



CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE

MINUTES

for the Special meeting

30 November 2021

in the Colonel Light Room.
Adelaide Town Hall



Membership:	The Lord Mayor The Deputy Lord Mayor 1 Council Member 2 External Independent Members
Quorum:	2
Present -	
Presiding Member	The Right Honourable the Lord Mayor, Sandy Verschoor,
Deputy Presiding Member	Deputy Lord Mayor, Councillor Couros
Council Member	Effective 1 December 2021
Independent Member	Mr Jeff Tate
In Attendance -	Chief Operating Officer Manager Governance

Acknowledgement of Country

At the opening of the Chief Executive Officer Performance Review Committee Special Meeting, the Chair stated: 'Council acknowledges that we are meeting on traditional Country of the Kaurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kaurna people living today. And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.'

Apologies and Leave of Absence

Apology:

Mr William Spurr

Confirmation of Minutes

Nil

Items for Consideration and Determination

Item 4.1 – External Membership and Meetings [2018/00459] [CPRC]

During discussion it was noted that as of 1 December 2021, the CEO Performance Review Committee would comprise Deputy Lord Mayor, Councillor Abrahamzadeh and Councillor Couros as per the 9 November 2021 Council decision.

Decision

That the CEO Performance Review Committee:

1. Supports the selection process undertaken by the Chief Operating Officer and appoints Mr William Spurr and Mr Jeff Tate as independent members to the CEO Performance Review Committee until the end of the 2018-2022 Council term.
2. Adopts a meeting schedule of at least two meetings per year, with dates and times to be arranged dependent on availability of members and made public on the City of Adelaide website by 31 December 2021.

Mr Jeff Tate, who was present in the public gallery, took his seat on the Committee at 10.08am

Item 4.2 – CEO Performance Review Measures [2018/00459] [CPRC]

During discussion Members agreed that the Organisation Scorecard measures would be based on the financial year 2021/2022, the Strategic Priorities would be based on 12 month time frames (1/9/2021 to 30/8/2022) reflecting the CEO's contract commencement, along with the informed 360° reviews being conducted for the conclusion of each 12 month period.

DecisionThat the CEO Performance Review Committee:

1. Approves that the Chief Executive Officer's performance will be:
 - 1.1. Measured against the achievement of items outlined in the organisation scorecard contained in Attachment A to Item 4.2 on the Agenda for the Special meeting of the CEO Performance Review Committee held on 30 November 2021.
 - 1.2. Measured against the achievement of identified strategic priorities contained in Attachment B to Item 4.2 on the Agenda for the Special meeting of the CEO Performance Review Committee held on 30 November 2021 and reflecting feedback provided to Administration at the meeting.
 - 1.3. Informed by 360° reviews.

Items 4.1 and 4.2 distributed separately to the Agenda are attached for reference at the conclusion of the Minutes of this Special meeting.

Items for Advice/Recommendation to Council

Nil

Closure

The Special meeting closed at 10.35 am.

The Lord Mayor, Sandy Verschoor
Chair
Chief Executive Officer Performance Review Committee

Documents Attached for Reference

- Item 4.1 – External Membership and Meetings
- Item 4.2 – CEO Performance Review Measures

External Membership and Meetings

ITEM 4.1 30/11/2021
CEO PERFORMANCE REVIEW
COMMITTEE

Strategic Alignment - Enabling Priorities

2018/00459
Public

Approving Officer:
Amanda McIlroy, Chief Operating
Officer

EXECUTIVE SUMMARY

At its meeting on 9 November 2021, Council established the CEO Performance Review Committee (the committee), with responsibility to ensure that clear expectations of the Chief Executive Officer's (CEO) performance are established, that the CEO's performance is assessed in accordance with clear and agreed performance measures, and to provide advice on potential professional development.

In accordance with the Terms of Reference for the committee, two independent, external members are to be appointed, including one with extensive local government experience.

