

**ADELAIDE HILLS COUNCIL
ORDINARY COUNCIL MEETING
Tuesday 23 January 2024
CONFIDENTIAL AGENDA BUSINESS ITEM**

Item: 19.3

Responsible Officer: Jody Atkins
A/Governance and Risk Coordinator
Corporate Services

Subject: CEO Performance Review Panel Independent Member Appointment

For: Decision

1. CEO Performance Review Panel Independent Member Appointment – Exclusion of the Public

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except:

- Chief Executive Officer, Greg Georgopoulos
- Acting Director Community and Development, Jess Charlton
- Acting Director Corporate Services, Gary Lewis
- Director Environment and Infrastructure, David Waters
- A/Governance & Risk Coordinator, Jody Atkins
- IT Support Officer, Tom Portas
- Governance Support, Kelledy Jones Lawyers, Cimon Burke
- Minute Secretary, Rebekah Lyons & Kylie Hopkins

be excluded from attendance at the meeting for Agenda Item 19.3: (CEO Performance Review Panel Independent Member Appointment) in confidence.

The Council is satisfied that it is necessary that the public, with the exception of Council staff in attendance as specified above, be excluded to enable Council to consider the report at the meeting on the following grounds:

Section 90(3)(a) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead), because it would disclose the personal details of candidates who have expressed an interest to be on the CEO Performance Review Panel.

Accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential.

2. CEO Performance Review Panel Independent Membership - Confidential Item

SUMMARY

Council utilises its Council Committees to provide advice to Council which collectively contribute to the achievement of Council's goals and strategies and discharge of its legislative obligations. Council has established three (3) Council Committees being the Audit Committee, the Chief Executive Officer Performance Review Panel (CEOPRP) and the Boundary Change Committee.

The CEO PRP Terms of Reference (TOR) provides that the Committee will consist of five members comprising one (1) independent member, the Mayor, the Deputy Mayor and two (2) Council Members. Further the TOR provides for the structuring of the Independent Member terms to ensure the orderly rotation and continuity of membership despite changes to the composition of the Audit Committee.

On 26 October 2023, the commencement of a shortlisting selection process for the Independent Member was commenced with interviews occurring on 13, 14 and 15 November 2023 for three (3) candidates.

The recruitment process has now concluded, and the purpose of this report is to present the Selection Panel recommendations.

RECOMMENDATION

Council resolves:

Decision 1:

- 1. That the report be received and noted**
- 2. To appoint Vanessa Godden to the position of CEO Performance Review Panel Independent Member for a term to commence from 19 January 2024 to 20 January 2027 (inclusive).**

1. BACKGROUND

Legislative Provisions regarding CEO Performance Review Panel

Functions

Section 102A of the *Local Government Act 1999* (the "LG Act") requires councils to review the performance of its Chief Executive as follows:

- At least once in each year that the chief executive officer holds office as chief executive officer.
- Council must obtain and consider the advice of a qualified independent person on a review. The qualified independent person must not be a member or employee of the Council and is to be a person determined by the Council (evidenced by resolution) to have appropriate qualifications or experience in human resource management.

Council is responsible for the selection, remuneration and performance management of the CEO. The role of the panel is to facilitate, manage and report to Council on the review process in accordance with Section 102A of the Act, as well as to provide advice to Council on matters relating to the performance and development of the CEO including but not limited to:

- Determining the Performance Targets for the forthcoming 12-month performance period.
- Monitoring the progress on the CEO’s agreed Performance Targets for the current 12-month performance period.
- Reviewing the CEO’s performance over the preceding 12-month performance period, in particular assessing performance against the agreed Performance Targets and Position Description requirements.
- Identifying development opportunities for the CEO.
- Reviewing the remuneration conditions of employment of the CEO in accordance with Section 99A of the Act, as well as any Determination made by the Remuneration Tribunal.
- Making recommendations to Council on the conclusion of the review, including with respect of the Employment Agreement as between Council and the CEO.

Advertisements for Expressions of Interest for the CEO PRP Independent Member was placed in the local media, SEEK, and on Council’s website in late September 2023.

Council received a strong field of seven (7) candidates and the Selection Panel shortlisted three (3) candidates for interview and, where appropriate, referee checking.

➤ **Strategic Management Plan/Functional Strategy/Council Policy Alignment**

Strategic Plan 2020-24 – A brighter future

Goal 5	A Progressive Organisation
Objective O4	We actively represent our community
Priority O4.2	Attract and develop a diverse and capable elected body that represents, promotes and reflects the composition of the community
Priority O4.3	Advocate to, and exert influence with, our stakeholders on behalf of our community to promote the needs and ambitions of the region
Objective O5	We are accountable, informed, and make decisions in the best interests of the whole community
Priority O5.1	Enhance governance structures and systems to prudently adapt to changing circumstances and meet our legislative obligations

As an organisation we strive for accountable and strategic decision making. We seek to consistently meet our financial sustainability targets. Council is committed to open, participative and transparent decision making and administrative processes. We diligently adhere to legislative requirements to ensure public accountability.

