

## CEO Performance Review Panel

### Minutes

30 July 2021

#### ***Committee Terms of Reference***

- 1.1 Council to appoint CEO Performance Review Panel following every local government election.***
- 1.2 The panel must comprise of five members. The panel may include an independent observer.***
- 1.3 Council authorises the CEO Performance Review Panel to undertake the CEO performance Review and report findings and recommendations to Council.***
- 1.4 The primary functions of the Panel include:***
  - Developing the initial performance agreement;***
  - Conducting the performance review in line with the Policy requirements;***
  - Reporting the performance review findings and recommendations to Council; and***
  - Regular meetings to discuss and provide feedback if performance issues are identified.***
- 1.5. Responsibilities of panel members:***
  - Be fair, impartial and undertake the process with integrity;***
  - Assessment is made free from bias and based on evidence of the CEO's achievements against documented performance criteria;***
  - Findings and recommendations are impartial and transparent; and***
  - Any information received or produced by the Panel will be kept confidential;***
  - The report for the performance review to Council will be presented in confidence in accordance with section 5.23 of the Act;***
  - Accurate and comprehensive records of the performance management process will be created and registered within the City's Electronic Data Record Management System; and***
  - Manage all records in accordance with the City's Record Keeping Plan.***
- 1.6 The performance review process should commence at least 4 months prior to the required completion date.***
- 1.7 Support, limited to administrative, will be provided by the Executive Assistant to the Mayor and the Manager People and Safety.***



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## Acknowledgement of Country

We acknowledge the Traditional Custodians of this land, the Wardandi Noongar people, and pay our respects to Elders past, present and future.

## Vision

Bunbury: welcoming and full of opportunities.

## Organisational Values

### #WEARECOB

#### **WE ARE COMMUNITY**

We are one team  
We keep each other safe  
We display empathy and respect  
We have fun and celebrate our successes  
We work together to achieve great outcomes

#### **WE ARE OPEN**

We are open to opportunities  
We actively listen and think things through  
We are inclusive and treat everyone equally  
We are honest and open in our communications  
We are open to feedback to improve our performance

#### **WE ARE BRAVE**

We lead the change, we own it  
We trust and empower each other  
We have the difficult conversations early  
We hold ourselves to the highest standard  
We have the courage to improve and simplify

**1. Declaration of Opening**

The Presiding Member declared the meeting open at 11.02am

**2. Disclaimer**

Not applicable to this committee.

**3. Announcements from the Presiding Member****4. Attendances***Committee Members:*

Member Name	Representing
Mayor Gary Brennan (Presiding Member)	City of Bunbury
Councillor Wendy Giles	City of Bunbury
Councillor Cheryl Kozisek	City of Bunbury
Councillor Betty McCleary	City of Bunbury
Councillor Kris Plumb	City of Bunbury

*Ex-officio Members (non-voting):*

Member Name	Representing
Mr Mal Osborne	Chief Executive Officer

*Support Staff:*

Name	Title
Mrs Leanne French	Senior Governance and Risk Officer

**4.1 Apologies**

Cr Kozisek

**4.2 Approved Leave of Absence**

Nil

**5. Declaration of Interest**

IMPORTANT: Committee members to complete a "Disclosure of Interest" form for each item on the agenda in which they wish to disclose a financial/proximity/impartiality interest. They should give the form to the Presiding Member before the meeting commences. After the meeting, the form is to be forwarded to the Administration Services Section for inclusion in the Corporate Financial Disclosures Register.

Nil

**6. Confirmation of Minutes**

Committee Decision:                      Moved Cr McLeary                      Seconded Cr Giles

**The minutes of the CEO Performance Review Panel meeting held on 2 December 2020 are confirmed as a true and accurate record.**

**CARRIED**

**7. Method of Dealing with Agenda Business**

All items were dealt with in the order they appeared in the agenda.

