



Chief Executive Officer Recruitment, Performance and Recruitment Review Advisory Committee

Terms of Reference

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1. Establishment of the Committee

- 1.1. The Chief Executive Officer Recruitment, Performance and Remuneration Review Advisory Committee (hereinafter referred to as “the Committee”), is a formally appointed Advisory Committee for the purposes of the *Local Government Act 1989* (the Act).
- 1.2. The membership of this Committee and these Terms of Reference will be adopted by resolution at an Ordinary Council Meeting.
- 1.3. The Committee is an advisory committee only and has no delegated decision making authority.

2. Objectives

- 2.1. The Committee’s role is to undertake important statutory and contractual obligations in regard to the employment, performance and recruitment related functions of the Chief Executive Officer.
- 2.2. These functions include the annual performance review, annual salary review and performance goal setting in regard to the Chief Executive Officer in accordance with the Chief Executive Officer’s contract of employment and the Act.
- 2.3. The Committee, by way of a the full Council group, or as otherwise determined by Council from time to time, is also responsible for undertaking the Chief Executive Officer recruitment process and contract renewal process.
- 2.4. All functions performed by this Advisory Committee will be done for the purpose of advising and assisting the Council in the performance of their obligations both under the Employment Contract of the Chief Executive Officer and in accordance with Sections 94 and 97A(1) of the Act.
- 2.5. All functions of this committee will be done under the guidance of an independent person to ensure a level of independent oversight.
- 2.6. These terms of reference can be applied to any Acting Chief Executive Officer arrangement as required, either in part or in full.
- 2.7. The Committee will carry out the following in order to achieve the objectives set:

2.7.1. Performance Assessment

- 2.7.1.1. In conjunction with the Independent Person, undertake an annual assessment of the Chief Executive Officer’s performance in accordance with the provisions of the Chief Executive Officer’s contract of employment taking into account the Key Performance Criteria for the relevant year;
- 2.7.1.2. Provide a recommendation to Council on the Chief Executive Officer’s Performance Assessment.

2.7.2. Remuneration Review

- 2.7.2.1. In conjunction with the Independent Person, review the Chief Executive Officer's remuneration package annually in accordance with the contract of employment, and within one month of the performance review being conducted.
- 2.7.2.2. The remuneration review must have regard to the following:
 - The previous year's performance assessment
 - The extent of any increase over the preceding 12 month period of the consumer price index (All groups Melbourne)
 - Comparative salary assessment data, such as market rates for comparative roles
 - The acquisition and satisfactory utilisation of new or enhanced skills if beneficial or required by the Council
- 2.7.2.3. Provide a recommendation to Council on the Chief Executive Officer remuneration review including recommended changes to salary and/or any changes to the conditions of employment for the Chief Executive Officer.

2.7.3. Development of Annual Performance Criteria

- 2.7.3.1. In conjunction with the Chief Executive Officer and with the guidance of the independent person, annually develop key result areas (known as Key Performance Criteria) to deliver the key priorities of the Council Plan, and other methods that will be used to assess the Chief Executive Officer's future performance and to meet the expectation of Council;
- 2.7.3.2. Provide a recommendation to Council on the establishment of the annual Key Performance Criteria of the Chief Executive Officer.

2.7.4. Recruitment and Extension of Appointment of the Chief Executive Officer

In conjunction with the full Council group, or as otherwise determined by Council from time to time:

- 2.7.4.1. Conduct the process recommend to the full Council the appointment of with the guidance of a suitably qualified independent person to Chief Executive Officer;
- 2.7.4.2. Provide a recommendation to Council on the appointment of a Chief Executive Officer or an agreed short list of candidates for final consideration by the Council;

- 2.7.4.3. Provide a recommendation to Council on the remuneration and conditions of appointment of the proposed Chief Executive Officer; and
- 2.7.4.4. Provide a recommendation to Council on any contract extension to the appointment of the Chief Executive Officer under section 94(4).