A regular schedule of meetings for the Committee is also to be established. It is recommended that the committee meet at least twice a year to ensure the required performance review can take place in a timely and responsive manner while meeting contractual requirements and high standards of public accountability. This would be supported and informed by regular meetings between the CEO and the Lord Mayor.

This report seeks a decision on appointment of the two external members and agreement on the frequency of meetings.

RECOMMENDATION

That the CEO Performance Review Committee:

1. Supports the selection process undertaken by the Chief Operating Officer and appoints Mr William Spurr and Mr Jeff Tate as independent members to the CEO Performance Review Committee until the end of the 2018-2022 Council term.
2. Adopts a meeting schedule of at least two meetings per year, with dates and times to be arranged dependent on availability of members and made public on the City of Adelaide website by 31 December 2021.

IMPLICATIONS AND FINANCIALS

CEO Contract	At least one independent, external member is required as part of the CEO's contract.
Consultation	Not as a result of this report
21/22 Budget Allocation	Not as a result of this report

DISCUSSION

1. At its meeting on 9 November 2021, Council established the CEO Performance Review Committee (the committee) with the functions being to:
 - 1.1. Establish Key Performance Indicators for the CEO.
 - 1.2. Determine the performance review process for the CEO.
 - 1.3. Undertake the performance review of the CEO.
 - 1.4. Provide advice and support regarding the CEO's performance development.
 - 1.5. Prepare and provide advice to Council to inform the CEO's Total Employment Cost Package review, for decision by Council.
2. At the same meeting, Council approved the Terms of Reference for the committee and appointed the Lord Mayor as the presiding member, the Deputy Lord Mayor elect (Councillor Abrahamzadeh) as the deputy presiding member, and Councillor Couros as the Council Member.
3. The Terms of Reference also require that two independent, external members be appointed, including one with substantial local government experience.
4. The Chief Operating Officer is committed to providing administrative resources as required to support the committee to carry out its functions, including the provision of professional expertise as and when required. As such, in liaison with the presiding member, the Chief Operating Officer recommends the appointment of Mr William Spurr and Mr Jeff Tate as the external members, in recognition and acknowledgement of their substantial professional expertise:
 - 4.1. Mr William (Bill) Spurr is an experienced Chair, Board Member and Director. He is currently a member of the SA Economic Advisory Council and Chairperson of Adelaide Venue Management Corporation and was Chair of Education Adelaide for over ten years. Mr Spurr was also a member of the CEO Selection Panel, giving him valuable insight into the process and priorities for CEO performance.
 - 4.2. Mr Jeff Tate is currently Chair of the Eastern Region Alliance Water Board and the Coast Protection Board of South Australia. He was CEO at City of Onkaparinga for over 14 years and CEO of City of Marion for four years. Mr Tate also worked with the South Australian Productivity Commission as Commissioner for Inquiry into Local Government Costs and Efficiency.
5. Membership of the committee is for the term of the current Council. New members will be appointed as required for the new Council term.
6. The Terms of Reference require that the committee meet at least annually to discuss progress on Key Performance Indicators and to understand the context in which the CEO's performance is being achieved, including organisational issues that are impacting on the CEO's performance and/or how the performance of Council is impacting on organisational performance.

7. It is recommended that meetings be held twice a year to ensure clear, regular monitoring of performance and identification of opportunities for improvement as/if necessary. This is also in accordance with other staff Performance and Development Conversations which occur twice a year.

DATA AND SUPPORTING INFORMATION

Nil

ATTACHMENTS

Nil

- END OF REPORT -

CEO Performance Review Measures

Strategic Alignment - Enabling Priorities

ITEM 4.2 30/11/2021
CEO PERFORMANCE REVIEW
COMMITTEE

2018/00459
Public

Approving Officer:
Amanda McIlroy, Chief Operating
Officer

EXECUTIVE SUMMARY

On 9 November 2021, Council established the CEO Performance Review Committee to develop, monitor and assess key performance indicators and establish a process by which Chief Executive Officer (CEO) performance is measured. It is proposed that the CEO performance process incorporates measures of the CEO's achievement against the organisation scorecard and identified strategic priorities.

