



## Special Council Meeting (13 August 2025)

### ATTACHMENTS

Number	Title
7.1.1(1)	CEO Performance Review Process



## CEO Performance Review Process

29 July 20225

### Agreed Process

#### Purpose and Scope

This document outlines the agreed process for the annual performance review of the Chief Executive Officer (CEO) of the Shire of Donnybrook Balingup. It aligns with the *Local Government Act 1995*, the CEO Standards for recruitment, performance and termination, and the CEO'S employment contract. The process ensures transparency, fairness, and consistency in evaluating the CEO'S performance.

#### Initial Setup and agreement of Review Process

Action Item	Responsible Party	Timeline (Due Date)
Procure external reviewer (Consultant)	Admin Support	1 August 2025
Workshop with Council to discuss agreed process prior to Council adoption	CEO and Council	6 August 2025
Report to Council to: <ul style="list-style-type: none"> <li>Disband CEO Recruitment &amp; Performance Review committee</li> <li>Adopt the agreed process (as per Standards Cl.16(1))</li> <li>Select the Performance Review Panel members</li> <li>Appoint the external reviewer (Consultant)</li> </ul>	CEO	13 August 2025

#### Annual CEO Performance Review Process

Action Item – Away 8-17 sept	Responsible Party	Timeline (Due Date)
CEO Prepares Annual Report on KPIs, given to external reviewer (Consultant).	CEO	22 August 2025
Distribute Report and Review template to Elected Members (Standards Cl.17)	External reviewer (Consultant), CEO Review Panel	<i>*Dates to be confirmed once External reviewer (Consultant) is appointed.</i>
Collect Feedback from Elected Members (Standards Cl.17)	External Reviewer (Consultant)	
Prepare Performance Appraisal Report and recommend any changes to remuneration package, (Standards Cl.17)	External Reviewer (Consultant)	
Develop KPIs for new year	External Reviewer (Consultant), CEO, Panel	
CEO reviews and responds to external reviewer (Consultant's) Report	CEO	



# CEO Performance Review Process

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Action Item – Away 8-17 sept	Responsible Party	Timeline (Due Date)
Workshop - Panel reviews report and CEO's response and makes recommendation for Council endorsement (Standards Cl.17)	CEO Review Panel, External Reviewer (Consultant), admin support	
Prepare a confidential report to council.	External Reviewer (Consultant)	
Council considers and endorses review, sets new KPI's by absolute majority. (Standards Cl.18)	Council	
Notify CEO in writing of the result of the performance review and annual remuneration package review.	Council and CEO	
Discuss with CEO – meet to discuss the review report, any issues are taken back to Council for their consideration and action. Where new performance standards have been agreed, these are incorporated into the next performance cycle. (Standards Cl.19)	CEO, President and External Reviewer (Consultant)	

The dates outlined in this timeline are subject to change and will be reviewed annually to ensure they remain appropriate.

In years when local government elections occur, the review must be completed prior to the election to ensure continuity and that the current Elected Members conduct the review.

## Performance Review Panel (the Panel)

The Panel is considered the Performance Reviewer as per cl. 4.2 *Selection of Reviewer* of the employment contract.

The Panel comprises of three (3) Elected Members, of which one (1) must be the Shire President.

The Panel members will be determined at the meeting of which Council adopted the agreed process.

If a Panel member is disqualified in accordance with the *Local Government Act 1995*, Council must appoint a replacement Elected Member to the panel.



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## Roles and Responsibilities

### Council:

1. Annually Appoints an external reviewer (independent consultant) based on the scope outlined in this agreement
2. Endorses the performance review process and outcomes
3. Individually assess the CEO's performance using the methodology outlined in this agreement
4. Biannually appoints the Panel members.

### Chief Executive Officer (CEO):

1. Provides a self-assessment report and supporting documentation based on agreed KPI's.
2. Participates in the review discussion, professional development and goal setting.
3. Selects an appropriate staff member to provide administration support throughout the process
4. Declare interest (5.60, 5.60A and 5.70(2)).