## 8. Reports

### 8.1 Request for Quote - CEO Performance Review 2021-2024

<b>File Ref:</b>	COB/515
<b>Applicant/Proponent:</b>	Internal
<b>Responsible Officer:</b>	Leanne French, Senior Governance and Risk Officer
<b>Responsible Manager:</b>	Greg Golinski, Manager Finance
<b>Executive:</b>	Office of the CEO
<b>Authority/Discretion</b>	<input type="checkbox"/> Advocacy <input type="checkbox"/> Review <input type="checkbox"/> Executive/Strategic <input type="checkbox"/> Quasi-Judicial <input checked="" type="checkbox"/> Legislative <input type="checkbox"/> Information Purposes
<b>Attachments:</b>	Appendix CRSUC-1

#### Summary

Quotes for the Chief Executive Officer (CEO) Performance Review 2021-2024 have been received and the CEO Performance Review Panel is requested to appoint the preferred respondent as the consultant to undertake the CEO Performance Review for the period of July 2021 to February 2024 (3 reviews).

#### Executive Recommendation

That the CEO Performance Review Panel:

1. In consultation with the CEO, endorse the recommended consultant to provide CEO Performance Review 2021-2024; and
2. Authorise the CEO to enter into a contract with the recommended consultant for the CEO Performance Review 2021-2024.

*Voting Requirement: Simple Majority*

#### Strategic Relevance

Theme 4: Our City  
Goal Civic leadership, partnerships and sound governance in delivering with and for the community.  
Objective 4.4: A skilled organisation, which exercise responsible asset stewardship, sound financial management, and exemplary customer service.

#### Regional Impact Statement

Not applicable.

#### Background

The City sought quotes for the services of an experienced consultant to facilitate the annual CEO Performance Review and the development of performance criteria. The length of the contract is for the period of July 2021 to February 2024 (3 reviews).

A total of eight (8) suppliers viewed the advertisement and at closing three (3) responses were received. One respondent withdrew their quotation, leaving two (2) to be assessed.

The quotes were evaluated using the following criteria:

Qualitative Criteria weighting

- |                               |               |
|-------------------------------|---------------|
| 1. Relevant Experience        | 50% weighting |
| 2. Demonstrated Understanding | 20% weighting |
| 3. Respondents Resources      | 10% weighting |
| 4. Price                      | 20% weighting |

The Local Price Preference was not applicable to this quotation as no local suppliers quoted.

*Evaluation of the quoted prices (and ranking) has been assessed but because the results are "commercial in confidence" details are listed in a Confidential Attachment that has been circulated to members under separate cover.*

**Council Policy Compliance**

Quoting for goods and services is conducted in accordance with:

- Council Policy Purchasing
- Council Policy Access and Inclusion

The Council Policy CEO Performance and Salary Review authorises the CEO Performance Review Panel to undertake the CEO Performance Review and report findings and recommendations to Council. Section 2 (Independent Consultant) of the Council Policy provides that the Panel, through the administration support provided, may engage an external facilitator to assist with the process of performance appraisal and the development of the performance agreement.

**Legislative Compliance**

Schedule 2 of the *Local Government (Administration) Regulations 1996* provides the Model Standards for CEO Recruitment, performance and termination.

**Officer Comments**

Section 2, Council Policy CEO Performance and Salary Review provides:

*2 Independent consultant*

- 2.1 If the Panel does not have the resources and expertise to meet the expected standard of performance review, the Panel, through the administration support provided via point 1.7 may engage an external facilitator to assist with the process of performance appraisal and the development of the performance agreement.*
- 2.2 A consultant must have experience in performance review and, if possible, experience in local government or dealing with the performance review of senior executives.*
- 2.3 A consultant must not have any interest in, or relationship with, the Council or the CEO. In this policy, interest*
  - (a) means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest; and*

*(b) includes an interest arising from kinship, friendship or membership of an association.*

