



# CEO Performance Review Panel

## AGENDA & REPORTS

for the meeting

Monday, 24 April 2023  
at 3.00 pm

in the Colonel Light Room, Adelaide Town Hall

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Membership	The Lord Mayor The Deputy Lord Mayor 1 Council Member 2 External Independent Members
Quorum	3
Presiding Member	The Right Honourable the Lord Mayor, Dr Jane Lomax-Smith
Deputy Presiding Member	Deputy Lord Mayor, Councillor Martin
Council Member	Councillor Abrahamzadeh
Independent Members	To be Appointed

**1. Acknowledgement of Country**

At the opening of the CEO Performance Review Panel meeting, the Chair will state:

‘Council acknowledges that we are meeting on traditional Country of the Kurna people of the Adelaide Plains and pays respect to Elders past and present. We recognize and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kurna people living today.

And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.’

**2. Apologies and Leave of Absence**

Nil

**3. Confirmation of Minutes**

Nil

**4. Items for Consideration and Determination**

4.1	CEO Performance Review Panel Update	3 - 6
4.2	Appointment of Independent Members	7 - 9
4.3	Appointment of Independent Advisor	10 - 12

**5. Closure**

## CEO Performance Review Panel Update

Strategic Alignment - Enabling Priorities

Public

**Monday, 24 April 2023**  
**CEO Performance Review Panel**

**Program Contact:**  
Alana Martin, Manager  
Governance

**Approving Officer:**  
Steve Zaluski - Acting Chief  
Operating Officer

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## EXECUTIVE SUMMARY

The purpose of this report is to provide context and background information to CEO Performance Review Panel (the Panel) to assist in undertaking their duties in relation to this matter.

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## RECOMMENDATION

THAT THE CEO PERFORMANCE REVIEW PANEL:

1. Notes the report.
- .....

# IMPLICATIONS AND FINANCIALS

CEO Contract	Not as a result of this report
Consultation	Not as a result of this report
22/23 Budget Allocation	Not as a result of this report

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## DISCUSSION

### Background

1. Section 102A of the *Local Government Act 1999* (the Act) requires Council to review the performance of the CEO at least once each year.
2. The City of Adelaide's CEO, Clare Mockler, commenced in the role on 1 September 2021. A copy of the CEO's employment contract has previously been provided to Members.
3. The CEO's employment contract specifies that the parties will establish a Performance Review Panel under Section 41 of the Act to manage the performance review process.
4. At the 14 March 2023 meeting, Council resolved ([Link One](#)):
  - 4.1. **THAT COUNCIL:**
    1. *Establishes the CEO Performance Review Panel, pursuant to Section 41 of the Local Government Act 1999 (SA).*
    2. *Appoints the following Council Members to the CEO Performance Review Panel 14 March 2023 until the last Council meeting in October 2026, those being:*
      - 2.1. *Lord Mayor*
      - 2.2. *Deputy Lord Mayor*
      - 2.3. *Cr Abrahamzadeh*
      - 2.4. *Two Independent Members (as determined by the CEO Performance Review Panel)*
    3. *Approves that Independent Members will be entitled to a sitting fee of \$500 per meeting.*
    4. *Appoints the Lord Mayor as Chair and Deputy Lord Mayor as Deputy Chair from 14 March 2023 until the last Council meeting in October 2026.*
    5. *Delegates to the CEO Performance Review Panel:*
      - 5.1. *In the exercise of the powers contained in Section 44 of the Local Government Act 1999 (SA), the responsibility of the 2022-2026 Council term of office is to assist the Council by considering and determining matters as set out in the CEO performance Review Panel's Terms of Reference, namely:*
        - 5.1.1. *Appoint an independent advisor to assist in the CEO performance appraisal.*
        - 5.1.2. *To appoint independent members to the CEO Performance Review Panel.*
        - 5.1.3. *To establish Key Performance Indicators for the CEO.*
        - 5.1.4. *To determine the performance review process for the CEO*
        - 5.1.5. *To undertake the performance review of the CEO.*