### Performance Review Panel (The Panel):

1. Participates in the evaluation and feedback process
2. Responsibility to make recommendations to Council on:
  - a. the preferred external consultant in consultation and agreement with the CEO after a procurement process, if relevant
  - b. the summary of collated results
  - c. new or revised performance criteria to be considered for agreement by Council and the CEO
  - d. work areas and skills the CEO should focus on developing
  - e. how identified performance issues are to be addressed
  - f. professional development opportunities for the CEO including relevant training, formal qualifications, executive coaching, etc
  - g. any amendments to the process, method of facilitation, timeframe, for the Performance Review including the design of survey forms and other instruments used to collect feedback about the CEO's performance.
3. The panel should operate in a manner that supports and enables all Council Members to actively and effectively contribute to the Performance Review process.

### External Reviewer (Independent Consultant):

1. Facilitates the review process, and
2. Prepares a summary report for Council consideration.

### Administration Support:

1. Provides administrative support and ensures compliance with policy and timelines
2. Prepares report to Council to endorse the CEO review process
3. Engages with external reviewer (Consultant)
4. Facilitates workshops upon request from the External Reviewer (consultant).



## External Reviewer (Independent Consultant)

To uphold the integrity and impartiality of the review process, it is inappropriate for the CEO to advise Council on matters relating to their own employment. The process should be independently facilitated by a suitably qualified and experienced external party.

An External Reviewer (Independent Consultant) can be appointed for the 1<sup>st</sup> year, with the option for Council to review at any point in time.

## RFQ Scope of External Reviewer

To streamline the procurement process and reduce administrative burden, the following scope is established to engage an external reviewer for the CEO's annual performance review:

1. Provide Council and/or the Panel with human resources advice on undertaking an industry relevant best practice performance review process
2. Analyse the CEO Employment Contract to verify contractual performance criteria
3. Analyse performance criteria agreed to by the Council and CEO that apply in addition to the contractual performance criteria
4. Analyse previous performance review outcomes
5. Facilitate the survey with individual panel members including a self-assessment from the CEO
6. Be available to assist Councillors and the CEO with the process and completion of the survey form
7. Identify and collate other evidence relating to performance criteria and indicators
8. Summarise the gathered evidence, survey outcomes and comments
9. Attend a Council meeting and Panel workshop meeting to facilitate agreement on summary outcomes and any new or revised performance criteria that are specifically tailored to the strategic priorities and operational context of the Shire of Donnybrook Balingup to be proposed for the forthcoming year
10. Prepare the Council meeting agenda item in conjunction with Shire report templates with Shire administrative support
11. Following Council endorsement of the Performance Review (by absolute majority).
  - a. Draft a letter from the Shire President to the CEO communicating outcomes of the Performance Review process, including proposed new performance criteria for the CEO's agreement
  - b. Audit the entire process to ensure compliance with the Act, Regulations and Model Standards (as adopted).

## Procurement of External Reviewer

The relevant Shire officer will be responsible for initiating the procurement process. The procurement must comply with the Shire's procurement policy. The process should commence at least two months prior to the review to allow sufficient time for engagement, briefing, and scheduling. Selection criteria should include experience in local government CEO reviews, independence, and facilitation skills.

In accordance with cl. 4.2 *Selection of Reviewer* of the employment contract; before a formal appointment is made, the proposed external reviewer (Consultant) must also be agreed upon by the CEO. Once both Council and the CEO have provided their agreement, and quotes and applications are received, these will be presented to Council to formally appoint.

## Methodology -Evaluation Template

Elected members will use the attached evaluation form to assess the CEO's performance. The form includes criteria such as leadership, financial management, strategic planning, communication, and achievement of KPIs. Each member completes the form independently and submits it to the external reviewer (Consultant).

