

Item No: 19.2
File No: 12.14.1.4
Date: 19 August 2019
Attachment: A

Meeting: Council

Title: CEO 2018 / 2019 Performance Review Report

Responsible Manager: Mayor, Elizabeth Fricker

Author: Council Secretariat, Vanessa Davidson

Key Focus Area: Strategic Community Plan Focus area 3- Transparent and accountable local tier of Government

Type of Report: **Decision Required**

Recommendation (Public)

Pursuant to s90(3)(a)

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Council Secretariat, Vanessa Davidson be excluded from attendance at the meeting for Agenda Item 19.4 CEO 2018 / 2019 Performance Review Report.

The Council is satisfied that, pursuant to section 90(3)(a) of the Act, 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), being Kiki Magro, Chief Executive Officer, Corporation of the Town of Walkerville.

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the matter relates to details of the Chief Executive Officer's performance and remuneration.

Recommendation (Confidential)

1. That the CEO 2018 / 2019 Performance Review Report and recommendations contained in the report (Attachment A) be received and noted by the Council.
2. That Council endorse the recommendation from the CEO Performance Review Committee that the remuneration of the CEO be increased by 2.5 %, with the increase to be effective from 1 July 2019.

Recommendation (Public)Pursuant to s.91(7)

1. That having considered Agenda Item 19.4 CEO 2018 / 2019 Performance Review Report in confidence under section 90(2) and (3)(a) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of that Act orders that the report, attachment and minutes relevant to this Agenda Item be retained in confidence until the Performance Review process has been completed and that the report marked as Attachment A be retained in confidence for a period of 3 years.
2. Pursuant to Section 91(9)(c) of the *Local Government Act 1999* the Council delegates to the Chief Executive Officer the review and power to revoke this Order

and

3. That Council resolves to end its confidential deliberations pursuant to Section 90(2) of the *Local Government Act 1999* Council and re-admit the public.

Summary

The CEO Performance Review Committee resolved that the CEO performance review be conducted for the period from 1 July 2018 to 30 June 2019, and that the process used in earlier reviews be continued seeking feedback from all Elected Members, staff, and external stakeholders. The Committee received the report at its meeting on Monday 29 July 2019 and reviewed the content in order to make a recommendation to Council that the report be accepted.

The report also included a review of current remuneration requirements that the CEO Performance Review Committee reviewed the information provided and formulated a recommendation for Council.

Background

The Employment Agreement for the CEO sets out the requirement to undertake an annual performance review. The Committee established a set of Key Performance Indicators (KPI's) in August 2018. The review provides feedback against the KPI's set and agreed by the Committee for the period from 1 July 2018 to 30 June 2019. The performance review process also includes the requirement to seek feedback regarding the CEO's performance against the Key Result Areas included in the CEO's position description, providing a rating as set out in the Employment Agreement.

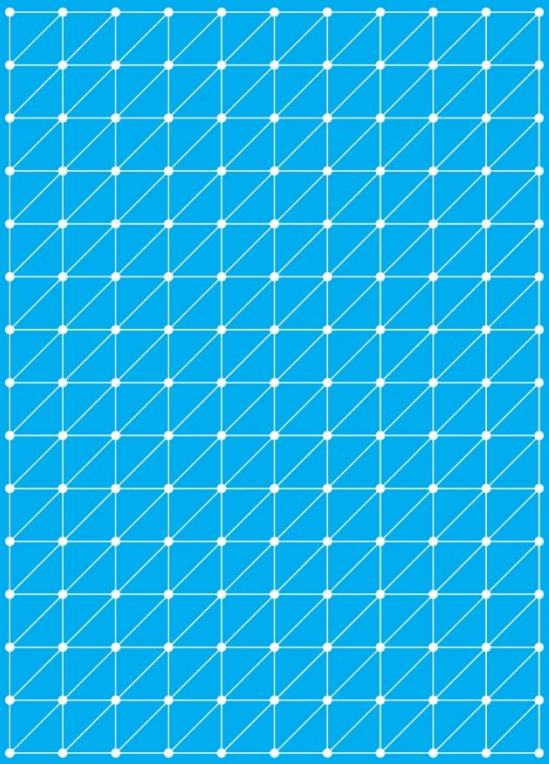
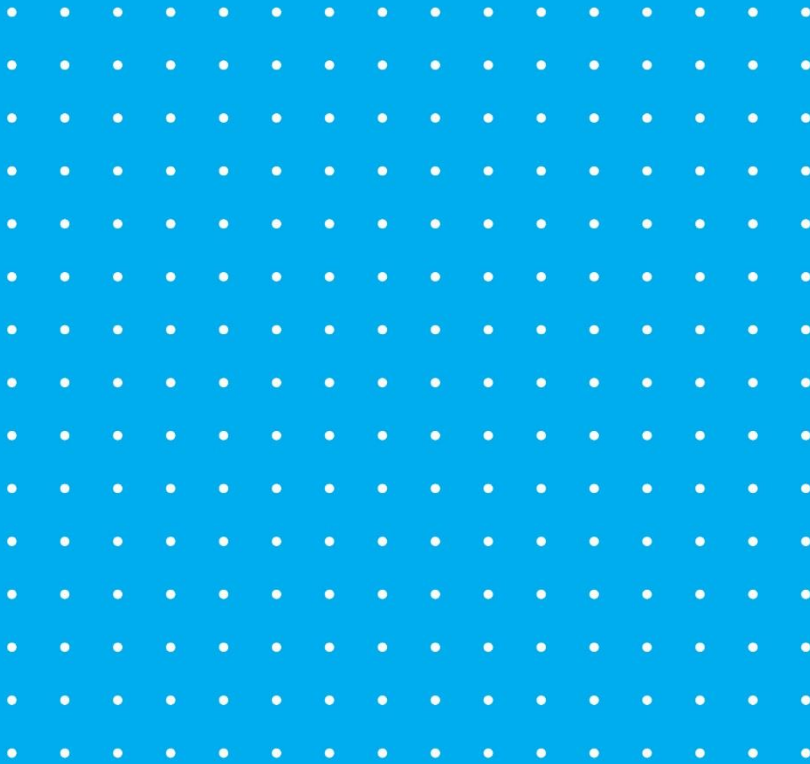
Discussion/Issues for Consideration

The Employment Agreement also requires CEO Performance Review Committee to undertake a remuneration review for the CEO within one month of the completion of the performance review. The performance review is to be completed before the end of August each year. The performance review

report completed in July 2019 contains data and information the CEO Performance Review Committee considered in developing a recommendation to put to Council.

Attachment

Attachment A	CEO 2018/2019 Performance Review Report
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**TOWN OF WALKERVILLE
CHIEF EXECUTIVE
OFFICER
2018/2019 PERFORMANCE
REVIEW REPORT
JULY 2019**



RICHARD ALTMAN CONSULTING
people, performance and productivity

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BACKGROUND

The Town of Walkerville conduct annual performance reviews for the Chief Executive Officer (CEO) as part of their practice to provide effective performance feedback, and as required in Clause 10 of the CEO's Employment Agreement. The CEO Performance Review Committee (the Committee) coordinate the review and engage an external consultant to support the process.

The Mayor and CEO Performance Review Committee prepared and agreed a set of Key Performance Indicators (KPI's) with the CEO to cover the performance review period. The KPI's were also circulated to Elected Members for their information.

At the commencement of the performance review process we sought feedback from the CEO regarding her views about performance against each of the KPI's and this was circulated to Elected Members as part of the performance review process.

Clause 10 of the CEO's Employment Agreement also requires that performance feedback be sought in relation to performance against the Key Result Areas included in the CEO's position description. This was also circulated to Elected Members and participating staff prior to seeking their performance feedback.

Clause 10.2 of the Employment Agreement sets out a rating scale to be used for the performance review:

Rating 1 – CEO's performance did not meet expectation;

Rating 2 – CEO's performance was below expectation;

Rating 3 – CEO's performance met expectation;

Rating 4 – CEO's performance was above expectation;

Rating 5 – CEO's performance exceeded expectation.

