CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE

These Terms of Reference are to be read in conjunction with the "Committees, Advisory Groups, Representative Meetings and Working Groups Policy"; the "Standards for CEO Recruitment Performance and Termination Policy" and the Chief Executive Officer Employment Contract.

1. Name

The name of the committee is Shire of Mundaring Chief Executive Officer Performance Review Committee.

2. Head of Power

The committee is established by Council (in its current format) under section 5.8 of the *Local Government Act 1995* (C19.10.15) to assist the Shire with fulfilling its responsibilities as the CEO's employer.

3. Definitions

Act	the *Local Government Act 1995*.
Chief Executive Officer	the Chief Executive Officer (CEO) of Shire of Mundaring.
committee	Chief Executive Officer Performance Review Committee
Council	the body consisting of all council members sitting formally as the Council of the Shire of Mundaring.
council member	a person elected under the Act as a member of Council. The Shire's council members includes the Shire President, Deputy Shire President and Councillors (as defined by the Act).
independent facilitator	the person appointed by Council to coordinate and facilitate the performance review process.
member	a person appointed to this committee.
Performance Criteria	includes reference to Key Result Areas, Key Focus Areas or Key Performance Indicators as agreed between the CEO and Council to deliver the key priorities of the Shire of Mundaring Corporate Business Plan.

Salaries and Allowances Determination	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

The primary objective of the committee is to undertake an annual assessment of the CEO's performance in accordance with the provisions of the CEO's contract of employment in accordance with section 5.38 of the Act and review the CEO's remuneration package.

Reports from the committee will provide recommendations to Council to:

a. Develop Performance Criteria, in conjunction with the CEO, to deliver the key priorities of the Corporate Business Plan, and other methods that will be used to assess the CEO's future performance and to meet the expectation of Council.

b. Utilise the Performance Criteria to assess the CEO's performance.

c. Review remuneration, in accordance with the CEO's contract of employment, having consideration to the CEO's performance, current level of remuneration, and the Salaries and Allowances Determination.

The committee is to facilitate positive communication opportunities between Council and the CEO.

4.1. Review Process

The annual review process may comprise of the following steps:

a. Council appoints an independent facilitator to assist with the performance review process who is acceptable to both parties, i.e. CEO and Council.

b. Committee meets with independent facilitator, who facilitates the development of the performance criteria and, the review process is confirmed.

c. The committee and CEO agree to the draft Performance Criteria for the forthcoming year. Recommendation to adopt the Performance Criteria is to be presented to Council.

d.

e. CEO provides a written report and self-rating to the committee against the adopted Performance Criteria.

f. All council members participate in the performance review process by individually and independently rating the performance of the CEO against the Performance Criteria. An assessment is provided directly (via a confidential interview) to the independent facilitator.

g. The independent facilitator consolidates all ratings and comments from interviews to present a first draft of the assessment report to the committee to discuss and agree overall ratings.

h. The CEO meets with the committee and independent facilitator for feedback and discussion.

i. The committee agrees on final ratings.

j. The independent facilitator completes the final report with final ratings and specific comments against each Performance Criteria.

k. The CEO meets with the committee and independent facilitator for discussion of the remuneration package.

l. The performance review final report, new Performance Criteria and a review of the remuneration package will be presented to the committee. Recommendations to be provided to Council for consideration prior to September each year in accordance with the CEO contract of employment.

Where the CEO and the committee mutually agree to amend this process a report will be presented to Council for consideration.

4.2. Status Report

The CEO is to provide a status report on the progress of achieving the Performance Criteria to the committee on a quarterly basis or as agreed by the CEO and the committee.

4.3. Timetable

The timetable for the annual review process will be determined at the start of the review process.

4.4. Dispute

Where the CEO disagrees with the recommendations, the CEO is entitled to raise the matter with Council.

5. Powers

The committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its term of reference. This is in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the local government that have not been delegated to the CEO.

The committee has no delegated authority.

The committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The committee does not have any management functions and cannot involve itself in management processes or procedures.

6. Membership

The committee shall consist of up to five council members.