## Annual Review of Remuneration Package

In accordance with cl 7 of the employment contract as outlined below:

### **7. ANNUAL REVIEW OF REMUNERATION PACKAGE**

- (1) *Your Remuneration Package must be reviewed by the Performance Reviewer annually -*
  - (a) *at a time that is no later than 3 months after the anniversary of the Commencement Date; or*
  - (b) *if otherwise determined by the Council, at a time that enables the review to coincide with other remuneration reviews conducted by the Local Government.*
- (2) *(The Council is to determine and notify You, in respect of each Remuneration Package review under this clause –*
  - (a) *who the Performance Reviewer is to be; and*
  - (b) *whether the Performance Reviewer is to be accompanied or assisted by any other person and, if so, the identity of that person.*
- (3) *In reviewing Your Remuneration Package, the Performance Reviewer must have regard to –*
  - (a) *Your performance;*
  - (b) *any changes to the work value or responsibilities of the Position;*
  - (c) *the hours worked by You, including hours in addition to normal working hours;*
  - (d) *the condition of the market and the economy generally;*
  - (e) *the capacity of the Local Government to pay an increase; and*
  - (f) *the annual determination for Local Government CEOs as made under the Western Australian Salary and Allowance Tribunal.*
- (4) *As a result of a review of Your Remuneration Package under this clause, the Local Government -*
  - (a) *is not obliged to increase the amount of the Remuneration Package; and*
  - (b) *may increase, but must not reduce, the amount of the Remuneration Package.*

# CEO Performance Review Process

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## Impartiality of the CEO

In accordance with Sections 5.60, 5.60A and 5.70(2) of the *Local Government Act 1995*, the CEO is deemed to have a financial interest in the outcome of their Performance Review. While the Act permits the CEO to provide advice or reports on the matter, any such advice must disclose the nature, and if required, the extent of that interest.

Administrative support will be provided by officers, with preference given to a senior human resources practitioner or the most senior officer responsible for corporate or administrative matters. This ensures the Council receives appropriate administration support while maintaining the CEO's necessary distance from the process.

## KPI review period transition

If the CEO's anniversary date does not align with the financial year, then over a period of time agreed between Council and the CEO, the CEO's KPI review period (inclusive of remuneration review), may be transitioned to align with the financial year. To give effect to this, Council and the CEO may agree to conduct a performance review(s) for a period of less than 12 months based on KPIs that align to that same duration of time.

## Review and Adjustment of Agreement

This agreement may be reviewed and adjusted at any time by mutual consent of the Council and the CEO.



## Final Compliance Checklist

The following checklist ensures that the CEO performance review process complies with the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996*, specifically clauses 16 through 19 of Schedule 2.

Process Requirements	Checked ✓
1. The process by which the CEO's performance will be reviewed has been agreed to between the Council and the CEO in writing (Clause 16(3)).	
2. Performance criteria to be assessed is part of the CEO's contract and any additional criteria was agreed to in writing (Clauses 16(1)(b) and 16(3)).	
3. The review was carried out in an impartial and transparent manner (e.g., using an independent consultant and/or a panel with an independent observer) (Clause 17(1)).	
4. Evidence of the CEO's performance was collected in a thorough and comprehensive manner (Clause 17(2)(a)).	
5. The CEO's performance was reviewed based on the evidence collected (Clause 17(2)(b)).	
6. Endorsement and Communication	
7. Council endorsed the review by absolute majority (Clause 18).	
8. The CEO was informed in writing of the results of the review (Clause 19(a)).	
9. The CEO was informed how the Council proposes to address and manage any performance issues identified (Clause 19(b)).	