The CEO Performance Review Committee agreed that feedback would be sought from all Elected Members, the direct reports of the CEO, a group of external stakeholders, and anonymous feedback would also be sought from four staff across the organisation that were not at management or team leader level. The Committee also resolved the list of external stakeholders from whom feedback would be sought. A list of those providing feedback is included in this report, with the exception of the four non-managerial staff.

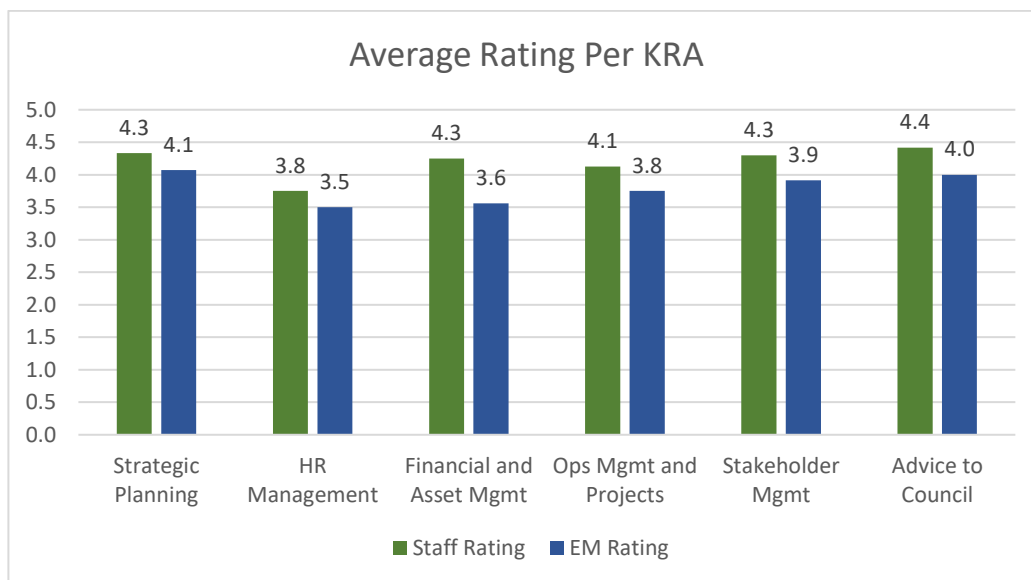
At feedback meetings conducted with Elected Members we sought feedback regarding their views about performance against each KPI, and also sought their feedback regarding performance in each Key Result Area. For the direct reports of the CEO we sought feedback regarding performance against each Key Result Area, and a copy of the definitions was provided to participating staff prior to the feedback meeting.

In meetings with the non-managerial staff we sought more general feedback as they were not fully aware of each Key Result Area. Similarly, with the external stakeholders, we sought more general feedback and have outlined the areas we covered with them in that section of the report.

PERFORMANCE REVIEW SUMMARY

It is clear from the feedback sought from Elected Members that there was a high degree of alignment regarding achievement of the agreed KPI's. It was generally agreed that the CEO had met the KPI's and there was little disagreement with the comments provided by the CEO in her feedback for each KPI. Detail of that feedback is included in the body of this report.

We have provided a table below that sets out the overall ratings provided by Elected Members and key staff. The following graph sets out the average rating for each of the Key Result Areas:



It is clear from the graph shown above that the CEO has performance at above competent for each Key Result Area as rated by Elected Members and key staff. Key staff rated the CEO as exceeding expectation across each KRA, and Elected Members gave ratings of meeting or exceeding expectation in all areas.

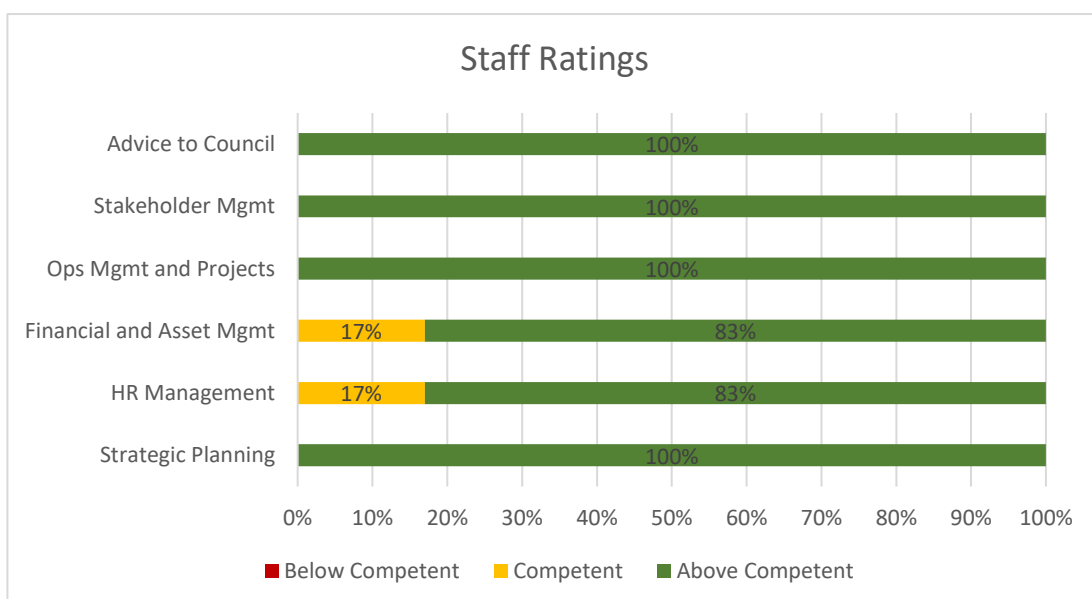
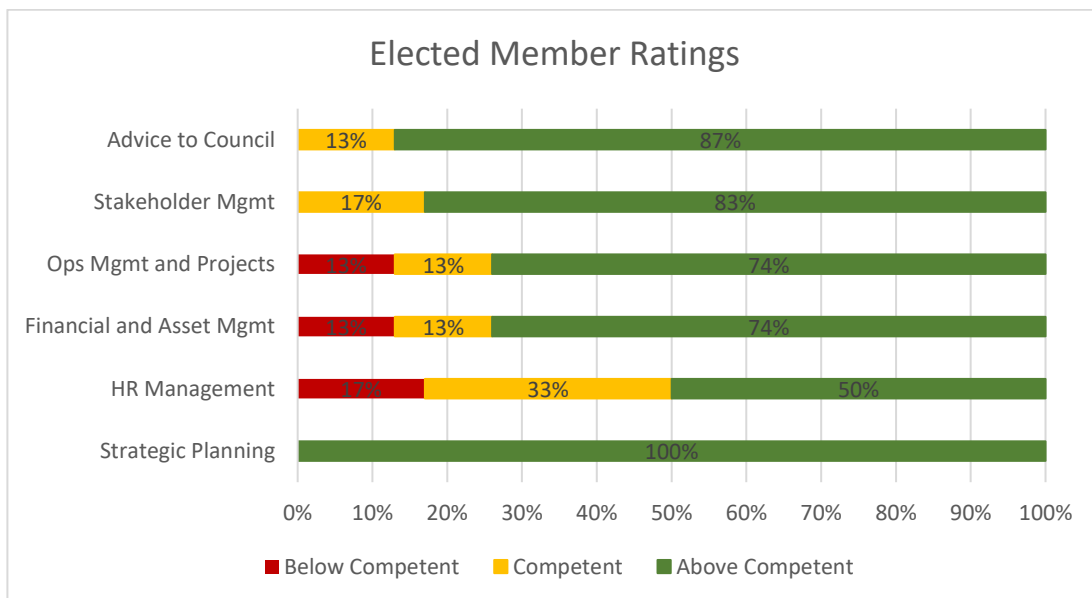
The overall rating provided by Elected Members was 3.8, and for key staff was 4.2.