- 5.1.6. *To provide advice and support regarding the CEO's performance development.*
  - 5.1.7. *Prepare and provide advice to Council to inform the CEO's Total Employment Cost Package review for decision by Council.*
  - 5.1.8. *Authorise to determine a schedule of meetings to be held in the Colonel Light Room, Town Hall, Adelaide.*
  - 6. *Authorises the Chief Operating Officer to vary the meeting schedule (including the commencement time, meeting place, date or cancellation of a meeting) after liaison with the Presiding Member and Chief Executive Officer.*
  - 7. *Adopts the Terms of Reference for this Panel as Attachment A to Item 10.3 on the Agenda for the meeting of Council held on 14 March 2023.*
  - 8. *Applies the provisions of Parts 1, 3 and 4 of the Local Government (Procedures at Meetings) Regulations 2013 (SA) to the CEO Performance Review Panel.*
  - 9. *Authorises the amendment of these documents to reflect the resolution of the Council.*
  - 10. *Authorises the administration to make any necessary or desirable typographical or syntactical revisions to the Terms of Reference.*
5. The approved Terms of Reference can be found on Council's website ([Link Two](#)).

#### **CEO Performance Review Committee 2021-2022**

- 6. Following the appointment of the CEO, in November 2021 the previous term of Council established a Performance Review Committee with substantially similar Terms of Reference.
- 7. This Committee expired at the conclusion of the 2022 general election.
- 8. At the time of the Committee's last meeting, membership comprised of:
  - 8.1. The Lord Mayor (Sandy Verschoor)
  - 8.2. The Deputy Lord Mayor (Councillor Abrahamzadeh)
  - 8.3. One (1) Council Member (Councillor Couros) and One (1) Independent Member (Jeff Tate).
  - 8.4. Council held a vacancy in the other Independent Member position due to former Committee Member William Spurr passing.
- 9. In 2022 the Committee met on three (3) separate occasions:
  - 9.1. 3 March 2022
  - 9.2. 16 June 2022
  - 9.3. 27 September 2022
- 10. At its most recent meeting in September 2022, the Committee received an update on performance against the agreed scorecard measures and strategic priorities, as well as a verbal update and self-assessment from the CEO.
- 11. A copy of the Agenda and Minutes of this Committee meeting can be found here ([Link Three](#)).
- 12. Due to this meeting being held during the caretaker period, the Committee was unable to make recommendations on the CEO's performance. Further steps required to complete this process will be actioned by the incoming Panel, as noted in the September report which (at point 12) stated:
  - 12.1. *A response to the assessment of the CEO's performance and determination/recommendation on any impacts to remuneration or future scorecards, priorities or performance and development targets for the CEO, will be done in 2023 with a CEOPRC established by the new Council.*

#### **Next Steps**

- 13. A meeting date for the Panel will be scheduled, currently planned for June 2023.
- 14. The Panel's initial work plan will include:
  - 14.1. The finalisation of the current review (as presented in September 2022)
  - 14.2. In consultation with the CEO, setting Key Performance Indicators and the review process for the 2023/24 financial year

## DATA AND SUPPORTING INFORMATION

**Link 1** – 14 March 2023 Council Meeting

**Link 2** – Panel Terms of Reference, adopted by Council on 14 March 2023

**Link 3** – 27 September 2022 Performance Review Committee Agenda

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## ATTACHMENTS

Nil

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- END OF REPORT -

## Appointment of Independent Members

Strategic Alignment - Enabling Priorities

Public

**Monday, 24 April 2023**  
**CEO Performance Review Panel**

**Program Contact:**  
Alana Martin, Manager  
Governance

**Approving Officer:**  
Steve Zaluski - Acting Chief  
Operating Officer

## EXECUTIVE SUMMARY

At the 14 March 2023 meeting, Council delegated the CEO Performance Review Panel (the Panel) the power to appoint independent members.

The Terms of Reference outline that the Panel appoint:

- a member with appropriate qualifications or experience in human resource management
- a member with substantial local government experience.

Administration has worked with the Lord Mayor and Council-appointed members of the Panel to identify potential independent member candidates for consideration. Two independent members, Gael Fraser and Jeff Tate, are recommended as part of this report.