# CEO ANNUAL PERFORMANCE REVIEW EVALUATION FORM

August 2025

REVIEW DETAILS:		
<i>This form is to be completed by both Elected Members and the CEO.</i>		
<b>Reviewer Name:</b>	<b>Position Title:</b>	<b>Signature:</b>
<b>Reviewee Name:</b>	<b>Position Title:</b>	<b>Signature:</b>
	Chief Executive Officer	
<b>Period under Review:</b>	<b>Review Date:</b>	



# CEO ANNUAL PERFORMANCE REVIEW EVALUATION FORM

August 2025

## PART 1 – PERFORMANCE CRITERIA:

- This section is for you to evaluate the CEO's performance over the last year based upon the standards identified in the following performance criteria.
- The performance indicators and measures listed against each of the criteria should assist you in making your assessment.
- Please ensure that you consider the statement of evidence from the CEO prior to making your assessment.
- Please select your score from the drop-down box provided in order to measure the performance against the performance criteria
- Please feel free to comment on your assessment.

### 1. Establish sound communication, liaison and collaborative working relationship with President and Councillors.

Measure: Survey of Elected Members, or Councillor/CEO Workshop.

Select your score:	Choose an item.
Comments:	



## CEO ANNUAL PERFORMANCE REVIEW EVALUATION FORM

August 2025

### 2. Provide timely and complete informative advice to Councillors via both formal and informal reports and discussions.

*Measure: Survey of Elected Members, or Councillor/CEO Workshop.*

<b>Select your score:</b>	Choose an item.
<b>Comments:</b>	



## CEO ANNUAL PERFORMANCE REVIEW EVALUATION FORM

August 2025

### 3. Review and assess organisational capabilities and performance, together with alignment to service delivery and council priorities.

*Measure: CEO to report to Council on the outcome of review and assessment.*

<b>Select your score:</b>	Choose an item.
<b>Comments:</b>	



## CEO ANNUAL PERFORMANCE REVIEW EVALUATION FORM

August 2025

### 4. Oversee operational and project management to improve efficiency and service delivery.

*Measure: Survey of Elected Members, or Councillor/CEO Workshop.*

Select your score:	Choose an item.
Comments:	



## CEO ANNUAL PERFORMANCE REVIEW EVALUATION FORM

August 2025

### 5. Review (for awareness) all statutory documents such as budget, strategic plans, land asset strategy, delegations and policies.

*Measure: CEO to report to Council on the outcome of review.*

<b>Select your score:</b>	Choose an item.
<b>Comments:</b>	



## CEO ANNUAL PERFORMANCE REVIEW EVALUATION FORM

August 2025

### 6. Build trust and a close working relationship with the community and stakeholder groups via improved communications.

*Measure: CEO to report to Council on the outcomes of preliminary engagements, together with potential communications roadmap for future improvements in community engagement.*

<b>Select your score:</b>	Choose an item.
<b>Comments:</b>	



## CEO ANNUAL PERFORMANCE REVIEW EVALUATION FORM

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### 7. Review of Budget Workshops process and Financial Reporting to facilitate improved council oversight of BAU and discretionary expenditure.

*Measure: CEO to report to Council on the outcome of review and potential for improvements.*

<b>Select your score:</b>	Choose an item.
<b>Comments:</b>	





## CEO ANNUAL PERFORMANCE REVIEW EVALUATION FORM

August 2025

### 8. Timely implementation of council resolutions.

*Measure: CEO to provide advice to Council if and when the implementation of RoC's is delayed.*

<b>Select your score:</b>	Choose an item.
<b>Comments:</b>	



## CEO ANNUAL PERFORMANCE REVIEW EVALUATION FORM

August 2025

### PART 2 – IDENTIFYING FUTURE PERFORMANCE CRITERIA AND PERFORMANCE INDICATORS

*Please identify any issues you believe will require the CEO's special focus over next year's review period*

*DRAFT*



## CEO ANNUAL PERFORMANCE REVIEW EVALUATION FORM

August 2025

PART 3– SUMMARY PERFORMANCE ASSESSMENT	
Please select the classification you believe best fits the overall performance of the CEO by marking the classification below. Also please make any general comments about the CEO's performance. Comments must be relevant to the performance criteria and supported by evidence	
Select your overall performance score:	Choose an item.
Summary Comments:	