While the rating provided by Elected Members is down slightly from a 4.0 last year, this is still a positive result for the CEO. It is important to note that a new Council was elected during this review period and it is expected that ratings would vary slightly while the new Elected Members settle in. In contrast, the rating provided by staff has increased from 4.1 in 2018 to 4.2 in 2019. This shows that the CEO has continued to build on the progress made since the 2017 review and is seen by staff to be performing strongly across all areas.

It is notable from the ratings shown above that Human Resources has rated at the lower end of the KRA's. The CEO made a number of staff changes during the year and this has been reflected in the result. Some Elected Members raised the issue and had some concerns about the ability of Walkerville to select and retain the right people. It is also notable in the report that most staff indicated

that Walkerville was a better place to work at the current time than it was last year. They were positive about the changes made by the CEO and were not concerned about their own security as a result

While it is important to show the average rating for each Key Result Area, we have also added another chart to enable Council to consider the feedback. The following chart shows for each Key Result Area the percentage of Elected Members and key staff that rated the CEO's performance below expectation (ratings of 1, 2 or below 3), meeting expectations (rating of 3), and above expectation (ratings of above 3, 4 or 5). We have provided separate charts for Elected Members and staff for ease of review.



We have provided commentary and feedback for each Key Result Area in the body of the report.

It is clear from both charts that the majority of Elected Members have rated the CEO's performance at or above competent, but some have rated the CEO as below expectation for Operational Management and Projects, Finance and Assets Management and HR. The majority of key staff have rated the CEO's performance as above expectation across all factors.

The overall result shows quite positive feedback from Elected Members and key staff. This is a positive performance review for the CEO.

2019 PERFORMANCE REVIEW PARTICIPANTS

The 2019 CEO Performance Review included a range of participants to ensure Council obtains feedback regarding the CEO's performance as viewed by a range of people. Feedback was sought from the following people:

Name	Position	Relationship
Elizabeth Fricker	Mayor	Elected Member
James Williams	Deputy Mayor	Elected Member
Stephen Furlan	Councillor	Elected Member
Robert Ashby	Councillor	Elected Member
Norm Coleman	Councillor	Elected Member
MaryLou Bishop	Councillor	Elected Member
Jennifer Joshi	Councillor	Elected Member
James Nenke	Councillor	Elected Member
Conrad Wilkins	Councillor	Elected Member
Katy Bone	Group Manager Corporate Services	Direct Report
Andrea Caddy	Group Manager Planning, Environment and Regulatory Services	Direct Report
Joshua Bowen	Group Manager Assets and Infrastructure	Direct Report
Sonia DeNicola	Manager Marketing and Communications	Direct Report
Fiona Deckert	Manager Community Development and Engagement	Direct Report
Danielle Garvey	Group Manager Customer Experience	Direct report
Paul Sutton	CEO City of Charles Sturt	External Stakeholder
Josie Myers	Office of Rachel Sanderson	External Stakeholder
David Holmes	Housing SA	External Stakeholder
Jo Catsas-Maroulis	Principal Vale Park Primary School	External Stakeholder
Mark Webber	President Walkerville Sports Club	External Stakeholder
Richard Trotman-Dickenson	Vice President Walkerville RSL	External Stakeholder
Bryan Jenkins	Chair ERA Water	External Stakeholder
Robert Bria	Mayor Norwood Payneham and St Peters	External Stakeholder
Dana Wortley	Member for Torrens	External Stakeholder

As outlined, the Committee also asked that feedback be sought from four non-managerial staff chosen at random. The staff chosen were from across the organisation including the Depot to ensure a cross section of views.

While we sought feedback from those listed above, we were unable to obtain feedback from all of them. We have listed all those from whom feedback was sought. It is our view that we should maintain confidentiality of those not providing feedback and not indicate their names in this report. Some were unable to give feedback in the time required. While we did not receive feedback from all participants, we are confident that the views expressed are representative of broader views about the CEO's performance.

KEY PERFORMANCE INDICATOR (KPI) FEEDBACK

At the beginning of the 2018/2019 year, the CEO Performance Review Committee established with the CEO a set of KPI's. The KPI's covered five main areas of focus:

1. Stakeholder Management
2. Financial and Asset Management
3. Customer Service
4. Strategic Directions
5. People and Organisational Development

Within each area the Committee set a number of goals that needed to be achieved. The CEO was asked to provide feedback against each of the KPI's and goals, and the responses were circulated to Elected Members. Each Elected Member was also asked to make comment about any of the CEO's responses and comment as to the level of achievement.

The Elected Member feedback generally agreed with the responses provided by the CEO.

During the feedback meetings some Elected Members commented that the KPI's themselves did not seem very strategic and they would like to see some more outcome-based goals for the 2019/2020 year.

It was also raised that the quality of the ERA Water reporting could be improved and some comments about greater clarity of the risks associated with ERA Water were also made.

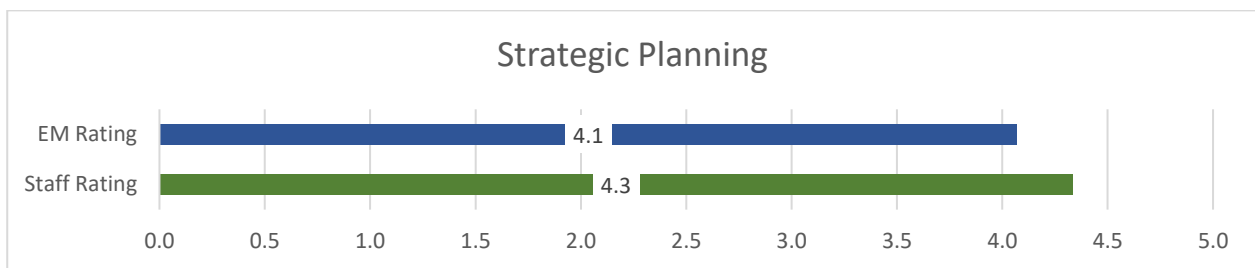
KEY RESULT AREA FEEDBACK

In this section of the report we have outlined feedback from Elected Members and key staff in relation to the Key Result Areas. The detailed descriptions for each of the factors is included as an attachment to this report.

In providing the feedback for each Key Result Area, we have provided two charts for each Key Result Area; the average rating provided by Elected Members and Staff, and the percentage of Elected Members and key staff that rated the CEO's performance below competent (ratings of 1, 2 or below 3), at competent (rating of 3), and above competent (ratings above 3, at 4 or 5).

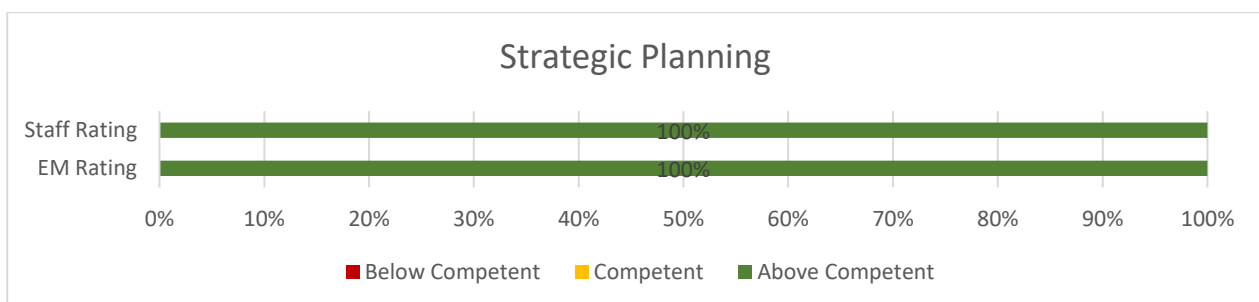
Strategic Planning

The following average ratings were provided for Strategic Planning:



Both the Elected Member and Staff ratings have an average greater than 4.0, or competent performance. The range in ratings from Elected Members was from 3.5 to 5.0, and for Staff the range was from 4.0 to 5.0. Strategic Planning is generally considered to be a strength for the CEO.