Brief biographies outlining how each proposed member meets the requirements of the Terms of Reference are included in the report.

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## RECOMMENDATION

### THAT THE CEO PERFORMANCE REVIEW PANEL

1. Appoints Gael Fraser as an independent member of the CEO Performance Review Panel, being satisfied that she has the appropriate human resource management experience.
  2. Appoints Jeff Tate as an independent member of the CEO Performance Review Panel, being satisfied that he has substantial local government experience.
  3. Notes that the CEO is supportive of both appointments.
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# IMPLICATIONS AND FINANCIALS

CEO Contract	The contract of the CEO requires the Panel to have at least one independent member who must be agreed to by both parties. Given that the panel composition contains two independent members, it is appropriate that both parties agree on the members.
Consultation	The CEO has been consulted in the selection of the panel members and agrees to both appointments
22/23 Budget Allocation	Independent Members receive \$500 per meeting, which is within the allocated budget.

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## DISCUSSION

### Background

1. On 14 March 2023 Council resolved to delegate to the CEO Performance Review Panel (the Panel) the power to appoint two independent members. ([Link One](#))
2. The Panel's Terms of Reference ([Link Two](#)) require the following conditions when appointing members:
  - 2.1. Two independent members are appointed:
    - 2.1.1. one of whom will have substantial appropriate qualifications or experience in human resources management.
    - 2.1.2. one of whom will have substantial local government experience.

### Process

3. Administration has worked with the Lord Mayor and Council-appointed Panel members to identify potential independent member candidates for the Panel.
4. In addition, the names and CVs have been provided to the CEO, who has indicated that support for Gael Fraser and Jeff Tate being appointed as independent members of the Panel. The CEO's agreement is required to fulfil the clauses of the CEO's contract.

### Independent Member with Human Resource Experience

5. Gael Fraser has worked as a senior executive in the public sector and a senior government political advisor. In these roles, she has contributed to significant policy development in education and children's services, further education, employment and training, social housing, workers' compensation and personnel management and development.
6. As a private consultant for over ten years, Ms Fraser has assisted many government and community organisations with strategic planning, managing change, social policy development and governance arrangements.
7. As an experienced Board Chair (including the current Chair of UnitingSA, since 2015 and, UnitingSA Housing since 2018 ), Ms Fraser has had extensive experience managing the CEO Performance Review process.
8. It is recommended that Gael Fraser be appointed to the Panel with the appropriate experience in human resources management.

### Independent Member with Local Government Experience

9. Jeff Tate was appointed CEO of the City of Onkaparinga from its establishment (following a series of amalgamations) in 1997 to 2011.
10. Currently, Mr Tate is the director of Jeff Tate Consulting Pty Ltd and has undertaken over 130 projects in South Australia, NSW, Queensland, Tasmania, and Victoria. The consultancy specialises in strategy development, review and implementation; organisational alignment; partnering and relationships; governance; problem-solving; leadership mentoring and coaching; facilitation and negotiation.



11. Mr Tate was a part-time Commissioner with the South Australian Productivity Commission for the duration (May to November 2019) of an Inquiry into Local Government Costs and Efficiency.
12. Mr Tate currently chairs the South Australian Coast Protection Board and the Eastern Region Alliance (ERA) Water Board. He is a member of the Minister's Expert Panel on Stormwater, considering responsibilities, governance arrangements, and funding for stormwater management in South Australia.
13. Mr Tate served on the previous CEO Performance Review Panel as an independent member in the last Term of Council, and has sat on other CEO Performance Panel's across South Australia.
14. It is recommended that Jeff Tate be appointed to the Panel with the substantive Local Government Experience.

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## DATA AND SUPPORTING INFORMATION

**Link 1** - Minutes of Council 14 March 2023

**Link 2** - Terms of Reference CEO Performance Review Panel

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## ATTACHMENTS

Nil

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## Appointment of Independent Advisor

Strategic Alignment - Enabling Priorities

Public

**Monday, 24 April 2023**  
**CEO Performance Review**  
**Panel**

**Program Contact:**  
Alana Martin, Manager  
Governance

**Approving Officer:**  
Steve Zaluski - Acting Chief  
Operating Officer

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## EXECUTIVE SUMMARY

On the 14 March 2023 Council resolved to delegate to the CEO Performance Review Panel (the Panel) the power to appoint an independent advisor. This report outlines the role of an independent advisor in providing the Panel with advice on the CEO's performance, and recommends a suitable person to undertake the work.