The CEO performance review will also be informed by an annual 360° reviews to incorporate feedback from peers and direct reports.

RECOMMENDATION

That the CEO Performance Review Committee

1. Approves that the Chief Executive Officer's performance will be:
 - 1.1. Measured against the achievement of items outlined in the organisation scorecard contained in Attachment A to Item 4.2 on the Agenda for the Special meeting of the CEO Performance Review Committee held on 30 November 2021.
 - 1.2. Measured against the achievement of identified strategic priorities contained in Attachment B to Item 4.2 on the Agenda for the Special meeting of the CEO Performance Review Committee held on 30 November 2021.
 - 1.3. Informed by 360° reviews.

IMPLICATIONS AND FINANCIALS

CEO Contract	Approval of agreed performance measures is required as part of the CEO contract.
Consultation	Extensive discussions have taken place between the Chief Operating Officer, the Chief Executive Officer and the Lord Mayor in the preparation of the performance measures.
21/22 Budget Allocation	Not as a result of this report

DISCUSSION

1. The CEO Performance Review Committee, including two independent members, has been established by Council to determine and assess the CEO's performance against identified measures.
2. In accordance with the Employment Agreement for the CEO, within three months, the CEO Performance Review Committee will, in consultation with the CEO, develop Key Performance Indicators for CEO performance.
3. To ensure that clear expectations of the CEO's performance are established, that the CEO's performance is assessed in line with a clear and consistent process, and that professional development is made available as required, the Committee will undertake the following:
 - 3.1. Establish, in collaboration with the CEO, a set of Key Performance Indicators to be monitored for the performance period.
 - 3.2. Annually, and/or periodically, review the Key Performance Indicators to ensure relevance and, if required, alter such indicators following reasonable consultation with the CEO.
 - 3.3. Determine the appropriate performance review process against which the CEO's performance will be assessed, noting that this must be in accordance with any provisions specified in the CEO's Employment Contract.
 - 3.4. Review performance at least annually within three (3) months of the end of each financial year of the Term.
4. It is recommended that this be achieved through a combination of:
 - 4.1. Assessment of the CEO's achievement of organisation scorecard measures
 - 4.2. Achievement of identified strategic priorities
 - 4.3. 360° reviews.
5. Organisation Scorecard Measures
 - 5.1. The City of Adelaide's vision is to be the most liveable city in the world. This will be achieved through realisation of the four outcomes identified in the 2020-2024 Strategic Plan of Thriving Communities, Strong Economies, Dynamic City Culture and Environmental Leadership, supported by City of Adelaide's Enabling Priorities. The City of Adelaide values provide the context for how this is achieved, ensuring a clear focus on Achievement, Collaboration, Customer Commitment, Integrity and Innovation.
 - 5.2. Success against these outcomes will be determined by the measures provided in the organisation scorecard (**Attachment A**) and, subsequently, this scorecard will also be used to inform measurement of the CEO's success.
 - 5.3. The scorecard is structured around the four pillars of Effective Organisation, Customer Centricity, Engaged Workforce and Financial Sustainability, along with indicators of success for each of these. These pillars have been developed in collaboration with the Executive team and are designed to span

organisational, service and employee performance. Detailed information about frequency of reporting and measurement, along with current baseline data, is also provided.

6. Strategic Priorities

- 6.1. In addition to delivering against the Organisation Scorecard Measures, it is proposed the CEO also delivers strategic priorities aligned to areas of focus (**Attachment B**).
- 6.2. The strategic priorities acknowledge that the CEO will drive new initiatives which complement delivering on the Council's Strategic Plan and Annual Business Plan objectives.