The following table supports the strong average ratings received.



All reviewers have provided very positive ratings for this KRA, with ratings of Above Competent across each reviewer group.

Elected Member Feedback:

It is clear from the ratings above that Strategic Planning is seen as an area of strength for the CEO by the Elected Members. Many commented that she has good knowledge of the current Strategic Plan and consistently connects projects, views and actions back to the current plan. Elected

Members commented that they have been briefed on the current Strategic Plan and are expecting to work through the development of a new Strategic Plan in coming months.

The CEO is seen as having a strong long-term focus and this is evident at Council meetings. The current strategic plan contains some big projects and it is clear that the CEO is across these and is able to consider and address issues as they arise. Elected Members feel that the CEO has the achievement rate right across the projects.

The CEO has discussed the process for developing the new Strategic Plan with Council. The Elected Members see that there will be some challenges in how to collaborate effectively with other Council's and are interested to see how the CEO responds to those challenges. They comment that the CEO is good at engaging people and can clearly communicate what needs to be done.

Overall the Elected Members recognize the CEO's ability to think strategically and see this as an asset to the organisation.

Staff Feedback

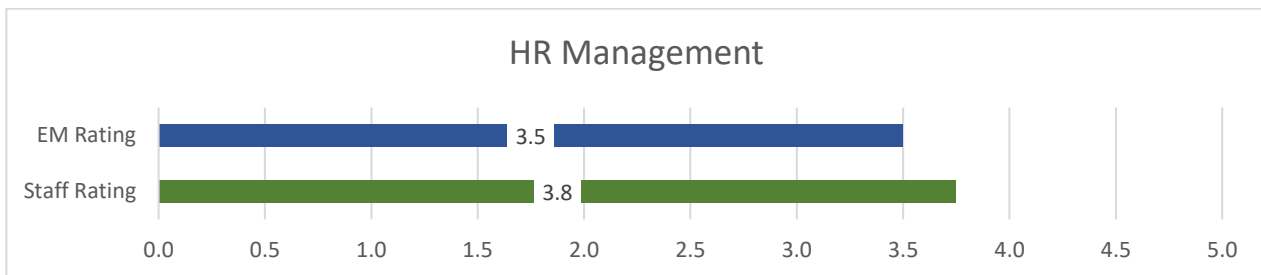
Staff see the CEO as a strategic thinker who aligns proposals and projects with the Strategic Plan. She is able to guide the Council strategically and has helped some of the Group Managers better understand the strategic aspects of their roles.

She has a sound understanding of what the Strategic Plan needs to deliver and is able to balance short-term and long-term goals. The CEO is careful in her communication and will always support what she says with relevant documents. She adapts her communication style to her audience, making people feel involved and gathering her the support she needs from her staff. She is a strong advocate for change and is skilled at using the Strategic Plan as a basis for this.

Staff commented positively about the CEO's ability to see the big picture and her awareness of the value of connecting job roles to the Strategic Plan. Recently the CEO has had a strong focus on building her team and staff were very positive about her achievements over the last year.

Human Resource Management

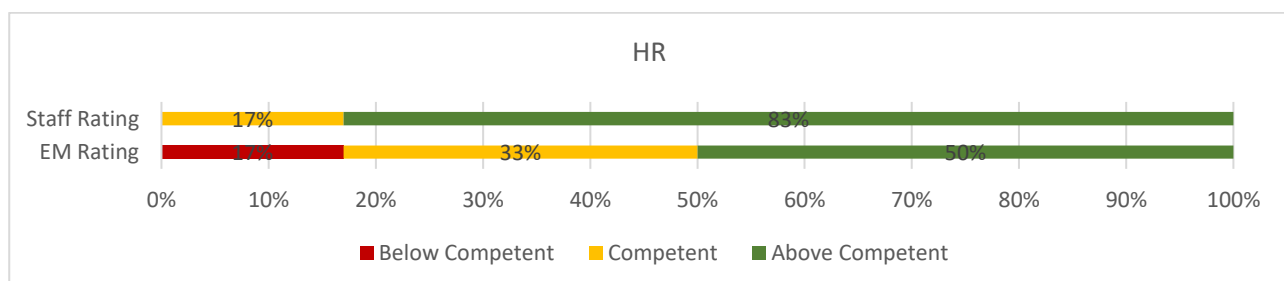
The following average ratings were provided for Human Resource Management:



The ratings for this factor are the lowest for all ratings provided for the CEO. While receiving a slightly lower rating than other areas, CEO is still rated at competent by most Elected Members and all staff.

The range in ratings was from Elected Members was 2.5 to 5.0, and from key staff was from 3.5 to 4.5.

The following table shows the percentage of responses for each category:



It is clear from the chart above that 50% of Elected Members rate the CEO's performance at above competent, and for key staff, 83% have rated performance at above competent. Although the rating for this factor is slightly lower than other areas, it is clear that the majority of reviewers still see the CEO's performance as above competent in this factor.

Elected Member Feedback:

Elected Members commented positively on the CEO's performance in this area. While some of the newer Elected Members felt they had not yet seen enough to comment, others acknowledged that the CEO has had to make some tough calls in recent times and has worked hard to achieve the right outcomes for Walkerville.

Elected Members see an actively engaged workforce who have the trust of their CEO. She relies on the GM's in the Chamber and clearly has their respect. They would like to see her keep and continue

to develop the existing leadership team and speak positively of her leadership processes. Many commented that the CEO is responsive to questions and will respond quickly to communication from them. They feel well informed about what is happening across the organisation.

Some noted that retention of key people is still a focus for the CEO and that the recruitment process could be improved to prevent future poor appointments. Elected Members would also like to see a continued focus on improving the culture of the organisation and some have suggested implementing engagement surveys as a way of continuously monitoring this. They also comment that the development of a succession plan is key to ensuring the long-term stability of the organisation.

Key Staff:

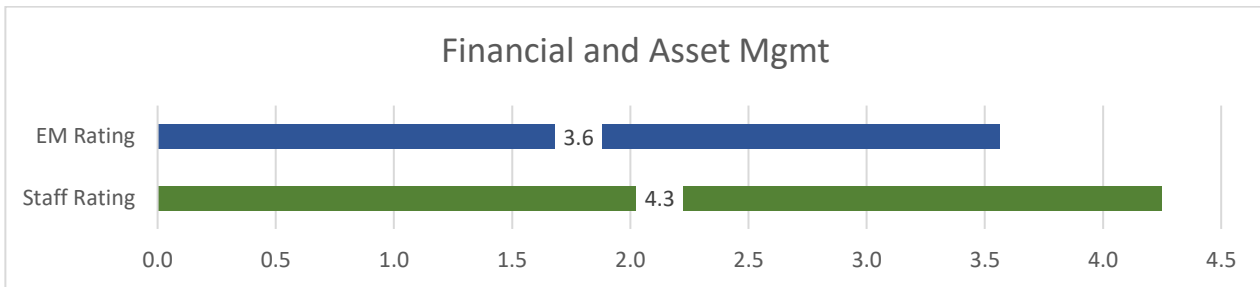
Staff describe the CEO as a driven and hands on leader who knows her team well. She has a consistent approach and has helped the new leadership team to settle in and develop in their roles. They again note the CEO enables them to deliver what is needed and gives them scope to do their jobs. Staff feel that with appointment of two new Group Managers, the culture of the leadership team is more aligned.

Staff speak positively about the way the CEO manages performance and comment that she will address issues quickly and fairly while also giving people help to perform. She listens to staff and gives transparency in the decision-making process. She has an open and honest leadership style that allows staff to feel involved in her activities. The CEO drives accountability and performance and will deal with poor performance. Staff thought this was done fairly. The recent changes have made some uncertain, but staff overall comment that Walkerville is a better place to work now than a year ago.

