



CEO Performance Review Panel

AGENDA & REPORTS

for the meeting

Wednesday, 14 June 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 [Lord Mayor, Dr Jane Lomax-Smith]
Deputy Presiding Member	Deputy Lord Mayor, Councillor Martin
Council Member	Councillor Abrahamzadeh
Independent Members	G Fraser J Tate

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 Kaurna 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 Kaurna 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. Items for Consideration and Determination

3.1 2023/24 CEO Performance KPI's

3 - 7

4. Closure

2023/24 CEO Performance KPI's

Strategic Alignment - Enabling Priorities

Wednesday, 14 June 2023
CEO Performance Review
Panel

Program Contact:
Manager Governance

Public

Approving Officer:
Michael Sedgman - Chief
Operating Officer

EXECUTIVE SUMMARY

This report provides further advice to the CEO Performance Review Panel in relation to the proposed Key Performance Indicators for the CEO performance review for the period 1 July 2023 - 30 June 2024.

RECOMMENDATION

THAT THE CEO PERFORMANCE REVIEW PANEL

1. Approves the proposed KPIs for assessment of the Chief Executive Officers performance for 1 July 2023-30 June 2024 as contained in Attachment A to Item 3.1 on the Agenda for the meeting of the CEO Performance Review Panel held on 14 June 2023

THAT THE CEO PERFORMANCE REVIEW PANEL RECOMMENDS TO COUNCIL

That Council

1. Approves that the Chief Executive Officers performance for 1 July 23 – 30 June 24 will be:
 - 1.1 Assessed against the achievement of KPIs aligned to the Key Result Areas outlined in the CEO Position Description and contained in Attachment A to Item 3.1 on the Agenda for the meeting of the CEO Performance Review Panel held on 14 June 2023.
 - 1.2 Informed by a 360-degree survey to be conducted by Hender Consulting.
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IMPLICATIONS AND FINANCIALS

CEO Employment Agreement	<ul style="list-style-type: none"> • Key Performance Indicators will be reviewed annually and periodically. Council may alter the Key Performance Indicators at its discretion following reasonable consultation with the CEO. • The Performance Review Panel will determine the appropriate CEO performance review process against which the CEO's performance will be assessed, and the review will be completed within three (3) months of the end of each financial year of the Term. • The CEO will be consulted in the development of key performance indicators which will be set by the Council by mutual agreement.
Consultation	The CEO has been consulted in the preparation of the report.
22/23 Budget Allocation	Not as a result of this report

DISCUSSION

Background

- At The CEO Performance Review Panel (Panel) Meeting on 5 June 2023 the Panel resolved:

Item 7.2 THAT THE CEO PERFORMANCE REVIEW PANEL

 - Approves that the Chief Executive Officers performance for 1 July 2023-30 June 2024 will be:
 - Assessed against the achievement of KPIs aligned to the Key Result Areas relevant in the CEO Position Description and contained in Attachment A to Item 7.2 on the Agenda for the meeting of the CEO Performance Review Panel held on 5 June 2023, as provisional KPIs to allow for further discussions with the CEO with the final KPIs to be presented to a meeting of the CEO Performance Review Panel on 14 June 2023.
 - Informed by a 360-degree review survey to be conducted by Hender Consulting.
- Since the Panel meeting on the 5 June 2023, the Chief Operating Officer has met with the CEO to provide feedback from the Panel and enabled presentation of final KPIs to be presented to the meeting of the CEO Performance Review Panel on 14 June 2023.
- The KPIs have been revised and are contained in **Attachment A**.

Key Performance Indicators (KPIs)

- The CEO Performance Review Panel needs to further consider Key Performance Indicators (KPIs) for the 2023/24 Financial Year.
- It is recommended that the CEO's performance be assessed against the Key Result Areas (KRAs) in the CEO's Position Description:
 - Leadership and Strategic Plan Delivery
 - Financial and Risk Management
 - Operational and Project Delivery
 - Organisational Health including Innovation and Service Improvement
 - Stakeholder Management
 - Lord Mayor and Councillors

Process

6. Following approval of the process for the 2023/24 CEO Performance Review the CEO will prepare a self-assessment against the KPIs for consideration by the Performance Review Panel through reports to the Panel at its scheduled meetings.
7. Andrew Reed of Hender Consulting has been appointed as an independent advisor to the CEO Performance Review Panel to provide advice on process and remuneration review, as well as conduct of a 360-degree review survey.

Next Steps

8. Following approval of the KPIs by the Panel the CEO will cascade the KPIs with supporting measures to the Portfolio Directors as the basis for a consistent Organisational approach to performance review at the Executive level. The CEO will assess the performance of the Executive group for the 2023/24 review period in accordance with the proposed KPIs.

