



## CEO Performance Review Committee Terms of Reference

### 1. Name

The name of the Committee shall be the City of Karratha 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 City of Karratha CEO Performance Review Committee as stipulated in this document.

**Council** means the Council of the City of Karratha

**Chief Executive Officer (CEO)** means the Chief Executive Officer of the City of Karratha

**Elected Member** means the Mayor or a Councillor of the City of Karratha Council.

**Independent Consultant** means the person appointed to assist with the performance review process and who is acceptable to both parties, i.e. CEO and Committee.

**Independent Observer** means a person appointed in accordance with guidelines within Standard 2 (Performance Review) as prescribed in the Local Government (Administration) Amendment Regulations 2021, and who is acceptable to both parties, i.e. CEO and Committee. There is no requirement to include an Independent Observer in the review process.

**Manager People and Culture** means the most senior Human Resource professional at the City of Karratha, who provides administrative and technical support to the Committee in their roles. If the MPC is not available, means another suitable manager or Director appointed to perform this function by the CEO.

**Performance Criteria** means the criteria as agreed between the CEO and Council to deliver the key priorities of the City of Karratha 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, standards and guidelines;
  - 4.1.2 In conjunction with the CEO, develop performance criteria to deliver Council's strategic priorities including those reflected in the City's Corporate Business Plan;
  - 4.1.3 Review the CEO's Total Reward Package (remuneration) 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 Undertake an informal review of performance against the endorsed performance criteria between each annual review and recommend any updates that may be required to the performance criteria.
  - 4.1.5 Provide positive communication opportunities between Council and the CEO;
  - 4.1.6 Provide guidance to Council in assessing the CEO's performance; and,
  - 4.1.7 Ensure oversight of an objective and fair process, and afford natural justice to the CEO.

#### 5. Committee Structure

- 5.1 The Committee shall consist of ~~four~~ all (4) elected members. All Committee members will be required to complete WALGA training in undertaking CEO performance reviews, and reattend if there are legislative changes to how CEO performance reviews are to be undertaken;
- 5.2 With the agreement of the CEO, an independent observer, who is not a member of the Committee, may be appointed under delegation to the Committee by Council to observe and monitor the performance review process. Any such appointment will be mutually agreed and in accordance with the Local Government (Administration) Amendment Regulations 2021, Standard 2 and associated guidelines;
- 5.3 With the agreement of the CEO, an independent consultant, who is not a member of the Committee, may be appointed under delegation to the Committee by Council to assist with the performance review process. Any such appointment will be mutually agreed and in accordance with the Local Government (Administration) Amendment Regulations 2021, Standard 2 and associated guidelines; and,
- 5.4 A quorum will be ~~two~~ five (25) elected members and for the sake of clarity this does not include an independent observer appointed in accordance with 5.2 or the independent consultant appointed in accordance with 5.3.
- 5.5 Administrative support for the Committee will be provided by the Manager People and Culture.

## Terms of Appointment

- 5.6 Appointment to the Committee shall be determined by the Council following ordinary local government elections, for a term of up to 2 years, and to expire on the date of the subsequent ordinary local government elections.
- 5.7 If a member of the Committee resigns prior to an ordinary local government election, the Council will appoint a replacement.

## 6. Presiding Member

- 6.1 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;
- 6.2 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;
- 6.3 If the Presiding Member is absent from a meeting, the Deputy Presiding Member is to preside at that meeting.
- 6.4 The role of the Presiding Member includes:
  - 6.4.1 overseeing and facilitating the conduct of meetings in accordance with the Act;
  - 6.4.2 ensuring all Committee members have an opportunity to participate in discussions in an open and encouraging manner; and
  - 6.4.3 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.

## 7. Meetings of the Committee

- 7.1 The Committee will meet as required to facilitate an annual assessment of the CEO's performance in accordance with section 12 ('Timetable').
- 7.2 A meeting of the Committee is to be held:
  - 7.2.1 if called for by either the Presiding Member or at least ~~two-four~~ (4) Committee members with a minimum of 72 hours notice, unless a lesser period is agreed with the CEO. The date and purpose of the proposed meeting is to be provided to the CEO; or
  - 7.2.2 if so decided by the Committee; or
  - 7.2.3 if called for by Council.
- 7.3 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.
- 7.4 The Committee may invite City employees, appointed ~~consultant facilitator~~ or others to attend meetings and provide pertinent information, where necessary.

## 8. Powers of the Committee

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

## 9. Voting

- 9.1 Each member of the Committee at a meeting will have one vote. For the sake of clarity this does not include an independent observer or independent consultant appointed in accordance with 5.2 and 5.3.
- 9.2 The Presiding Member, in the event of an equality of votes, will have a casting vote.