It is recognised by staff that the CEO has been a driving force behind the cultural change seen in the organisation. Since the recent changes, the leadership team feels balanced and aligned. While recognizing that there is still room for improvement, they feel there are opportunities for staff across the organisation, and that training and development is supported by the CEO. They speak positively of the stability the CEO has achieved across the last twelve months and hope to see this continue.

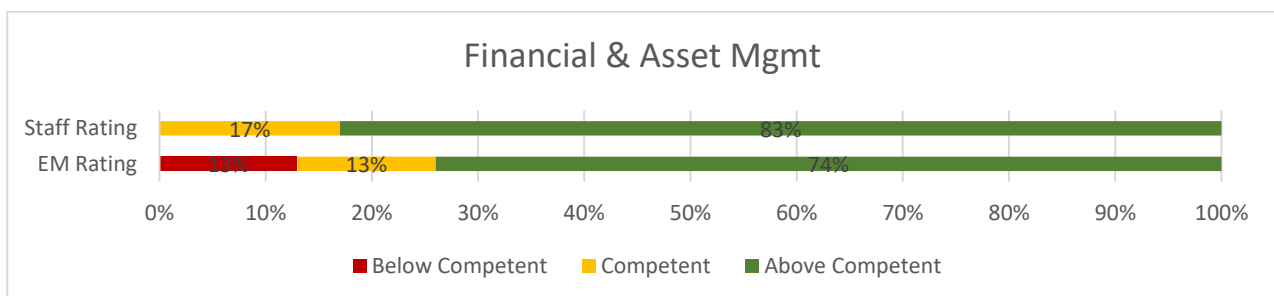
Financial and Asset Management

The following average ratings were provided for Financial and Asset Management:



The average ratings for this factor are strong with staff rating the CEO at exceeding expectation, and Elected Members providing a similar rating. The range in ratings for Elected Members was from 2.0 to 5.0, and for staff ranged from 3.0 to 5.0.

The following table shows the percentage of responses for each category:



The chart above shows for Elected Members that 74% rated the CEO at or above competent, and that 83% of staff provided an above competent rating. This is clearly seen as a strength for the CEO. All reviewers were positive about the staff that drive this under the leadership of the CEO.

Elected Member Feedback:

The feedback from Elected Members was positive. The CEO presents well to the Elected Members, demonstrating a strong understanding of key number issues and answering questions effectively. Elected Members expressed confidence in the CEO's ability to deliver the budget and were mostly happy with the supporting processes. Some reviewers felt more detail was needed to support the budget process with stronger reasonings for why Council is undertaking planned actions. It was also commented that more time and greater Elected Member involvement would improve the process. Elected Members would also like to see some improved business cases as well as some background to the capital works budget.

There was a view that the current asset management system could be more effectively used in the budget process, and some Elected Members were unsure about the detail that could be extracted from the system. They would like to see more detail to enable the asset management plan to drive more effective budgets.

Monthly reporting was described as being aligned with the needs of Elected Members. Financial reports provided a good level of detail however it was noted by several reviewers that there were some errors in the reports and a higher attention to detail was needed here. It was acknowledged by Elected Members that the CEO is well supported in this area by the Group Manager and they value the GM's availability to answer questions in conjunction with the CEO.

Staff Feedback:

Overall staff are positive about the financial management and the CEO's leadership in this area. They acknowledge that it has been a difficult year for the CEO in this area, with some unexpected costs to absorb. They comment that the CEO managed the issues associated with the waste levy well.

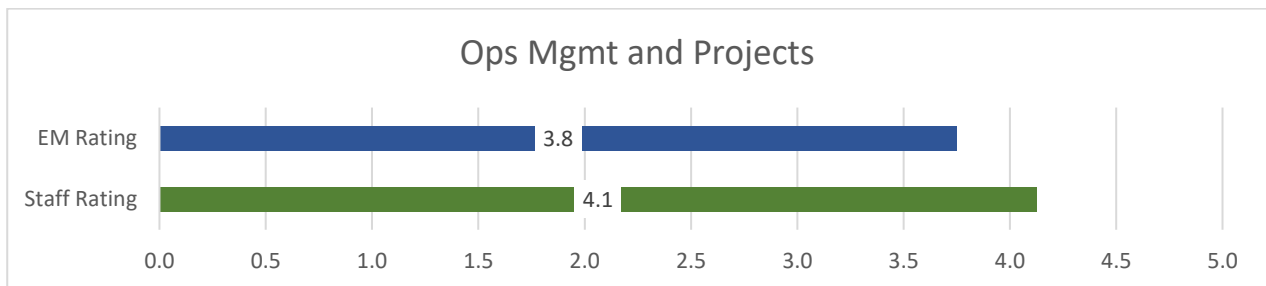
The CEO has developed a good relationship with the finance team, and that following the organisational culture change the balance in this team is now right. Staff speak positively about the CEO's discipline with the budget process and her ability to allocate funds to achieve the best outcomes for Walkerville. She has shown a good focus on projects and capital works.

Some staff comment that while the CEO has a good understanding across most areas and is aware of what needs to be done to drive results, there are some more complex issues where she shows less understanding. In these instances, they feel that seeking advice from the right people and accessing the right resources would help in her decision-making process.

Staff again commented there is still a need to update a number of their systems in the future and IT is an area that still needs some focus.

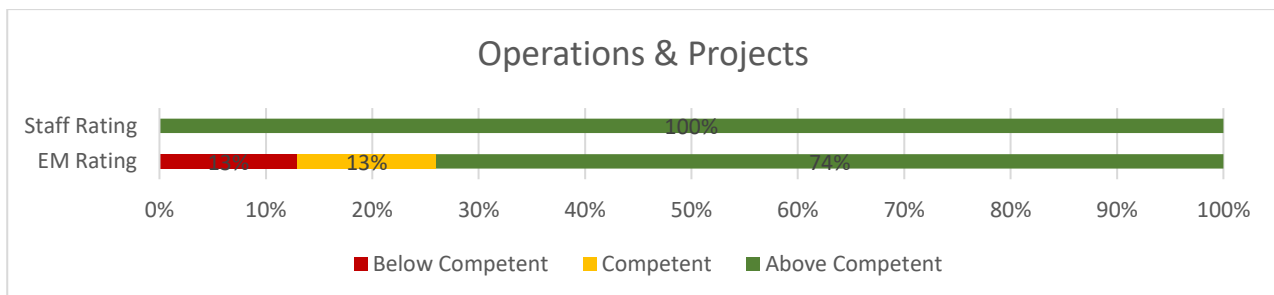
Operations Management and Projects

The following average ratings were provided for Operations Management and Projects:



The average rating for this Key Result Area from Elected Members was 3.8 with a range from 2.5 to 4.5. The average from staff was 4.1, with a range from 4.0 to 4.5.

The following table shows the percentage of responses for each category:



The chart shows that 74% of Elected Members rated the CEO's performance above competent and 100% of staff provided a rating at above competent. This is a very positive result for the CEO

Elected Member Feedback:

With an average rating of 3.8, Elected Members rated this area slightly lower than last year's rating of 4.1 but were still positive about the CEO's performance in this area. They were of the view that the CEO was across the key projects while still maintaining a strong operational focus. The capital works budget is spent, and projects are delivered. They commented that while delivery is strong, there can be delays to project commencement and feel that this comes from the CEO's strict adherence to rules and processes. Elected Members were also positive about the staff responsible for project delivery, and particularly about the support the CEO receives from the Group Manager in this area. They would like to see the CEO continue to use the experience of her staff to help residents.

Some Elected Members would like to see more detail regarding the reasons behind some projects, as well as those aspects of the projects that are completed internally and do not have much external visibility. There were also some concerns around the costs associated with project changes, and

some Elected Members commented that better use could be made of the asset management system as a benchmarking tool.

Reviewers commented that the CEO's communication in this area was strong and that the request system works well. They would like to see a continued focus on the ERA Water issues, as well as a focus on ensuring the day to day business of Walkerville remains strong.

