



City of Nedlands

Minutes

Chief Executive Officer Performance Review Committee Meeting

9 May 2011

ATTENTION

These minutes are subject to confirmation

Prior to acting on any resolution/recommendation of this Committee contained in these minutes, a check should be made of the Minutes of the next meeting of this Committee, to ensure that there has not been a correction made to any resolution/recommendation.

N.B. Committee recommendations that require Council's approval will be presented to Council for approval.

Table of Contents

Declaration of Opening	3
Present and Apologies and Leave Of Absence (Previously Approved)	3
1. Public Question Time	4
2. Addresses By Members of the Public (only for items listed on the agenda)	4
3. Disclosures of Financial Interest	4
4. Disclosures of Interests Affecting Impartiality	4
5. Declarations by Members That They Had Not Given Due Consideration to Papers	5
6. Confirmation of Minutes	5
6.1 Chief Executive Officer Performance Review Committee Meeting 22 September 2010	5
7. Matters for Which the Meeting May Be Closed	5
8. Items for Discussion	5
8.1 Chief Executive Officer Performance Review Committee Terms of Reference	6
8.2 Appointment of Independent Consultant for Chief Executive Officer Performance Review Committee	8
8.3 Report on progress of Chief Executive Officer Performance Plan 2010/2011	9
9. Date of next meeting	10
Declaration of Closure	10

City of Nedlands

Minutes of a meeting of the Chief Executive Officer Performance Review Committee held in the Meeting Room at 71 Stirling Hwy, Nedlands on Monday 9 May 2011 at 6.00 pm.

Declaration of Opening

The Presiding Member declared the meeting open at 6.00 pm and drew attention to the disclaimer below.

(NOTE: Council at its meeting on 24 August 2004 resolved that should the meeting time reach 11.00 p.m. the meeting is to consider an adjournment motion to reconvene the next day).

Present and Apologies and Leave Of Absence (Previously Approved)

Councillors	Her Worship the Mayor, S A Froese	(Presiding Member)
	Councillor K A Smyth (from 6.07 pm)	Coastal Districts Ward
	Councillor M S Negus	Dalkeith Ward
	Councillor B G Hodsdon (from 6.05 pm)	Hollywood Ward
	Councillor B Tyson	Melvista Ward
	Councillor R M Binks (until 7.26 pm, non-voting)	Hollywood Ward

Staff	Ms S Mettam	Manager Human Resources and Organisational Development
	Ms S Love	Executive Assistant
	Mr GT Foster (from 6.37 pm until 7.15 pm)	Chief Executive Officer

Public Nil.

Press Nil.

Leave of Absence (Previously Approved) Nil.

Apologies Nil.

Absent Nil.

Disclaimer

No responsibility whatsoever is implied or accepted by the City of Nedlands for any act, omission or statement or intimation occurring during Council or Committee meetings. City of Nedlands disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such

act, omission or statement or intimation occurring during Council or Committee meetings. Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee meeting does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or intimation of approval made by a member or officer of the City of Nedlands during the course of any meeting is not intended to be and is not to be taken as notice of approval from the City of Nedlands. The City of Nedlands warns that anyone who has any application lodged with the City of Nedlands must obtain and should only rely on written confirmation of the outcome of the application, and any conditions attaching to the decision made by the City of Nedlands in respect of the application.

The City of Nedlands wishes to advise that any plans or documents contained within this agenda may be subject to copyright law provisions (*Copyright Act 1968, as amended*) and that the express permission of the copyright owner(s) should be sought prior to their reproduction.

It should be noted that Copyright owners are entitled to take legal action against any persons who infringe their copyright. A reproduction of material that is protected by copyright may represent a copyright infringement.

1. Public Question Time

Nil.

2. Addresses By Members of the Public (only for items listed on the agenda)

Nil.

3. Disclosures of Financial Interest

The Presiding Member to remind Councillors and Staff of the requirements of Section 5.65 of the *Local Government Act* to disclose any interest during the meeting when the matter is discussed.

There were no disclosures of financial interest.

4. Disclosures of Interests Affecting Impartiality

The Presiding Member to remind Councillors and Staff of the requirements of Council's Code of Conduct in accordance with Section 5.103 of the *Local Government Act*.

There were no disclosures of interest affecting impartiality.