2.7.5. Other contractual matters

- 2.7.5.1. From time to time, and with the assistance of an independent person, make recommendations to Council on contractual, employment and performance related matters relating to the Chief Executive Officer (CEO) as required and in accordance with the Act.

2.7.6. Communication

Provide positive communication opportunities between Council and the CEO.

3. Membership

3.1. Composition of the Committee

The Committee shall comprise of three members, being:

- 3.1.1. The Mayor, being the Chair of the Committee;
- 3.1.2. Two other Councillors, and
- 3.1.3. An independent person, who is not a member of the Committee, shall be appointed to assist the Committee in the performance of all of its functions, including, but not limited to, the performance review, remuneration review and key performance indicator setting, contract renewal and CEO recruitment.
- 3.1.4. The Committee is supported by the General Manager Corporate and Community Services and his or her nominees, principally the Corporate Services Directorate. The Committee may request the assistance or advice of the General Manager Corporate and Community Services at any time.
- 3.1.5. The Committee will extend its membership to the full councillor group for the purpose of Chief Executive Officer recruitment or extension of contract, unless otherwise determined by Council.

3.2. Co-option of members

- 3.2.1. With the approval of the Chair, the Committee may invite other Councillors to participate in the proceedings of the Committee on a regular or an occasional basis where the committee considers it would benefit from the presence of a co-opted member.

3.3. The selection and role of the Independent Person

- 3.3.1. The independent person will be a neutral person.
- 3.3.2. The independent person will provide an advisory role on all matters of remit under these terms of reference, to both the Committee, and to Council.
- 3.3.3. The independent person will be suitably qualified. The selection process will have regard to the appropriate level of skill and experience in undertaking executive contract management.
- 3.3.4. A separate independent person may be required for the purpose of undertaking the CEO recruitment. This will be determined by the Committee at the relevant time.
- 3.3.5. The independent person is to be appointed via an appropriate procurement and expression of interest process undertaken by Corporate Services.
- 3.3.6. The General Manager Corporate and Community Services will provide a shortlist of suitable independent persons to the committee and the Chief Executive Officer for consideration.
- 3.3.7. A selection decision will be undertaken by the General Manager Corporate and Community Services following consultation with the Committee.
- 3.3.8. The independent person will draft the relevant Council papers and present to Council on all matters referred from the Committee.
- 3.3.9. The performance of the independent person will be assessed every two years by the General Manager Corporate and Community Services, following consultation with the Committee.

3.4. The role of the Chief Executive Officer

The CEO, whilst not a member of the Committee, is required to:

- 3.4.1. Participate actively in the performance review process as required by the Committee.
- 3.4.2. Make use of constructive feedback from Councillors and the Committee in relation to the performance review process.
- 3.4.3. Promptly bring to the attention of the Committee any situation where it might reasonably be appropriate to vary any aspects of the performance review standards and/or parameters in the light of current circumstances.

3.5. Length of appointment

- 3.5.1. Whilst a Committee shall be in place for as long as Central Goldfields Shire Council sees fit, the appointment of members shall be for a term as deemed appropriate by Council.
- 3.5.2. Prior to the expiration of each term, there will be a call for nominations for the next term. Current Committee members are able to re-nominate.

3.6. Attendance at meetings

- 3.6.1. All Committee members are expected to attend each meeting.

- 3.6.2. A member who misses two consecutive meetings without a formal apology may at the discretion of Central Goldfields Shire Council have their term of office revoked.
- 3.6.3. A member who is unable to attend the majority of meetings during the year may at the discretion of Central Goldfields Shire Council have their term of office revoked.