Overall Elected Members are positive about operations and projects.

Staff Feedback

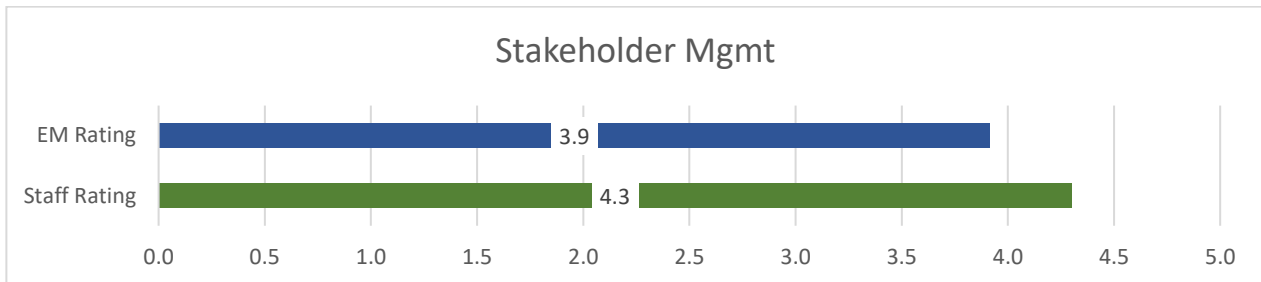
It is clear from the ratings that staff see the CEO as a positive performer in this area. They commented that she has a very strong understanding of the key projects and is able to help smooth over any issues that arise. They comment that the CEO's project delivery is strong, while she also maintains focus on overall operational performance.

Staff comment that the CEO has developed a good relationship with the Group Manager in this area and that she provides the team with scope to deliver. The team feel confident with her support and leadership. She is happy to rely on key managers to drive projects and deliver results.

The CEO again demonstrates good communication in this area. She meets regularly with key staff to ensure she stays across the projects and regularly communicates progress and issues with all staff.

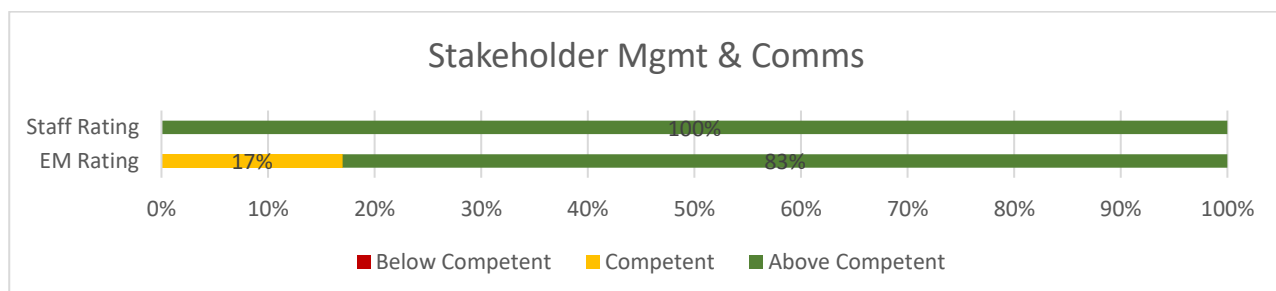
Stakeholder Management and Communication

The following average ratings were provided for Stakeholder Management and Communication:



The average ratings from both Elected Members and Staff are positive with an average from Elected Members of 3.9 with a range being from 3.0 to 4.5. The average from staff was also positive at 4.3 with a narrow range from 4.0 to 5.0.

The following table shows the percentage of responses for each category:



The chart above shows for Elected Members, 83% rated performance at above competent. The ratings for staff show the same picture with all staff rating performance at above competent. As with other factors, the outcome is a very positive one for the CEO.

It is also noted that no reviewers provided a rating of below competent for this KRA.

Elected Member Feedback:

Feedback from the Elected Members was again positive in this area. While some felt they had not yet seen enough to comment, those who provided ratings note that the CEO has developed effective and positive relationships in the Local Government sector. She has shown good knowledge of issues facing the sector and engages particularly well with Mayors and Elected Members from other Councils.

The CEO was strong in her representation of Walkerville and had a good understanding of the issues. They comment that Walkerville always comes first for the CEO and she is able to represent well and drive her agenda with the Eastern Region Alliance (ERA) Councils. She has developed a

good network with which she confidently engages to ensure the best outcome for Walkerville and has demonstrated the ability to manage difficult stakeholders.

Similar to last year, it was noted that the CEO could engage more with shop and business owners to better understand their views. She could develop better relationships with local business leaders and ensure a sound consultation process.

Staff Feedback:

Staff were positive about the CEO's performance in this area, with some commenting that the CEO's performance has improved over the past year. They see the CEO as passionate about issues, and as a person who makes herself readily available to the community. She will deal with residents unemotionally, and while always looking to balance the needs of the Council with the needs of stakeholders, she is able to say no when necessary. Staff comment that the CEO is fair, focused and consistent in her dealings with stakeholders and is able to manage difficult situations well.

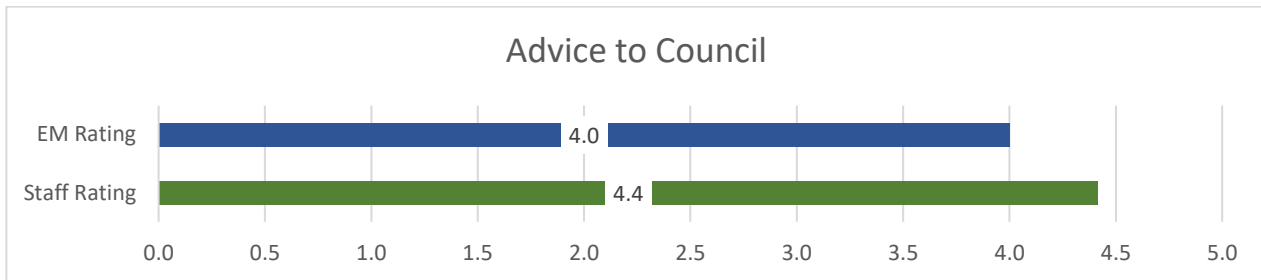
The CEO has driven the increased engagement of the Group Managers with the community. She is supportive of her staff and their decision making in their interactions with stakeholders but will take the lead when needed. Staff feel confident to engage with the community under her leadership.

It was commented that the CEO has a sound decision making process and will use facts to support decisions she makes. This evidence-based approach carries through to her dealings with stakeholders and is able to engage positively and effectively using this method.

All key staff agree that the CEO puts Walkerville first in her community and external engagements.

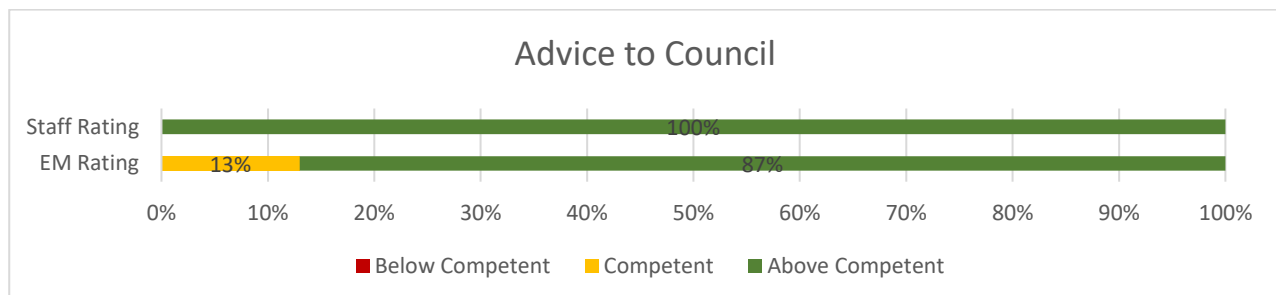
Advice & Relationship with Council

The following average ratings were provided for Advice & Relationship with Council:



It is clear from the ratings in the chart above that the CEO is very highly regarded for this Key Result Area. This factor was rated by both the Elected Members and Staff as being above expectation. The Elected Members had an average rating of 4.0, with a rating range from 3.0 to 5.0. Key Staff provided an average rating of 4.4 with a range from 4.0 to 5.0. There is clearly a high degree of alignment in views for this Key Result Area.