ATTACHMENTS

Attachment A – CEO KRAs/KPIs

- END OF REPORT -

CEO KRAs

- Leadership and Strategic Plan Delivery
- Financial and Risk Management
- Operational and Project Delivery
- Organisational Health (including Innovation and Service Improvement)
- Stakeholder Management
- Lord Mayor and Councillors

PROPOSED CEO KPIS 2023/24

#	KPI	KRA
1	Develop the Council's 2024-2028 Strategic Plan ➤ Adopted by Council by end December 2023	✓ Leadership and Strategic Plan Delivery
2	Deliver all key objectives in Council's 2023/24 Business Plan and Budget ➤ All key objectives delivered by end June 2024 ➤ Budgeted operating surplus delivered	✓ Leadership and Strategic Plan Delivery
3	Develop a City Plan that provides guidance on City growth ➤ Adopted by Council by end June 2024	✓ Leadership and Strategic Plan Delivery
4	Develop a Housing Policy that supports the provision of affordable housing to support City workers ➤ Adopted by Council by end December 2023	✓ Leadership and Strategic Plan Delivery
5	Review the Council's Long-Term Financial Plan including the assumptions and parameters ➤ Adopted by Council by end October 2023	✓ Financial and Risk Management
6	Deliver Council's Asset Renewal Works Program ➤ Adopted by Council as part of the 2023/24 Business Plan and Budget ➤ Asset Renewal Funding Ratio of 90% <i>The Asset Renewal Funding Ratio indicates whether Council is renewing or replacing existing assets at a rate of consumption.</i> ➤ 90% delivery of Council's Asset Renewal works program representing a minimum 25% improvement over the historical 5 year average <i>Of the adopted base budget</i> <i>Extraordinary items, subsequent Council decisions and/or directions may impact attainment of this target</i> Deliver Council's Major / New and Upgrade Works Program ➤ Adopted by Council as part of the 2023/24 Business Plan and Budget ➤ Reduce the level of Capital Works Carry Forward in the range of 10% - 25% from the historical 5 year average <i>Of the adopted base budget</i> <i>Extraordinary items, subsequent Council decisions and/or directions may impact attainment of this target</i>	✓ Operational and Project Delivery
7	Conduct and implement the findings of four (4) public realm condition audits ➤ Quarterly reports on public realm condition audits to Council ➤ Implement findings by end June 2024	✓ Operational and Project Delivery

8	<p>Lead organisational culture improvement with a focus on values, leadership, expectations and behaviours to ensure the City of Adelaide is recognised as an employer of choice</p> <p>➤ All key priorities delivered by end June 2024</p>	<p>✓ Organisational Health (including Innovation and Service Improvement)</p>
<p>Proposed Measures:</p> <ul style="list-style-type: none"> ✓ Attraction and Retention of Employees <ul style="list-style-type: none"> ○ Monitor early turnover rate as an indicator that employer brand matches the employee experience ○ Benchmark workforce turnover rate against Australian Capital Cities and Territories ✓ Recognition for leadership in the sector (Awards) ✓ Employee participation in Performance and Development Conversations process >80% ✓ Employee participation in and completion of Mandatory Training 100% <p>Proposed Priorities:</p> <ul style="list-style-type: none"> ✓ Develop and communicate the City of Adelaide Employer Brand ✓ Develop and implement the City of Adelaide Workforce Plan, with a focus on: <ul style="list-style-type: none"> ○ Attraction of new talent ○ Succession planning ○ Improving Aboriginal and Torres Strait Islander employment participation rates ✓ Engage third party to design/deliver an organisation wide Culture Survey ✓ Create a new role of Aboriginal Employment Advisor to effectively attract, develop and retain talented individuals from Aboriginal and Torres Strait Islander communities. 		
9	<p>Implement findings from two (2) external reviews of the Adelaide Economic Development Agency</p> <p>➤ Report on findings of two external reviews noted by Council by end July 2023</p> <p>➤ Implement findings by end February 2024</p>	<p>✓ Organisational Health (including Innovation and Service Improvement)</p>
10	<p>Improve the customer experience for residents, businesses, city users, the Lord Mayor and Councillors</p> <p>➤ All key priorities delivered by end June 2024</p>	<p>✓ Stakeholder Management</p> <p>✓ Lord Mayor and Councillors</p>
<p>Proposed Measures:</p> <ul style="list-style-type: none"> ✓ 80% of decisions and CEO undertakings closed out within 12 months ✓ Voice of Customer Surveys achieves a rating of 3.5 or higher ✓ Overall satisfaction with delivery of Council services >70% ✓ Overall satisfaction with delivery of Council services >70% sources Baseline City User Profile (CUP Survey), Resident and Business surveys <p>Proposed Priorities:</p> <ul style="list-style-type: none"> ✓ Effective management of responses to Council Members and related constituent enquiries <ul style="list-style-type: none"> ○ Respond in a timely manner to CEO undertakings ○ Streamline requests via the FreshDesk system and improve monitoring and reporting ✓ Improve transparency to enable sound decision making i.e. aim for majority of reports to be discussed in public <ul style="list-style-type: none"> ○ Develop a pro disclosure policy that is adopted by Council and communicated to stakeholders 		