5. Declarations by Members That They Had Not Given Due Consideration to Papers

Nil.

The Presiding Member advised that the Chief Executive Officer Annual Performance Review Progress Report would be provided as an additional attachment and that Councillors would be given sufficient time to consider the document.

Councillor Binks joined the meeting at 6.01 pm

6. Confirmation of Minutes

6.1 Chief Executive Officer Performance Review Committee Meeting 22 September 2010

Moved – Councillor Negus
Seconded – Councillor Tyson

The minutes of the Chief Executive Officer Performance Review Committee held 22 September 2010 are confirmed.

CARRIED UNANIMOUSLY 3/-


7. Matters for Which the Meeting May Be Closed

In accordance with Standing Orders and for the convenience of the public, the Presiding Member notified the members of the public that the meeting would be closed for items 8.2 and 8.3 in accordance with Section 5.23(2)(a) of the Local Government Act 1995.

8. Items for Discussion

Note: Regulation 11(da) of the *Local Government (Administration) Regulations 1996* requires written reasons for each decision made at the meeting that is significantly different from the relevant written recommendation of a committee or an employee as defined in section 5.70, but not a decision to only note the matter or to return the recommendation for further consideration.

8.1 Chief Executive Officer Performance Review Committee Terms of Reference

Applicant	City of Nedlands
Owner	City of Nedlands
Manager	Shelley Mettam - Manager Human Resources and Organisational Development
Manager Signature	
File ref.	HRS/353
Previous Item No's	Item 13.8 – 23 February 2010
Disclosure of Interest	No officer involved in the preparation of this report had any interest which required it to be declared in accordance with the provisions of the Local Government Act (1995).

Councillor Hodsdon joined the meeting at 6.05 pm.

Regulation 11(da) - Not applicable – Recommendation adopted.

Moved – Councillor Hodsdon

Seconded – Councillor Tyson

That the Recommendation to Committee is adopted.

(Printed below for ease of reference)

CARRIED UNANIMOUSLY 4/-

Committee Recommendation / Recommendation to Committee

Council approves the revised Terms of Reference of the Chief Executive Officer Performance Review Committee (as per attachment).

Purpose

The purpose of this report is to approve the Chief Executive Officer Performance Review Committee Terms of Reference.

Strategic Plan

KFA 5: Governance

5.6 Ensure compliance with statutory requirements and guidelines.

Background

The CEO Performance Review Committee was established to effectively manage the CEO Performance Review and Salary Review Process.

Previous Terms of Reference have delegated authority to the Committee for all decisions regarding the CEO Performance and Salary Reviews. Previous Terms of Reference relied on assistance from a City of Nedlands employee to provide guidance and advice to the Committee.

In accordance with the resolution from Special Council meeting held 27 October 2009, the draft Terms of Reference of the Chief Executive Officer's Performance Review Committee were to be confirmed by Council after the first meeting of the Chief Executive Officer's Performance Review Committee in 2011.

The Terms of Reference were reviewed by the Chief Executive Officer Performance Review Committee at its meeting on 2 February 2010 and the amendments were presented, as Item 13.8 to the Council Meeting on 23 February 2010 were Council resolved that the item be referred back for advice and for a briefing with Councillors. The briefing was held on 22 April 2010.

Consultation

Required by legislation: Yes No

Required by City of Nedlands policy: Yes No

Legislation

Section 5.16 of the *Local Government Act 1995* allows Council to delegate authority to Committees.

Section 5.38 of the *Local Government Act 1995* requires Council to conduct an annual review of the Chief Executive Officer's performance.

Budget/financial implications

Budget:

Within current approved budget: Yes No

Requires further budget consideration: Yes No

Risk Management

By incorporating a thorough consultative process into the revised Terms of Reference, the Chief Executive Officer Performance Review Committee minimises the risk of perception of exclusion or a conflict of interest.

Discussion

All Councillors should have input into the setting of the Chief Executive Officer's KPIs and the annual Chief Executive Officer Performance Review. It is also important that the Committee, and Councillors, have access to independent advice and guidance when setting KPIs and conducting reviews.

These revised Terms of Reference of the Chief Executive Officer Performance Review Committee requires greater input from all Councillors in all aspects of the process and provide for the introduction of an independent consultant to assist the Committee in setting goals and conducting the review.

