to the earliest available ordinary meeting of Council.

15. Alteration to Rules of Procedure

The Committee is to conduct a review of its terms of reference providing Council with recommendations for any changes every two years.

16. Termination of Committee

Termination of the Committee shall be in accordance with the Act.