7. 360° Reviews

- 7.1. The intent of the 360° reviews is to gain feedback from peers and direct reports to help inform the Committee's understanding of the CEO's performance and to assist in identifying opportunities for growth and further development.
- 7.2. It is recommended this is undertaken through The Leadership Circle (TLC). TLC is a powerful 360 feedback instrument that supports senior leaders in their ongoing development. It is especially valuable in unearthing strengths and development focus areas needed by contemporary Executives to successfully navigate the complexity and demands of today's leadership.
- 7.3. TLC measures psychologically validated leadership behaviours that provide insight into a leader's style, why they behave a particular way and the impact of that behaviour on others. Individual data can be benchmarked against large sets of global executive level data to provide perspective around what is (and isn't) a reasonable and exceptional level of performance.
- 7.4. TLC is conducted by a confidential and anonymous on-line survey, issued to predetermined evaluators (manager(s), direct reports, peers and other colleagues). The quantitative and qualitative results are presented back by an accredited practitioner/coach to the participating leader. Often a follow-up three way coaching conversation is held including leader, manager and coach.
- 7.5. It is proposed that a leadership development consultant coordinate this process.

ATTACHMENTS

Attachment A – Organisation Scorecard

Attachment B – Strategic Priorities

- END OF REPORT -

City of Adelaide Organisation Scorecard					
Our Vision: <i>Adelaide: the most liveable city in the world</i>					
Achievement		Collaboration	Customer Commitment	Integrity	Innovation
Pillar	Responsive Organisation	Customer Centricity	Engaged Workforce	Financial Sustainability	
	We adapt and improve our services to meet the needs of our community	We deliver extraordinary customer experiences	Our people are passionate ambassadors for Adelaide and contribute to the community by delivering valued services and outcomes	We have the financial capacity to meet our long-term commitments	
Indicators of Success	80% of strategic annual objectives via the Business Plan & Budget are achieved	Customer Commitment statements in the Culture Survey achieve a rating of 4 or higher (both internal and external customer measures)	Participation in Performance and Development conversations process > 80%	Year to Date Financial Indicators are in line with annual targets	
	>90% of internal audit recommendations are closed on time	80% of Decisions and CEO Undertakings closed out within 12 months	Participation in and completion of Mandatory Training 100%	Deliver the approved Council budget	
	Overall satisfaction with Delivery of Council Services >70%	90% of TRIM correspondence actioned on time	Culture Survey achieves a rating of 4 or higher for Wellbeing and Safety statements.	Committed Capital Works Projects and Asset Renewal programs delivered on time and budget	
			People Commitment Statements achieve a rating of 4 or higher in the Culture Survey:	Deliver \$4.7m efficiency gain	

Attachment B - Strategic Priorities

1. Value for money in what we deliver across our services

- 1.1. Undertake 2 service reviews
- 1.2. Ensure AMPs deliver value for money, now and in the long term
- 1.3. Review Procurement to drive better commercial outcomes

2. Build partnerships to enable new opportunities

- 2.1. Progress the City Deal initiatives (Visitor Centre, Wi-Fi and CCTV) and define City Deal 2.0
- 2.2. Advance the Residential Growth 10-point action plan
- 2.3. Work with Council to resolve the future for the Aquatic Centre
- 2.4. Progress the Adelaide Park Lands Foundation

3. Ensure there's a consistent culture across the organisation

- 3.1. Deliver business case for CRM system
- 3.2. Develop employer brand
- 3.3. Develop workforce strategy

4. Robust financial management

- 4.1. Improve our business case development process to ensure all options are canvassed, benefit analysis is thorough, and costings are rigorous
- 4.2. At least 2 new revenue streams identified
- 4.3. Bring to market 2 underperforming city shaping sites
- 4.4. Develop Future Fund policy

5. Support the elected body in effective governance for the City of Adelaide

- 5.1. Continue to streamline our responses to enquiries from Council Members
- 5.2. Improve transparency in decision-making
- 5.3. Review the *City of Adelaide Act 1998*
- 5.4. Investigate Kaurua representation model