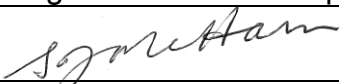
Conclusion

These revised Terms of Reference for the Chief Executive Officer Performance Review Committee provides for greater input from all Councillors and independent advice and guidance.

Attachments

1. Current Terms of Reference
2. Proposed Terms of Reference

8.2 Appointment of Independent Consultant for Chief Executive Officer Performance Review Committee

Applicant	City of Nedlands
Owner	City of Nedlands
Manager	Shelley Mettam - Manager Human Resources and Organisational Development
Manager Signature	
File ref.	HRS/353
Previous Item No's	Item 13.9 – 23 February 2010
Disclosure of Interest	No officer involved in the preparation of this report had any interest which required it to be declared in accordance with the provisions of the Local Government Act (1995).

The purpose of this item was to approve the appointment of WALGA as an independent consultant to the Chief Executive Officer Performance Review Committee.

Closure of Meeting to the Public

Moved – Councillor Tyson

Seconded - Councillor Hodsdon

That the meeting be closed to the public in accordance with Section 5.23 (a) and (c) of the Local Government Act 1995 to allow confidential discussion on the following Items.

CARRIED UNANIMOUSLY 4/-

The meeting closed to members of the public at 6.06 pm.

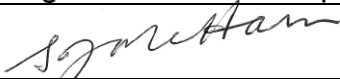
Councillor Smyth joined the meeting at 6.07 pm

Committee Recommendation / Recommendation to Committee

Council approves the appointment of the Western Australian Local Government Association (WALGA) as an independent body to assist in the conduct of the Chief Executive Officer Performance Review for 2010/2011, as described in the attached quote.

**CARRIED 4/1
(Against: Cr. Tyson)**

8.3 Report on progress of Chief Executive Officer Performance Plan 2010/2011

Applicant	City of Nedlands
Owner	City of Nedlands
Manager	Shelley Mettam - Manager Human Resources and Organisational Development
Manager Signature	
File ref.	HRS/353
Previous Item No's	Nil.
Disclosure of Interest	No officer involved in the preparation of this report had any interest which required it to be declared in accordance with the provisions of the Local Government Act (1995).

The purpose of this item was for committee to discuss the progress of the Chief Executive Officer's 2010/2011 performance to date, prior to the formal end of year review.

Committee Recommendation

- 1. The Key Result Areas and Key Performance Indicators Report be received (refer attachment); and**
- 2. Requests clarification be provided to the Committee on issues raised.**

CARRIED UNANIMOUSLY 5/-

Councillor Binks retired from the meeting at 7.26 pm

Opening of Meeting to the Public

Moved - Councillor Hodsdon

Seconded - Councillor Tyson

That the meeting be re-opened to members of the public and the press.

CARRIED UNANIMOUSLY 5/-

The meeting re-opened to members of the public at 7.28 pm.

In accordance with Standing Orders 12.7(3) the Presiding Member read out the motions passed by the Committee whilst it was proceeding behind closed doors and the vote of the members to be recorded in the minutes under section 5.21 of the Act.

9. Date of next meeting

The date of the next meeting of this Committee is to be advised.

Declaration of Closure

There being no further business, the Presiding Member declared the meeting closed at 7.29 pm.

Attachment to Item 8.1

CEO Performance Review Committee – 9 May 2011

Chief Executive Officer Performance Review
Committee Terms of Reference

Current Terms of Reference

To provide delegated authority to a Committee comprising the Mayor (as Presiding Member) and one Councillor from each Ward to undertake a performance appraisal of the Chief Executive Officer in accordance with the provisions of Section 5.38 of the Local Government Act 1995 and in accordance with the terms and conditions of the employment contract of the Chief Executive Officer.

The Committee has delegated authority to manage and conduct the performance appraisal of the Chief Executive Officer in order to meet both Council's statutory obligations in accordance with the requirements of Section 5.38 of the Local Government Act 1995 and any terms and conditions of the employment contract of the Chief Executive Officer.

In undertaking the performance review, the Committee:

- (a) is to determine and set in place an appropriate review process;
- (b) prior to entering into (a) is to consult with each of the elected members at the time and take account of their respective views;
- (c) may draw on the resources and professional advice of the Executive Manager of Business Support and any additional assistance that the Executive Manager of Business Support may recommend to determine the process and plan and conduct the review.