Andrew Reed from Hender Consulting is recommended to the Panel given the experience both Andrew and Hender have as a provider of CEO performance appraisals in the local government sector, and demonstrated understanding of the strategic challenges and opportunities facing the sector.

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## RECOMMENDATION

### THAT THE CEO PERFORMANCE REVIEW PANEL

1. Appoints Andrew Reed from Hender Consulting as an independent advisor the CEO Performance Panel for the purposes of Section 102A of the *Local Government Act 1999*.
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# IMPLICATIONS AND FINANCIALS

CEO Contract	The Terms of Reference (as adopted by Council) require the CEO to agree on the advisor (who is not a member of the Panel)
Consultation	The CEO is aware of, and has agreed to, the use of Andrew Reed from Hender Consulting.
22/23 Budget Allocation	The use of the consultant is within the existing consultant budget.

## DISCUSSION

### Background

1. On the 14 March 2023 Council resolved to delegate to the CEO Performance Review Panel (the Panel) the power to appoint an independent advisor. ([Link One](#))
2. The primary purpose of the Panel is to develop, monitor and assess key performance indicators and establish a process by which CEO performance is measured.
3. In undertaking this review, Section 102A *Local Government Act 1999* (Act) requires Council to obtain and consider the advice of a qualified independent person for the purposes of any review.
4. For each of the circumstances outlined above, the definition of a qualified independent person is a person who is:
  - 4.1. not a member or employee of the council; and
  - 4.2. determined by the Panel have the appropriate qualifications or experience in human resource management.

### Advisor's Role

5. Without engaging an independent advisor, the recommended composition of the Panel still meets the requirements of 102A of the Act to the extent that an independent member should have the appropriate qualifications or experience in human resources management.
6. However, it is recommended to the Panel that an independent advisor separate to the Panel Members with skills and expertise in the Local Government Sector and CEO performance appraisal processes is engaged to support undertaking the review.
7. In accordance with Part Two of the Panel's Terms of Reference ([Link Two](#)) an Independent Advisor will provide the Panel with information, support and advice on:
  - 7.1. modern and best practice processes to set, inform and deliver the CEO performance review.
  - 7.2. the performance of the CEO in relation to the Key Performance Indicators and other comparable CEO performances and position responsibilities.
  - 7.3. any assistance and/or professional development activities to support the CEO to be successful in their position and in the achievement of Key Performance Indicators, including the provision of any resources required to access these.

### Hender Consulting Proposal

8. The proposal from Hender Consulting has previously been provided to members.
9. Andrew Reed from Hender Consulting has been invited to present to the Committee and discuss the methodology and overview of the proposed process for the CEO performance review.

10. Hender Consulting is a regular provider of CEO performance appraisal and remuneration advice to the local government sector and demonstrate a good understanding of the strategic challenges and opportunities facing the sector.
11. Hender Consulting can provide a best practice process that ensures consistency with other similar appraisals, providing relevant and meaningful reporting of results while offering independent and objective advice.
12. Andrew Reed joined Hender Consulting in 2002 and was appointed as General Manager in late 2016. Mr Reed has facilitated well over 2,000 consulting assignments with a particular focus on executive and non-executive director search and recruitment, CEO and GM appraisals, remuneration reviews and organisational structure advice. During his time with the firm, Andrew has been entrusted by a diverse range of public and private entities to assist with appointing the most pivotal roles in the organisation.
13. It is recommended that the Panel appoint Andrew Reed from Hender Consulting as a qualified independent person for the purposes of Section 102A of the *Local Government Act 1999*

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## DATA AND SUPPORTING INFORMATION

**Link 1** - Council Meeting 14 March 2023 Minutes

**Link 2** - CEO Performance Review Panel Terms of Reference.

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## ATTACHMENTS

Nil

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- END OF REPORT -