2.4 A consultant may be required to facilitate:

- *Setting performance criteria;*
- *Preparing the performance agreement;*
- *Collecting performance evidence;*
- *Writing the performance appraisal report;*
- *Facilitating meetings between the performance review panel;*
- *Assisting with the provision of feedback to the CEO;*
- *Formulating plans to support improvement (if necessary); and*
- *Providing an objective view regarding any performance management-related matters between the concerned parties.*

2.5 Consultant services must be secured in accordance with the City's Purchasing Policy.

The option to engage an external facilitator/consultant to assist with the process of performance appraisal and the development of the performance agreement/criteria was exercised with the scope of work defined as:

*Conducting an annual review and key performance setting process to be undertaken in line with the adopted "Council Policy CEO Performance and Salary Review", including the key components detailed below:*

- *Meet with CEO Performance Review Panel to discuss performance criteria;*
- *Design and conduct individual interviews/feedback from Elected Members;*
- *Design and conduct 360 degree feedback from stakeholders (stakeholders identified by CEO Review Panel);*
- *Design and conduct 360 degree feedback from staff;*
- *Collecting performance evidence*
- *Write Final Performance Appraisal Report;*
- *Facilitation of setting new key performance criteria in conjunction with a nominated City of Bunbury representative, including 2 workshops with Elected Members;*
- *Final key performance indicators and metrics report to be provided to CEO Performance Review Panel;*

*As per the Council Policy the CEO performance review process includes two timeframe cycles (Option A and Option B) depending the year in which the Ordinary Council Election is held.*

*2021 Review = Option B commencing late July, with the key performance criteria to be set post Ordinary Council Election (late October).*

*2022 Review = Option A commencing August.*

*2023 = Option B commencing mid July, and if required, the key performance criteria to be set post Ordinary Council Election (late October).*

The following staff formed an assessment panel and undertook the evaluation of this quotation which is provided in **Appendix 1**:

- Mr Gary Barbour, Director Sustainable Communities
- Ms Odetta Robertson, Manager People & Safety
- Ms Leanne French, A/Manager Governance

The shortlisted consultant provided examples of considerable experience in undertaking performance reviews of CEO's, experience with local governments and development of performance criteria.



### **Analysis of Financial and Budget Implications**

An allocation of \$20,000 per year for the next 3 years has been budgeted for the provision of services by an external consultant to undertake facilitation of the CEO performance review and setting of performance criteria.

### **Community Consultation**

Not applicable.

### **Councillor/Officer Consultation**

This report and assessment are provided to the CEO Performance Review Panel to facilitate the engagement of a consultant to assist with the process of the CEO performance appraisal and the development of the performance agreement.

### **Applicant Consultation**

Not applicable

### **Timeline: Committee Decision Implementation**

The recommendation of the Committee will be implemented immediately.

### **Outcome of Meeting 31 July 2021**

General discussion took place in relation to this item.

The recommendation was moved by Cr McCleary and seconded by Cr Giles and was carried unanimously as follows:

#### ***That the CEO Performance Review Panel:***

- 1. In consultation with the CEO, endorse the recommended consultant to provide CEO Performance Review 2021-2024; and***
- 2. Authorise the CEO to enter into a contract with the recommended consultant for the CEO Performance Review 2021-2024.***

For transparency, the recommended consultant for this contract is Price Consulting Pty Ltd. The total estimated contract price for the life of the three year period including GST is \$40,570.08.

**9. Questions from Members**

**9.1 Response to Previous Questions from Members taken on Notice**

**9.2 Questions from Members**

**10. Urgent Business**

Nil

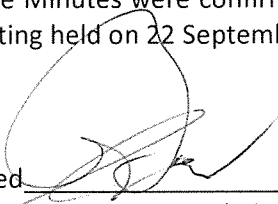
**11. Date of Next Meeting**

TBC

**12. Close of Meeting**

The Presiding Member closed the meeting at 11.30am.

These Minutes were confirmed as a true and accurate record by the CEO Performance Review Panel at its meeting held on 22 September 2021.

Signed   
\_\_\_\_\_  
Mayor Gary Brennan, Chair