The President and Deputy President are members of the committee

An independent facilitator, who is acceptable to both parties (i.e. CEO and Council) shall be appointed by Council to assist with the performance review process but is not a member of the committee.

If authorised by the committee, council members attending as observers may participate in the meeting (but are not able to vote).

The CEO and employees are not members of the committee. The Director Corporate Services is to provide administrative support to the committee.

The committee may invite, through the CEO, Shire employees or others to attend meetings and provide pertinent information where necessary but such persons shall not be entitled to vote on any item arising out of that meeting.

7. Appointment

Members are appointed to committees by Council for a term to expire on the date of the subsequent ordinary local government elections.

If for any reason, a member is unable to hold office for the full period of their appointment, Council shall fill that vacancy. The member appointed shall hold office for the balance of the term of the member originally elected.

7.1. Council Members

Council members are appointed in accordance with section 5.10 of the Act.

7.2. Presiding Member

The presiding member and deputy presiding member are to be appointed by the absolute majority resolution of Council at its first meeting immediately following the biennial local government election.

8. Roles and Responsibilities

Each member is expected to abide by the Shire's "Code of Conduct for Council Members, Committee Members and Candidates" (Code of Conduct), to have open and honest discussions and to treat each member and employees with due courtesy and respect.

Council members and employees are to disclose financial, proximity and impartiality interests in accordance with the Act.

Each member is responsible for attending meetings, reviewing relevant material to enable informed discussion and making timely decisions/actions to progress the objectives of the committee.

In addition to the above, the specific roles for each membership type are as follows:

a. Council members are responsible for contributing from a Shire-wide perspective, and ensures the delivery of the committees objective.

b. The presiding member is responsible for ensuring that the group adheres to the direction set by Council, that all members have an opportunity to participate in discussions in an open and encouraging manner and ensuring the timely consideration of items.

c. Where the presiding member is unable or unwilling to chair the meeting, the deputy presiding member will chair the meeting.

d. The Independent Facilitator is to coordinate and facilitate the performance review process.

e. Employees are responsible for conducting necessary research as required by the committee, providing professional advice, and for administering its meetings.

9. Meetings

Meetings shall be held in accordance with the provisions of the Act, the *Local Government (Administration) Regulations 1996* and the *Meeting Procedures Local Law 2015*. Due consideration is to be given to the "Committees, Advisory Groups, Representative Meetings and Working Groups Policy".

Ordinary meetings will be held at least four time per year to undertake the assessment of the CEO's performance and review status reports.

Special meetings may be held:

a. if called for by either the presiding member or at least two members in a notice to the CEO setting out the date and purpose of the proposed meeting; or

b. if so decided by the Committee; or

c. if called for by Council.

Meetings are not open to the public.

9.1. Quorum

Meeting quorum is at least 50% of the number of members of the committee whether vacant or not (three members).

9.2. Voting

Each member of the committee at a meeting will have one vote. The presiding member will have a deliberative and in the event of an equality of votes have a casting vote. In the event of a tied vote the presiding member can use casting vote to break tie and refer to Council for consideration.

If a member is unable to attend a meeting, they must advise the presiding member as soon as reasonably practicable.

10. Recording and Reporting

The contents of the Minutes are to be in accordance with the Act and *Meeting Procedures Local Law 2015*.

Where a committee does not have a delegation/ authorisation, if a decision is the duty or function of the Council, it must be referred to Council.

Recommendations of the committee to be included in a Council meeting agenda to obtain a formal Council decision, where applicable. Committee recommendations are advisory only and shall not be binding on Council.

11. Changes to Terms of Reference

This Terms of Reference is to be reviewed prior to each ordinary local government election.

These Terms of Reference may be amended by the committee when required with Council to endorse any changes.

12. Disband

Council may determine at any time that a committee is no longer required and is to be disbanded.

Document Control

Item	Date	Resolution #
Committee established (in current format)	October 2015	C19.10.15
Reviewed	May 2017	C24.05.17, C25.05.17, C27.05.17, C28.05.17
Reviewed	April 2022	C10.04.22
Reviewed	October 2023	SC4.10.23
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