4. The Performance Review and Remuneration Review Process

- 4.1. The performance review process comprises the following steps:
 - 4.1.1. In November of each year the Committee will meet to confirm process with independent person;
 - 4.1.2. By the 15th January each year the Chief Executive Officer will provide a written report against the Key Performance Criteria and a self-rating to the independent person who in turn will provide the report to the Committee.
 - 4.1.3. The General Manager Corporate and Community Services will provide the independent person with the relevant salary data for consideration by the Committee.
 - 4.1.4. The independent person will facilitate a meeting of the Committee with the Chief Executive Officer to review annual performance. This meeting should occur no later than 15th February each year.
 - 4.1.5. The remuneration review will follow or occur concurrently with the performance review.
 - 4.1.6. The independent person will make a recommendation to the Committee and endeavour to achieve consensus among the Committee and with the CEO, and will prepare a report to Council with a recommendation. The report will include ratings and commentary against each Key Performance Criteria.
 - 4.1.7. The final report, including the performance review, new Key Performance Criteria, and remuneration package recommendations are provided to Council for consideration prior to the end of March each year, and any remuneration change will be adjusted according to the review date in the contract of employment.

5. Proceedings

Chair

- 5.1. The Mayor shall Chair the meetings.
- 5.2. If the Mayor is unavailable he/she shall delegate to any other nominated Councillor to Chair the meeting.

Meeting schedule

- 5.3. The Committee will determine its meeting schedule and times for each of the meetings. The duration of each Committee meeting should generally not exceed two hours.
- 5.4. Meetings of the Committee will be held as may be deemed necessary by the Committee to fulfil the objectives of the Committee taking into account the CEO Contract of Employment, remuneration and Performance Review provisions processes.

5.5. Special meetings may be held on an as-needs basis.

Meeting procedures

5.6. Meetings will follow standard meeting procedures as established in any guidance material and outlined in these terms of reference for Advisory Committees provided (see appendix one for the agenda template).

5.7. All Committee meetings and records are considered confidential and shall be designated as confidential in accordance with Section 77 and section 89(2)(a) and (d) of the Act as the matters relate to personnel and contractual matters.

5.8. All recommendations, proposals and advice must be directed through the Chair.

Quorum

5.9. A majority of the formal members of the Committee constitutes a quorum.

5.10. If at any Committee meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting shall be deemed adjourned.

Voting

5.11. There will be no official voting process, although all members shall have equal voting rights. Majority and minority opinions will be reflected in Committee minutes.

Minutes of the Meeting

5.12. The Chair will nominate another member of the Committee to take the minutes of each Committee meeting.

5.13. The minutes shall be in a standard format including a record of those present, apologies for absence, adoption of previous minutes and a list of adopted actions and resolutions of the Committee (see appendix two for the minutes template).

5.14. Where this meeting is also considered an Assembly of Councillors under the *Local Government Act 1989*, an Assembly of Councillors record must also be submitted in accordance with those requirements.

5.15. The minutes shall be stored in the corporate filing system.

5.16. The agenda shall be distributed at least 48 hours in advance of the meeting to all Committee members, including alternative representatives.

5.17. A copy of the minutes shall be distributed to all Committee members (including alternative representatives) within 10 working days of the meeting.

Reports to Council

5.18. With the approval of the Chair, a report to Council may be tabled on the Committee's progress towards the objectives included in this Terms of Reference.

5.19. Reports to Council should reflect a consensus of view. Where consensus cannot be reached, the report should clearly outline any differing points of view.

5.20. Reports to Council will be co-ordinated through the Corporate Services General Manager.

6. Review of Committee and Duration of the Committee

- 6.1. A review of the Committee will take place at least once every three years at which time the Terms of Reference will also be reviewed.
- 6.2. A review will be conducted on a self-assessment basis (unless otherwise determined by Council) with appropriate input sought from the Council, the CEO, all Committee members, management and any other stakeholders, as determined by Council.
- 6.3. The review must consider:
 - 6.3.1. The Committee's achievements
 - 6.3.2. Whether there is a demonstrated need for the Committee to continue, and
 - 6.3.3. Any other relevant matter.

7. Authority and Compliance Requirements

- 7.1. The Committee is an advisory committee only and has no executive powers nor does it have any delegated decision making or financial authority.
- 7.2. The Committee must comply with the Assembly of Councillor provisions provided for in the *Local Government Act 1989*.
- 7.3. Failure to comply with the provisions outlined in this Terms of Reference may result in termination of the Member's appointment.