The following table shows the percentage of responses for each category:



All Staff rated the CEO's performance as above competent for this factor. All Elected Members rated performance at or above competent. It is notable that 87% of Elected Members rated the CEO's performance at exceeding expectation for this KRA. Once again, no reviewers rated performance at below competent for this factor.

Elected Member Feedback:

As outlined above, all Elected Members rated the CEO as competent or above competent for this Key Result Area. Feedback indicated that the CEO's knowledge and experience has been an invaluable asset to Council, particularly as new Elected Members settle into their roles. She demonstrates a good understanding of the legislative and governance requirements and is able to provide sound advice and guidance to Council. The CEO has been described as being politically aware but not political.

Elected Members commented that the CEO is accessible and supportive and collaborates well with them. She acts in a professional way and is responsive to Elected Members. She displays active listening skills and makes herself available for one on one meetings. The CEO supports the Group Managers to present in Chamber and has a confident presentation manner herself. Some Elected Members feel that more direct access to the Group Managers would be beneficial for them.

Some commented that some reports have been below standard. They felt that recommendations made were inconsistent with the body of the report and see this as an area for focus. They would like to see more focus on processes to ensure accuracy in reporting. Some also commented that they felt the CEO provided information to support the decision she wanted at times and needs to be more balanced. She is passionate about some issues and they understand why.

Overall, this is seen as a strong area for the CEO and her knowledge and guidance is viewed as an asset to Walkerville.

Staff Feedback:

Staff see this as an area of strength for the CEO. She has been working well with the new Council and providing them with sound guidance and advice. She is able to answer questions and acts professionally and respectfully in her dealings with Elected Members. Staff are positive about the way the CEO encourages them to interact with the Elected Members and feel they have her confidence in their dealings with them.

The CEO has sound knowledge of the governance processes and is aware of the limits of her role. She is consistently outcome focused and looks to get the balance right between providing advice and guidance and delivering results for Walkerville. Her staff are confident in her capacity and capability to guide Council to deliver positive results.

Many see this area as being a natural strength for the CEO.

ANONYMOUS STAFF FEEDBACK

As outlined in the earlier part of this report, the Committee asked that we seek anonymous feedback from staff chosen at random. During the performance review process, we had confidential meetings with four staff.

Staff providing feedback were open about their experiences at Walkerville and acknowledged that there had been some difficulties in the past. While mentioning that staff turnover has at times been quite high, staff commented that the team at Walkerville now is the best it has been, and the CEO has continued to build on the change in culture commented on during last year's review. The CEO has a firm but fair approach and is supportive of her staff. She encourages people to take responsibility for their roles and accountability for their mistakes. Staff are positive about the recent changes in Group Managers and are responding well to the current structure and leadership team. Some also commented that they thought the CEO could have acted more quickly in making some staff changes.

The CEO is seen as an effective formal and informal communicator. She provides all staff with feedback from Council meetings to ensure alignment organisation wide. The reduction in the number of staff meetings was met with mixed feelings by staff, with some staff feeling that there are now too few. Other staff commented that this provided increased opportunity for informal discussions and had found the CEO to be no less available to them. Staff value the clear and concise communication style of the CEO and feel empowered through her leadership style. She listens to and engages with staff and knows what needs to be done. Staff appreciate her willingness to explain the decision-making process with them and to articulate any change to decisions previously made. It was commented that the CEO seems to have a positive relationship with the Mayor and Elected Members.

Staff commented on the CEO's strong outcome focus and recognize that she always acts in the best interests of Walkerville. She considers her decisions and won't agree to action for the sake of it. Instead she seeks opinions from her staff and contributes to the problem-solving process. Staff would like to see her continue her focus on development and suggested that secondments to other councils could help to achieve this. They recognize that the CEO has provided good training opportunities to date, as well as providing support for external training.

EXTERNAL STAKEHOLDER FEEDBACK

The Committee established a list of eight external stakeholders from whom feedback should be sought. It is clear from the list of those involved (included earlier in this report), that they come from a range of sectors and interest groups. The focus for our meetings with stakeholders was to discuss the following in relation to the CEO's performance:

- Communication skills

- Commercial acumen
- Strategic thinking
- Results focus

The feedback from stakeholders is very positive and is consistent with earlier reviews. The CEO is seen as a strong and direct communicator and people know where they stand with the CEO. She develops strong and well-founded views about issues and is confident in putting them forward. They describe the CEO as accessible and responsive in her communication with them. She also keeps calm during meetings where tensions are heightened. She keeps to the topic and wants to ensure she listens as much as she contributes to the discussion. She may well become annoyed or frustrated but she rarely shows those emotions. She is passionate about issues that impact Walkerville and represents her Town effectively.

The CEO is also described as commercially astute. She is aware of the costs and risks with projects and external activities of Council. She understands the financial drivers of projects and what levers need to be adjusted to get the right result. She brings a calm and thoughtful approach to her dealings with others. She works collaboratively with others and will take time to make sure they are all aligned with the data. The CEO has an ability to understand the numbers and financial impacts of any dealings.

The CEO is reported as always prepared for meetings and has done the required work before each meeting. If she has promised to deliver something for a meeting, she is able to do what she says she will do. The CEO is also described as a strategic thinker and will question the current state to see if there is a better way to deliver the outcome. She is good at evaluating alternative solutions and will listen to the views of others in that process. The CEO takes a long-term view and can articulate those views in a practical way.

Some stakeholders indicated they were unhappy with a result and did not get what they wanted. They understood why and agreed that the process was sound. They would have liked a different outcome.

Reviewers also consider the CEO to be results focused and able to get things finished. She shows a sense of urgency when required and is able to drive others who are less driven. She does this in a direct but supportive way. The CEO can see roadblocks and identify solutions. She develops good relationships with people both professionally and personally.

Many of those providing feedback have seen the CEO in meetings where her staff are also present. They describe the CEO as inclusive and respectful of her team and comfortable in letting them answer questions or discuss the issues. Reviewers feel there is a strong level of trust between the staff and the CEO.

The CEO is seen as mostly positively in her role by external stakeholders.

SUMMARY AND DEVELOPMENT GOALS

The CEO has received a positive performance review this year with ratings comparable to those received last year. With both Elected Members and key staff rating the CEO at or above competent on the agreed scale, this is a positive outcome for the CEO.

The CEO has continued to focus on building and developing the leadership team and these efforts have been received positively by staff and Elected Members. Many feel that the culture of the organisation is now the best it has been and want the CEO to maintain focus on this going forward. Some Members expressed concerns about high staff turnover and want the CEO to provide more stability over time.

The CEO continues to get positive performance feedback in the KRA's, especially strategic planning and Elected Member advice and relationships. Her performance in the areas of stakeholder management was well regarded by all reviewers.

Feedback from external stakeholders is again positive in this review. While the CEO is direct, she is respectful, and outcome driven. Most importantly she looks for better outcomes for Walkerville. She is highly regarded in the Local Government sector. The CEO can continue to build relationships, especially with local business leaders.

We have reviewed the development goals that we included in the performance review report last year. We would recommend the following be retained:

- Continue to focus on building and retaining a high performing team. There is an opportunity to build on the work undertaken and the changes made to the structure and staff.

In addition, we recommend the CEO focus on the following areas:

- Review and develop recruitment processes to improve appointments and improve retention rates.
- Update systems to support budget and asset management processes.
- Increase attention to detail to ensure accuracy in reports to Council.
- Continue to focus on community engagement to develop stronger relationships with local stakeholders.