➤ **Legal Implications**

Section 41 of the *Local Government Act 1999* (the Act) sets out the processes for the establishment of council committees. These committees may be formed to assist council in the performance of its functions; to enquire into matters; to provide advice to council and to exercise delegated powers functions and duties.

Committees operate under the same (or similar) requirements to Council in terms of conduct of meetings, management of interests, etc.

CEO PRP

There are no specific legislative requirements for CEO performance review committees.

Register of Interests

Chapter 5, Part 4, Division 2 of the Act sets out the provisions relating to the Register of Interests. Sections 65 and 66 set out the provisions regarding the completion of primary and ordinary returns to populate the Register of Interests (under s68). At its 26 September meeting Council resolved that the provisions of Division 2 will apply to members of committees (i.e. Independent Members) from the commencement of their term.

➤ **Risk Management Implications**

The selection of members and presiding members for s41 committees will assist in mitigating the risk of:

Poor governance practices occur which lead to a loss of stakeholder (i.e. customer and regulator) confidence and/or legislative breaches.

Inherent Risk	Residual Risk	Target Risk
Extreme (5C)	Low (3E)	Low (3E)

Note that there are many other controls that assist in mitigating this risk.

➤ **Financial and Resource Implications**

The costs specifically associated with this report relate to the payment of Independent Member sitting fees. The costs have been incorporated in the adopted budget.

The resource implications are predominately in relation to the conduct of the Independent Member selection process and subsequently the induction of a new Member.

The sitting fees for the Independent Member of the CEO PRP were considered by Council at the 24 August 2021 Ordinary Council Meeting and were resolved as follows:

12.14 S41 Committee – Independent Member Sitting Fees

Moved Cr Nathan Daniell
S/- Cr Mark Osterstock

184/21

Council resolves:

- 1. That the report be received and noted.**
- 2. That in relation to the Audit Committee and the Chief Executive Officer Performance Review Panel:**
 - a. To determine the sitting fees for Members, effective 1 December 2021, as follows:**
 - i. Independent Presiding Member - \$575 (excl GST) per attended meeting.**
 - ii. Independent Ordinary Member - \$450 (excl GST) per attended meeting.**
 - iii. Authorised Training - \$75 (excl GST) per hour of training attended excluding travel time but with a travel allowance being paid at the standard Council rate.**
 - b. That in the event that an Independent Ordinary Member is required to preside at a meeting in the absence of the Presiding Member, then that Member receives the \$575 (excl GST) sitting fee for that meeting.**

Carried Unanimously

➤ **Customer Service and Community/Cultural Implications**

There is a high expectation that Council has appropriate governance and accountability mechanisms in place in relation to its meeting structures and that Council Committee members are competent and understand the role and functions of the committee and their individual obligations with regard to conduct.

➤ **Sustainability Implications**

Not applicable.

➤ **Engagement/Consultation conducted in the development of the report**

Council Committees: Not Applicable

Council Workshops: Not Applicable

Advisory Groups: Not Applicable

External Agencies: Not Applicable

Community: Not Applicable

There is no requirement for community consultation in relation to the appointment of Independent Members to Council Committees.

➤ **Additional Analysis**

A selection process was conducted by the Selection Panel, including fit with roles and functions of the Panel (as stated in the Terms of Reference) and with consideration to the diversity of the members (clause 5.5).

The Selection Panel unanimously decided to recommend Vanessa Godden for appointment as the Independent Members on the COE PRP.

The profile of the recommended candidate is as follows:

- Vanessa Godden’s qualifications include Master of Organisational Psychology and Bachelor of Science (Psychology). Vanessa has worked at executive level in local government including as an Associate Director, Customer and People, other work has included the Head of Human Resources at Northline and Senior Manager, People and Performance at Deloitte.

2. OPTIONS

Council has the following options:

- I. The Council may elect to support the recommendation for the Independent Member appointment (Recommended)
- II. The Council may elect not to support the recommendation for the Independent Member appointment. This decision would require further review of the short listed candidates or advertising again for an Independent Member and further interviews to be undertaken. (Not Recommended)

3. APPENDIX

- (1) Nil

3. CEO Performance Review Panel Independent Member Appointment – Duration of Confidentiality

Subject to the CEO, or his delegate, disclosing information or any document (in whole or in part) for the purpose of implementing Council’s decision(s) in this matter in the performance of the duties and responsibilities of office, Council, having considered Agenda Item 19.3 in confidence under sections 90(2) and 90(3)(a) of the *Local Government Act 1999*, resolves that an order be made under the provisions of sections 91(7) and (9) of the *Local Government Act 1999* to retain the Items in confidence as detailed in the Duration of Confidentiality Table below:

Item	Duration of Confidentiality NB: Item to be reviewed every 12 months if not released
Report	Until the appointment has been confirmed, but not longer than 1 July 2024
Related Attachments	Until the appointment has been confirmed, but not longer than 1 July 2024
Minutes	Until the appointment has been confirmed, but not longer than 1 July 2024
Other (presentation, documents, or similar)	NIL

Pursuant to section 91(9)(c) of the *Local Government Act 1999*, the Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.