

Terms of Reference

Chief Executive Officer's Performance
Development Review Committee

Reference Number:	
Type:	Terms of Reference
Responsibility:	Director Corporate Services
Responsible Officer (s):	Team Leader Governance & Risk
Last Review Date:	22 November 2022
Next Review Date:	November 2026
Legislation:	<i>Local Government Act 1999</i> (Section 41)

1 Establishment

- 1.1 Pursuant to Section 41 of the *Local Government Act 1999* (the Act) Council establishes a committee to be known as the Chief Executive Officer's Performance Development Review Committee (the Committee).

2 Objectives

- 2.1 The Committee is established for the purpose of engaging in and undertaking a developmental process to determine, in conjunction with the Chief Executive Officer (CEO), relevant Key Performance Measures for the CEO, for undertaking the formal review process of the performance of the CEO against the agreed Key Performance Measures in accordance with these terms of reference and for making other recommendations to the Council relevant to the employment and performance of the CEO.

3 Membership

- 3.1 Membership of the Committee shall consist of the Mayor (term of Council) and four Council Members (for two years).¹
- 3.2 The Committee's membership will regard diversity as a core consideration that promotes equality of opportunity when determining membership representation.²
- 3.3 The Council appoints the Mayor as the Presiding Member of the Committee. In the absence of the Mayor, Members present will seek a nominee to Chair the meeting.
- 3.4 The Committee will be re-established after each Council periodic election.
- 3.5 In accordance with The Act, Council has determined Richard Altman Consulting as a qualified independent person to have the appropriate qualifications and experience in human resource management.³

¹ Resolution 186 - Item 10.4 City of Prospect CEO Performance Review and Development Committee - 22 November 2022

² *Equal Opportunity Act 1984* (SA)

³ Above n1. See also: *Local Government Act 1999* (SA) s 97, 98, 102A.

4 Terms of Reference – Operational Matters

- 4.1 The Council authorises to the Committee all of the relevant powers and functions of the Council necessary for the Committee to perform its performance of functions as set out in these terms of reference. All decisions of the Committee will constitute recommendations to the Council.
- 4.2 The reporting and accountability requirements imposed upon the Committee (for the purpose of Section 41(8) of the Act), are satisfied by the delivery of the minutes of the proceedings of the Committee to each member of the Council in accordance with Section 91(3) of the Act, at the next ordinary meeting of the Council.
- 4.3 The Administration of the meetings including reports for agenda and minutes of the proceedings at meetings of the Committee will be kept and managed in their entirety by an externally qualified independent person as provided for at Clause 5.
- 4.4 The Committee shall act at all times in strict accordance with the Local Government Act 1999 and associated Regulations.⁴
- 4.5 The Committee shall meet at the City of Prospect Principal Office in accordance with the responsibilities imposed upon it at clause 5 of these terms of reference and otherwise on such dates and at such times as the Presiding Member of the Committee or the Committee by resolution may determine.
- 4.6 A quorum for a meeting of the Committee shall be one half of the total number of members of the Committee in office divided by two (ignoring any fraction) and adding one.
- 4.7 All decisions of the Committee shall be made on the basis of a majority decision of the members present.
- 4.8 All members of the Committee must, subject to any provision of the Act to the contrary, vote on a question arising for decision.

5 Terms of Reference – Functions and Responsibilities

- 5.1 The Committee is charged with undertaking the following functions at all times with the assistance of a qualified Independent Person as determined by resolution of Council:⁵
 - 5.1.1 To acknowledge and endorse at its first meeting "The Statement of Mutually Agreed Undertakings and Assumptions" which underpins the CEO's Performance Development Review Process.
 - 5.1.2 To acknowledge the existing Key Performance Measures which have previously been developed and applied;

⁴ Local Government Act 1999 (SA), Local Government (Procedures at Meetings) Regulations 2013 (SA), City of Prospect Code of Practice Meeting Procedures

⁵ above n3.

- 5.1.3 To develop and endorse the Key Performance Measures for the performance of the CEO for the next "review period" (as defined in the Statement of Mutually Agreed Understandings and Assumptions); and
- 5.1.4 To undertake the annual performance development review of the CEO for a "review period" within three calendar months of the conclusion of that "review period" against the Key Performance Measures that applied for that "review period".
- 5.1.5 To receive the results of the review of the CEO's performance appraisal.
- 5.1.6 On an annual basis make recommendations to Council regarding the remuneration and employment conditions of the Chief Executive Officer, consistent with the requirements of the Employment Agreement.
- 5.2 The Key Performance Measures to be developed and endorsed pursuant to sub-clause 5.1.4 above will be developed by the Committee in conjunction with both the CEO and the qualified independent person.
- 5.3 The Committee is authorised to amend the Statement of Mutually Agreed Undertakings and Assumptions provided that the concurrence of the CEO to the proposed amendments is first obtained.
- 5.4 The Committee may recommend to the Council that these Terms of Reference be amended where the Committee forms the opinion that such amendments are necessary for the better operation of the Committee in the performance of its functions and responsibilities.
- 5.5 Where the Committee is required to act jointly with or to obtain the concurrence of the CEO in the performance of its functions and responsibilities the Council expects that both parties will negotiate and consult in good faith to achieve the necessary objectives.
- 5.6 In the event of a vacancy for the position of Chief Executive Officer, the Committee will comply with the requirements of the *Local Government Act 1999*. The Committee will act as the selection panel after obtaining and considering the advice from the qualified independent person and make recommendations to Council on an appointment to the position of Chief Executive Officer.

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