The CEO has received a positive performance review and can continue to build a strong and effective organisation. The CEO will need to continue to focus on building strong relationships with the new Council and work with them to deliver a new Strategic Plan.

REMUNERATION REVIEW

The Employment Agreement for the CEO requires that an annual performance review and remuneration review be conducted. Clause 9 of the Agreement sets out that a remuneration review must be completed within one month of the completion of the performance review, and that any increment provided be effective from 1 July of that year. The review shall take into account the performance of the CEO and also the movements in the Consumer Price Index (CPI). Conducting the remuneration review shall not in itself drive an increase other than that in the movement of the CPI (clause 9.5).

In relation to movements in the Consumer Price Index, the Employment Agreement specifies the relevant figure will be the annual movement in the “All Groups, Adelaide” as issued by the Australian Bureau of Statistics in the March quarter of each year.

We understand the CEO for the Town of Walkerville receives remuneration of **\$250,420**. This is comprised of the following:

- Base Salary: \$222,708
- Superannuation: \$20,712
- Motor Vehicle: \$7,000

The above remuneration was effective from 1 July 2018 and reflected an increase of 3.0%.

We have conducted some benchmarking with other Eastern Region Alliance (ERA) Councils and included the results in the table below.

Council	2018/2019 Total Remuneration
City of Burnside	\$231,664
City of Norwood, Payneham, St Peters	\$281,979
City of Prospect	\$250,538
City of Unley	\$281,297
Average	\$261,370

We note that remuneration for Burnside and Prospect reflect the most recent incumbent. Both roles are currently vacant.

While it is recognised that the ERA Councils are much larger than Walkerville, the CEO actively engages and works with the incumbent CEO’s. The CEO’s current remuneration sits about 4.2% below the average for benchmark Councils. We have excluded Walkerville data from the sample. Councils are currently working through their annual review processes.

We noted earlier that the Employment Agreement requires an annual movement in remuneration equal to the Adelaide (All Groups) recorded at the March quarter.

Quarter	National CPI	SA CPI
March 2019	1.3%	1.3%

In conducting remuneration reviews of this kind, we also generally provide the annual Wage Price Index (WPI) movements. This measures annual movements in remuneration nationally and for the March quarter showed annual movements of 2.3% across all sectors.

Remuneration Recommendation:

We note the following:

- The CEO’s remuneration is currently competitive with other CEO’s in ERA, sitting about 3% below the average for other ERA CEO’s.
- The CEO’s Employment Agreement requires that any increase at least reflect CPI movements, which is 1.3% at March 2019.
- The WPI movement for 2019 at March was 2.3%

Council must make a minimum adjustment of 1.3% for the 2019 remuneration review. Council is also required to consider the outcome of the performance review which has delivered a positive result, with an average rating of 3.8 from Elected Members and 4.2 from Staff, which indicates the CEO is exceeding expectations.

Council could consider an increase in the range from 1.3% to 2.5%, reflecting positive performance. In the 2018 review Council provided an increase of 3.0%. The annual movement in CPI in the March quarter for S.A. in 2018 was 2.3%. Council provided the additional amount to reflect sound performance.

ATTACHMENT 1

CEO Performance Review – Key Result Areas from Position Description

KRA 1: Strategic Planning

- Working closely with Council to ensure strategic plans are prepared and implemented;
- Effectively communicating the Council vision and strategy to all key stakeholders;
- Ensuring Annual Business Plans are completed and communicated on time;
- Preparing long term asset management and financial management plan to ensure Council sustainability;
- Effectively consulting ratepayers and other key private and public stakeholders in the development of strategic and business plans;
- Maintaining a continuous review of the Council's progress in attaining the Objectives and Strategies of the Strategic Plan.

KRA 2: Human Resource Management

- Leading, developing, motivating and managing the human resources of the organisation;
- Regularly reviewing the organisational structure to ensure it is flexible and appropriate
- Ensuring recruitment is undertaken in line with contemporary and equal opportunity principles and practices;
- Ensuring retention and attraction strategies are activated to position Council as an “employer of choice”;
- Ensuring professional development and training opportunities, programs, records and policies are in place;
- As the Responsible Officer, taking reasonable steps to ensure Council completes with all its obligations under the Workplace Health, Safety and Welfare Regulations 1995 and associated legislation to ensure a safe and positive working environment;
- Ensuring contemporary performance management procedures are in place and adhered to;
- Regularly reviewing remuneration and conditions for senior management and ensuring they conduct similar reviews for their teams;
- Creating a positive and productive staff culture
- Working closely with stakeholders to ensure a positive and productive industrial relations environment.

KRA 3: Financial & Asset Management

- Ensuring annual and long term financial plans are prepared, monitored and controlled;
- Completing the annual budgeting process in close consultation with the Executive and finance;
- Ensuring close monitoring and controlling of budgets following variance analysis to ensure sound fiscal management;
- Ensuring Council is provided with timely and accurate financial reports to aid key decision making;
- Ensuring the financial systems architecture, systems and processes are sound and that technology is effectively utilised;
- Ensuring long term asset management plans are in place and closely monitored;
- Ensuring strong and well researched business cases are prepared to support projects;
- Ensuring cash flow is monitored and controlled;
- Ensuring the collection and security of revenues and efficient utilisation of Council funds and assets;
- Ensuring any commercial activities of the Council have clearly defined financial goals (including rate of return on assets) are in line with stated community service obligations;
- Ensure the efficient and effective management and monitoring of the Council's operating revenue and expenditure.

KRA 4: Operations Management & Projects

- Ensuring improved productivity and quality by regularly reviewing existing policies, authorities, controls, workplace agreements, delegations and systems;
- Proactively championing and developing a strong customer service focus for the organisation;
- Ensuring all of the residents of Walkerville are its customers and their best interests must be reasonably served at all times;
- Providing an overview of the various operational areas of Council and reporting to Council and its committees on a regular and formal basis regarding the progress of the Council's operations;
- Maintaining the quality of overall project management of Council co-operative projects and resource sharing;
- Ensuring projects are completed in line with time and budgetary constraints and project status regularly monitored and communicated;
- Improving performance of the Council by proactively embracing best practice and continuous improvement initiatives;
- Managing the Council's resources and operations in an efficient and effective manner including the development and maintenance of a "contestability" philosophy in regard to both internal and external service provision;
- Enhancing the Council's systems and technology consistent with the agreed strategic direction of the Council.

KRA 5: Stakeholder Management & Communication

- Liaising with community organisations, business groups and regional interests as necessary for the achievement of Council's objectives;
- Responding and initiating as required in regard to local and metropolitan media;
- Ensuring positive relationships are established with local media including Messenger Press, The Advertiser and various electronic media;
- Providing input to any Commonwealth, State or Local Government initiatives affecting the City;
- Effectively liaising with local government authorities, the Local Government Association and other government authorities and agencies;
- Ensuring community consultation programs are conducted, analysed and incorporated in the strategic planning process;
- Represent the Council at appropriate events to maintain and if necessary enhance the Council's public profile within the community and amongst stakeholders;
- Ensuring Council activities and initiatives are appropriately promoted and communicated;
- Addressing public meetings in a positive and effective manner;
- Establishing and maintaining quality relationships with local business leaders, educational institutions, community service providers, governmental agencies, individual residents and other customers;
- Promptly and diligently responding to requests for service and advice from employees and community.

KRA 6: Advice & Relationship with Council

- Developing and maintaining a positive working relationship with the Mayor and all Elected Members;
- Ensuring a high degree of satisfaction with Council members in relation to support, guidance, service quality and accuracy of information, recommendations and related matters provided by the CEO and the Executive;
- Ensuring Council are provided with a suite of reports that indicate the status, success and effectiveness of all operations and projects;
- Ensure that the Council's statutory and governance obligations are met in a timely and effective manner;
- Ensuring Elected Members are provided with appropriate professional development opportunities and services;
- Ensuring that effective communication and working relationships exist between the Councillors and the Administration, including attending meetings and regular and effective communication processes



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