## 10. Review Process

The review process comprises the following steps:

- 10.1 Council may appoint an independent ~~facilitator~~ consultant to assist the Committee with the performance review process. The consultant ~~facilitator~~ is to be acceptable to both parties, i.e. CEO and Council.
- 10.2 Council may appoint an independent observer to observe and monitor the performance review process. The observer is to be acceptable to both parties, i.e. CEO and Council.
- 10.3 Committee meets to confirm process with independent consultant~~facilitator~~;
- 10.4 CEO provides a written report and self-rating to the Committee against the Performance Criteria;
- 10.5 All elected members will participate in the performance review process;
- 10.6 All elected members shall individually and independently rate and comment on the performance of the CEO against each of the Performance Criteria and provide such assessment directly and confidentially to the independent consultant~~facilitator~~;
- 10.7 The independent consultant~~facilitator~~ will consolidate all scores and comments so as to present a 'reviewer report' to the Committee to discuss and validate overall ratings;
- 10.8 The CEO meets with the Committee and independent consultant ~~facilitator~~ for feedback and discussion;
- 10.9 The Committee determines final ratings;
- 10.10 The Committee and CEO determine Performance Criteria for the forthcoming review period;
- 10.11 The independent consultant ~~facilitator~~ completes the final report, with final ratings and specific

comments against each Performance Criteria;

- 10.12 The CEO meets with the Committee and independent ~~consultant~~ facilitator for discussion of the remuneration package in accordance with the contract of employment; and
- 10.13 The final report, new Performance Criteria and any remuneration package recommendations are provided to Council for consideration prior to, or at, the august Ordinary Council Meeting in each year in accordance with the CEO contract of employment.

## 11. Two-year timetable

ACTION	TIMING	RESPONSIBILITY
<b>Year 1 – Commences immediately following the Local Government Elections</b>		
<b>Appointment of CEO Performance Review Committee members</b>	October/ November	Council
<b>Elected Member: WALGA Training Session</b> on CEO Appraisal process	Immediately upon appointment	Governance
<b>Schedule meetings</b> for the forward two years until the Committee renews	November	Presiding Member / Manager People and Culture
<b>Informal check-in.</b> Includes: <ul style="list-style-type: none"> <li>Committee meets with the CEO to review the endorsed performance criteria and early progress, Council feedback, agree any actions required. Ideally this meeting occurs <b>after</b> Elected Member attendance at WALGA training.</li> <li>Presiding Member of Committee updates Council at a Forum</li> <li><i>This meeting will Include the annual remuneration review if this is not completed as part of the annual performance review.</i></li> </ul>	November	Committee
<b>Appoint Independent <del>Facilitator</del> <u>Consult</u> and Independent Observer</b> (if required)	April	Council
<b>Annual Performance Review.</b> Includes: <ul style="list-style-type: none"> <li>Briefing of elected members</li> <li>CEO self-assessment</li> <li>Obtaining feedback on performance criteria from elected members and key staff</li> <li>Committee meets with the CEO to discuss outcomes, Council feedback, agree any actions required and establish new performance criteria for Council endorsement</li> <li>A Performance Appraisal Report for the CEO's Employee Management File</li> <li>A report to the Ordinary Council Meeting.</li> <li><i>This meeting will Include the annual remuneration review if this is not completed as part of the informal check-in process.</i></li> </ul>	End June - August	Committee / Independent Consultant

ACTION	TIMING	RESPONSIBILITY
<b>Year 2</b>		
<b>Informal check-in.</b> Includes: <ul style="list-style-type: none"> <li>Committee meets with the CEO to review the appropriateness of the endorsed performance criteria and early progress, Council feedback, agree any actions required</li> <li>Presiding Member of Committee updates Council at a Workshop or Councillor Catch up.</li> <li><i>This meeting will Include the annual remuneration review if this is not completed as part of the annual performance review.</i></li> </ul>	November	Committee
<b>Appoint Independent <del>Facilitator</del> <u>Consultant</u> and Independent Observer</b> (if required)	April	Council
<b>Annual Performance Review.</b> Includes: <ul style="list-style-type: none"> <li>Briefing of elected members</li> <li>CEO self-assessment</li> <li>Obtaining feedback on performance criteria from elected members and key staff</li> <li>Committee meets with the CEO to discuss outcomes, Council feedback, agree any actions required and establish new performance criteria for Council endorsement</li> <li>A Performance Appraisal Report for the CEO's Employee Management File</li> <li>A report to Council.</li> <li><i>This meeting will Include the annual remuneration review if this is not completed as part of the informal check-in process.</i></li> </ul>	End June - August	Committee / Independent Consultant

## 12. Dispute

Where the CEO disagrees with the feedback he/she is entitled to request Council to reconsider the rating. Where the CEO disagrees with the feedback he/she is entitled to submit a written request to Council to reconsider the rating. Council shall respond in writing within 2 weeks of receiving the request.

## 13. Reporting Requirements

Recommendations arising from the Committee's deliberations shall be presented to the earliest available Ordinary Council Meeting.

## 14. Termination of Committee

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

## 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.

The Terms of Reference can only be amended by resolution of Council based on a report presented directly to Council.

Original Date of Establishment - Res no: \_\_\_\_\_ ~~DD Month Year~~ 09 December 2024 due for review 09 December 2026.

Amendment #1 -

Amendment #2 -

Amendment #3 -

Amendment #4 -

END