As part of the review process the Committee has delegated authority to negotiate and to set goals, objectives, key performance indicators and changes to the remuneration package within the terms of the Chief Executive Officers contract. Any goals, objectives, key performance indicators or remuneration package changes so negotiated and set must be acknowledged in writing by both the Mayor and the Chief Executive Officer.

The Mayor is to brief all Elected Members on the outcomes of the review.

Proposed Terms of Reference

The Committee, comprising the Mayor (as Presiding Member) and one Councillor from each Ward has delegated authority to manage the performance appraisal process of the Chief Executive Officer in order to meet both Council's statutory obligations in accordance with the requirements of Section 5.38 of the Local Government Act 1995 and any terms and conditions of the employment contract of the Chief Executive Officer.

In managing the performance appraisal process, the Committee:

- a) is to recommend an independent consultant to Council for the purposes of conducting the performance appraisal;
- b) is to determine and set in place, in conjunction with the independent consultant appointed by Council, an appropriate performance appraisal process;
- c) is to make recommendations to Council regarding:
 - the setting of goals and objectives;
 - the measurement of key performance indicators (KPIs); and
 - changes to the remuneration package within the terms of the Chief Executive Officer's contract; and
- d) may draw on the resources and professional advice of the Manager Human Resources and any additional assistance that the Manager Human Resources may recommend to determine the process and plan and conduct the appraisal.

Any goals, objectives, KPI measurement or remuneration package changes approved by Council must be acknowledged in writing by both the Mayor and the Chief Executive Officer.

All Elected Members are to be briefed of the outcomes of the appraisal, prior to any decision by Council.

Attachment to Item 8.2

CEO Performance Review Committee – 9 May 2011

Appointment of Independent Consultant for Chief Executive Officer
Performance Review Committee



**WESTERN AUSTRALIAN
LOCAL GOVERNMENT ASSOCIATION**

2 May 2011

CONFIDENTIAL
Ms Shelley Mettam
Manager Human Resources
City of Nedlands
71 Stirling Highway
NEDLANDS WA 6009

CONFIDENTIAL

Dear Shelly,

CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW (2011)

Thank you for the opportunity to quote for the task of assisting Council with the Chief Executive Officer's annual appraisal process, which we are able to undertake for a fee of \$5,000 (inc GST).

Further to the process undertaken last year when we have assisted Council, we understand the preferred methodology to be as follows:

- Attend review committee meetings as appropriate;
- Draft and distribute a questionnaire to CEO and all Councillors. Offer the option of a facilitated individual interview, or a telephone interview if preferred, for those who do not choose to complete a questionnaire;
- Aggregate all feedback and compile a 'Feedback Report';
- Attend at the offices of the City of Nedlands to facilitate the Appraisal, viz:
 - Meeting with CEO to brief on the process and provide an overview of the Feedback Report;
 - Meeting with the Review Committee to also brief on process for the day, and provide an overview of the Feedback Report;
 - Facilitate Appraisal;
 - Review and refine KRA's for 2011/2012;
- Prepare a Final Report and recommendations for Council
- Provide a remuneration report to the Committee for consideration of recommendations to Council concerning any increase to Mr Foster's remuneration package.



I confirm that we have undertaken extensive work of this nature in the last nine years, including member Local Governments as diverse as:

Towns of:

Alice Springs (NT)
Bassendean
Cambridge
Claremont
Cottesloe
Kwinana
Mosman Park
Victoria Park
Vincent

Cities of:

Armadale
Joondalup
Nedlands
Perth
Rockingham

Shires of:

Broome
Busselton
Capel
Carnarvon
Central Desert Shire (NT)
Cue
Dandaragan
Derby - West Kimberley
Kellerberrin/Tammin
MacDonnell (NT)
Manjimup

Meekatharra

Merredin
Mundaring
Narembeen
Northam
Peppermint
Grove
Roper Gulf (NT)
Southern Cross
Wickepin
Yalgoo

Regional Councils:

Tamala Park
Mindarie
Rivers

I look forward to hearing from you regarding a decision on this matter.

Yours sincerely,

John Phillips
Executive Manager
Workplace Solutions