Appendix 1: Agenda Template

[Name] Advisory Committee			
Meeting Day, XX Month Year Time Commencing: 00:00am/pm Expected Finish Time: 00:00am/pm Location: (include specific meeting room and address)			
<i>NOTE: In accordance with Section 80 of the Local Government Act 1989 for each meeting that a Councillor is in attendance an Assembly of Councillors record must be completed and tabled at the next practicable Council Meeting.</i>			
AGENDA ITEMS			
No.	Item	Responsible Officer	Attachment
1.	Welcome & introduction	Chair	N/a
2.	Apologies	All	
3.	Conflicts of Interest	All	
	<i>Members of the Committee are to declare any Conflicts of interest in matters listed on the agenda</i>		
4.	Matters arising from previous meeting	All	
	<i>Review of action progress from previous meetings</i>		
5.	Items for Consideration		
	<i>Matters being presented for discussion in accordance with the terms of reference</i> • • • •		
6.	General Business		
	• • •	All	

Appendix 2: Minutes Template

<p>[Name] Advisory Committee Minutes</p> <p>Meeting Day, XX Month Year Time Commenced: 00:00am/pm Finish Time: 00:00am/pm Location: (include specific meeting room and address)</p> <p>Meeting Chair: < Name ></p>			
<p><i>NOTE: In accordance with Section 80 of the Local Government Act 1989 for each meeting that a Councillor is in attendance an Assembly of Councillors record must be completed and tabled at the next practicable Council Meeting.</i></p>			
No.	Item	Responsible Person	Timeframe
1.	Present		
2.	Apologies		
3.	Conflicts of Interest Disclosures		
	<p><i>Members of the Committee declare any Conflicts of interest in matters discussed at the meeting.</i></p> <p>The following members of the Committee declared a Conflict of Interest at the meeting and left the meeting whilst the matter was being discussed:</p> <p><Name> ,Time left 00:00am/pm, Time returned 00:00am/pm</p> <p><Name> ,Time left 00:00am/pm, Time returned 00:00am/pm</p> <p><Name> ,Time left 00:00am/pm, Time returned 00:00am/pm</p>		

[Name] Advisory Committee Minutes

Meeting Day, XX Month Year
Time Commenced: 00:00am/pm Finish Time: 00:00am/pm
Location: (include specific meeting room and address)

Meeting Chair: < Name >

NOTE: In accordance with Section 80 of the Local Government Act 1989 for each meeting that a Councillor is in attendance an Assembly of Councillors record must be completed and tabled at the next practicable Council Meeting.

No.	Item	Responsible Person	Timeframe
4.	Matters arising from previous meeting		
	<p><i>List the item and action agreed and assign any follow up actions and expected timeframes</i></p> <p>1. Item Heading Action(s): • •</p> <p>2. Item Heading Action(s): • •</p>		
5.	Items for Consideration		
	<p><i>List the item and action agreed as per agenda and assign any follow up actions and expected timeframes</i></p> <p>1. Item Heading Action(s): •</p> <p>2. Item Heading Action(s): •</p> <p>3. Item Heading Action(s): •</p>		

[Name] Advisory Committee Minutes

Meeting Day, XX Month Year
Time Commenced: 00:00am/pm Finish Time: 00:00am/pm
Location: (include specific meeting room and address)

Meeting Chair: < Name >

NOTE: In accordance with Section 80 of the Local Government Act 1989 for each meeting that a Councillor is in attendance an Assembly of Councillors record must be completed and tabled at the next practicable Council Meeting.

No.	Item	Responsible Person	Timeframe
6.	General Business		
	<i>List the item and action agreed and assign any follow up actions and expected timeframes</i> 1. Item Heading Action(s): <ul style="list-style-type: none">• 2. Item Heading Action(s): <ul style="list-style-type: none">•		
Next Meeting: <Provide details of the next meeting date, time and location>.			