

CHIEF EXECUTIVE OFFICER EMPLOYMENT AND REMUNERATION POLICY



Directorate:	Corporate Performance
Responsible Manager:	General Manager Corporate Performance
Review Due:	30 June 2022
Adoption:	Council
Date Adopted:	21 Dec 2021

Acknowledgement

Central Goldfields Shire Council acknowledges that we are situated on the traditional lands of the Dja Dja Wurrung people, and we offer our respects to their elders past, present and emerging.

1. Purpose

This policy reinforces Council's commitment to good governance practices and provides a consistent, fair and transparent framework for employment matters relating to the Chief Executive Officer (CEO) including recruitment, contract terms, performance monitoring and annual review. This policy is a requirement of the *Local Government Act 2020* and outlines the Council's approach to managing the recruitment and appointment of its CEO.

2. Application and Scope

Sections 45 and 46 of the *Local Government Act 2020* (the Act) contain specific provisions regarding the appointment and functions of the CEO.

3. Council responsibilities

Under the Act, Council is responsible for:

- Developing, adopting and keeping in force the CEO Employment and Remuneration Policy
- Undertaking the recruitment and appointment of a CEO when a vacancy occurs in the office of CEO
- Appointing an Acting CEO when there is a vacancy in the office of the CEO, including a temporary vacancy.

The Mayor has a responsibility to take a leadership role in ensuring the regular review of the performance of the CEO.¹

To implement the requirements of the Act, Council will:

- Establish a CEO Employment Matters Advisory Committee (Committee) to oversee the implementation of the Policy
- Appoint an independent member(s) to the Committee to assist with and advise on the implementation of this Policy
- In the case of a vacancy, appoint an Acting CEO for a maximum of 12 months only
- Determine the rate of remuneration of the Independent Member(s) of the Committee
- Consider reports and recommendations from the Committee
- Review this Policy within six (6) months of a Council election

4. CEO Employment Matters Advisory Committee

4.1. Role of Committee

The Committee is established to:

- Make recommendations to Council on employment matters relating to the CEO; and
- ii) Monitor and make recommendations to Council on performance matters relating to the CEO; and (iii) Perform any other functions or responsibilities prescribed by the Act or specified by Council.

The Committee is advisory only and has no delegated decision-making power or authority.

4.2. Membership of Committee

The Chief Executive Officer Employment Matters Advisory Committee will comprise of the Mayor of the Central Goldfields Shire Council together with a minimum of two Councillors and an Independent Chairperson. (The General Manager Corporate Performance will provide support as required, but is not a member of the committee).

4.3. Terms of Appointment of Committee

- Appointment of the Councillor members of this committee will occur annually at the Statutory Meeting of Council
- Appointment of the Independent Chairperson will be for a two-year term with an option to extend for a further two-years, with the commencement date being the engagement date of the Independent Chairperson.

¹ *Local Government Act 2020* s 18 (1) (g).

- The operations of the Committee will be evaluated annually to ensure it continues to be effective and contemporary
- The Committee must meet at a minimum annually, or more frequently as directed by Council.

4.4. Accountability and Extent of Authority

Council authorises the Committee within its scope of responsibilities to make recommendations to Council on matters relating to the Chief Executive Officer or the person appointed to act as the Chief Executive Officer including the following:

- Appointment of the Chief Executive Officer
- The remuneration and conditions of appointment of the Chief Executive Officer (including annual remuneration review)
- Negotiating any extension of the appointment of the Chief Executive Officer under section 94(4) of the Act
- Conduct of the annual performance review of the Chief Executive Officer; and
- Performing other functions as required in supporting the performance review and performance development of the Chief Executive Officer.

4.5. Conduct of committee members

In performing the role of Committee Member, a person must:

- act with **integrity**
- **impartially** exercise his or her responsibilities in the interests of the local community
- **not improperly** seek to confer an advantage or disadvantage
- **avoid conflicts** between his or her public duties and his or her personal interests and obligations
- commit to **regular attendance** at meetings.

4.6. Committee member Confidentiality and Use of Information

Committee Members agree to comply with their obligations under section 77 of the Act in relation to confidential briefings or information as defined under the Act and recognise that this obligation extends to ensuring the safekeeping of confidential information. Committee Members must not make improper use of information acquired because of their position or release information that the member knows, or should reasonably know, is confidential information.

4.7. Independent Chairperson

The Independent Chairperson of the Chief Executive Officer Employment Matters Advisory Committee must—

- not be a Councillor; and
- not be a member of Council staff; and
- be suitably qualified with regard to the selection criteria.

The following selection criteria applies to the appointment of the Independent Chairperson:

- A clear understanding of the objectives, roles, duties and obligations of the Chief Executive Officer and Council
- Ability to exhibit clear leadership
- Ability to work effectively with Councillors and the Chief Executive Officer
- Demonstrated human resource management skills, senior business experience and relevant qualifications
- Experience in senior management recruitment and development
- Understanding of performance management processes and procedural fairness
- Senior Level experience within a Government framework and sound knowledge of governance and legal obligations
- Previous experience working with Councillors, Executive Governance bodies or Board Members in advisory and/or facilitation roles.
- Price

Council will pay a set fee, to be determined on an hourly or per meeting basis, to the Independent Chairperson as determined through a competitive procurement process. The amount of the fee has regard to the specific roles and responsibilities the chairperson will undertake. The Chairperson of the Committee will also be reimbursed for any transport costs they have incurred in participating in meetings and related activities.

4.8. Selection process for Independent Chairperson

The Chair of the Chief Executive Officer Employment Matters Advisory Committee must be appointed by Council and must be an Independent Representative. Any extension of term must be made by Council in accordance with part 4.3 above.

The selection committee for the Independent Chairperson will include the Mayor, any interested Councillors and the General Manager Corporate Performance. The Committee will assess the nominations against the selection criteria and recommend an appointment to Council.

4.9. Reporting of the Committee

The committee must provide a report on the Chief Executive Officer's performance review and a recommendation on the Chief Executive Officer's remuneration, annually to a meeting of the Council, within two months of the Chief Executive Officer's employment anniversary.

4.10. Administration Support

Administration support will be provided by the office of the General Manager Corporate Performance, as required.

5. Roles and Responsibilities

Person/s responsible	Accountability
Council	<ul style="list-style-type: none"> To appoint members of the committee To appoint an Independent Chairperson
Committee members	<ul style="list-style-type: none"> To undertake the duties set out in this policy in accordance with the terms of the policy
General Manager Corporate Performance	<ul style="list-style-type: none"> To provide administrative support to the committee, as required.

6. Review

This Policy must be reviewed a minimum of once every 4 years.

7. Human Rights Statement

It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights Act (2007). Central Goldfields Shire Council is committed to consultation and cooperation between management and employees.

8. Relevant Legislation and Council Policies

- *Local Government Act 2020*– specifically:
 - Section 44 outlines the required CEO appointment process
 - Section 45 outlines the required Chief Executive Officer Employment and Remuneration Policy
 - Section 46 outlines the functions of the CEO