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**TOWN OF WALKERVILLE  
CHIEF EXECUTIVE  
OFFICER  
2019/2020 PERFORMANCE  
REVIEW REPORT  
AUGUST 2020**



**RICHARD ALTMAN CONSULTING**  
people, performance and productivity

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## **BACKGROUND**

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

The CEO Performance Review Committee prepared and agreed a set of Key Performance Indicators (KPIs) with the CEO to cover the performance review period. The KPIs were circulated to Elected Members for their information in 2019.

At the commencement of the performance review process we sought feedback from the CEO regarding her views about performance against each of the KPIs, which 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 against the Key Result Areas (KRAs) included in the CEO's position description. Elected Members and participating staff were made aware of the KRAs 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, with anonymous feedback being sought across the organisation from staff who 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 anonymous contributors.

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

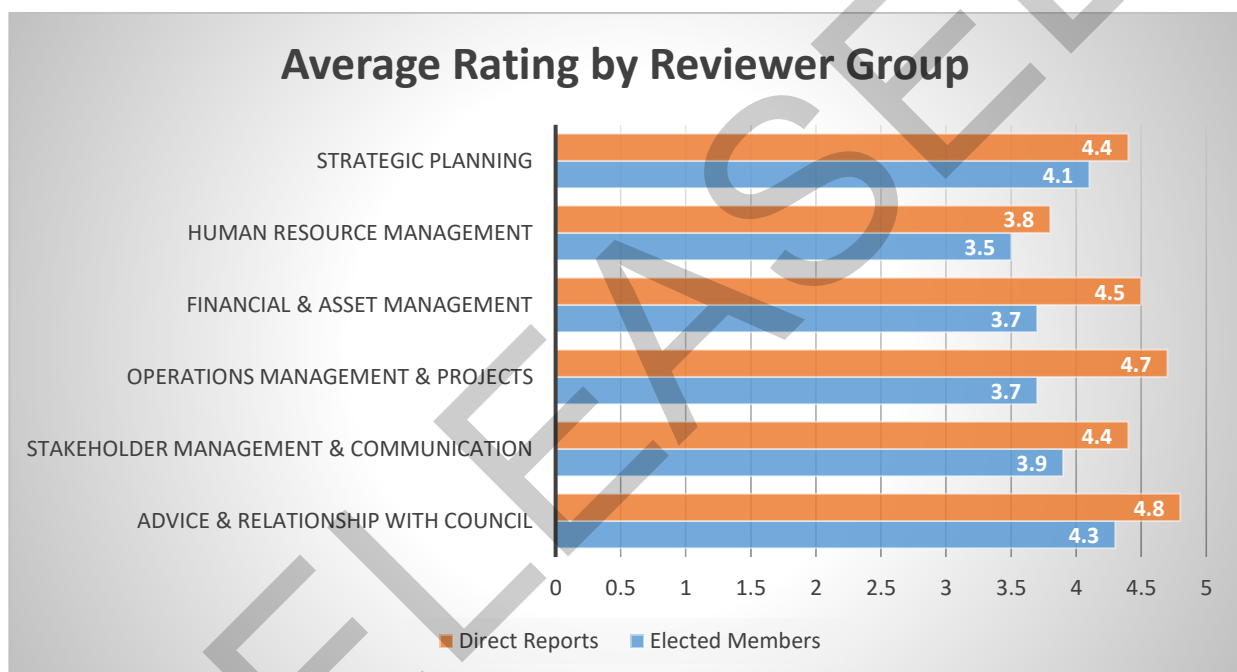
In meetings with the non-managerial staff we sought more general feedback as they were not fully aware of each Key Result Area. Similarly, with the external stakeholders, we sought more general feedback and have outlined the areas we covered with them in that section of the report.

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## 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 KPIs. It was generally agreed that the CEO had met the KPIs and there was little disagreement with the comments provided by the CEO in her feedback for each KPI.

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



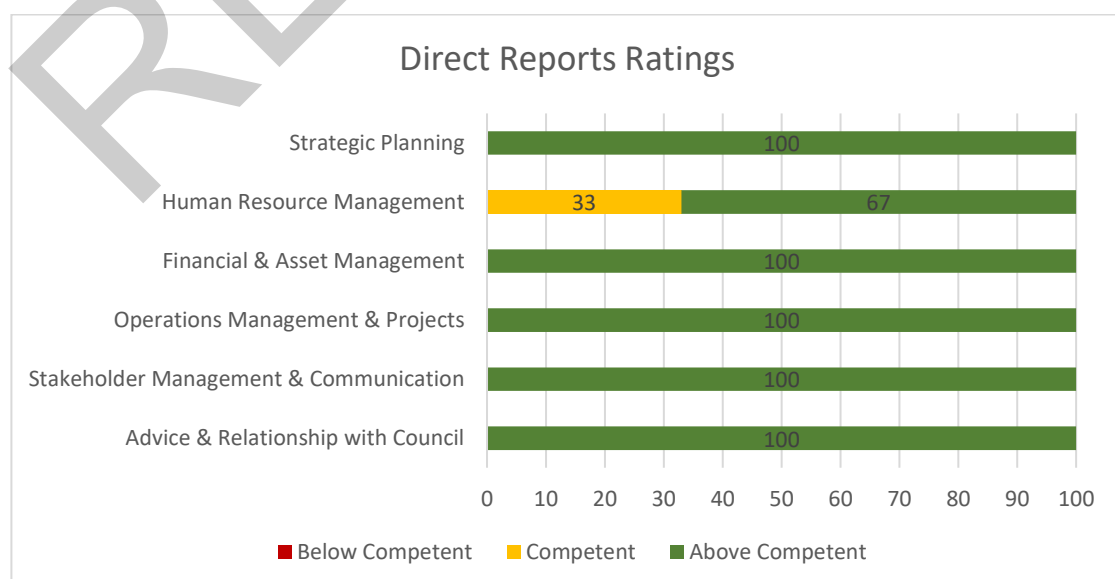
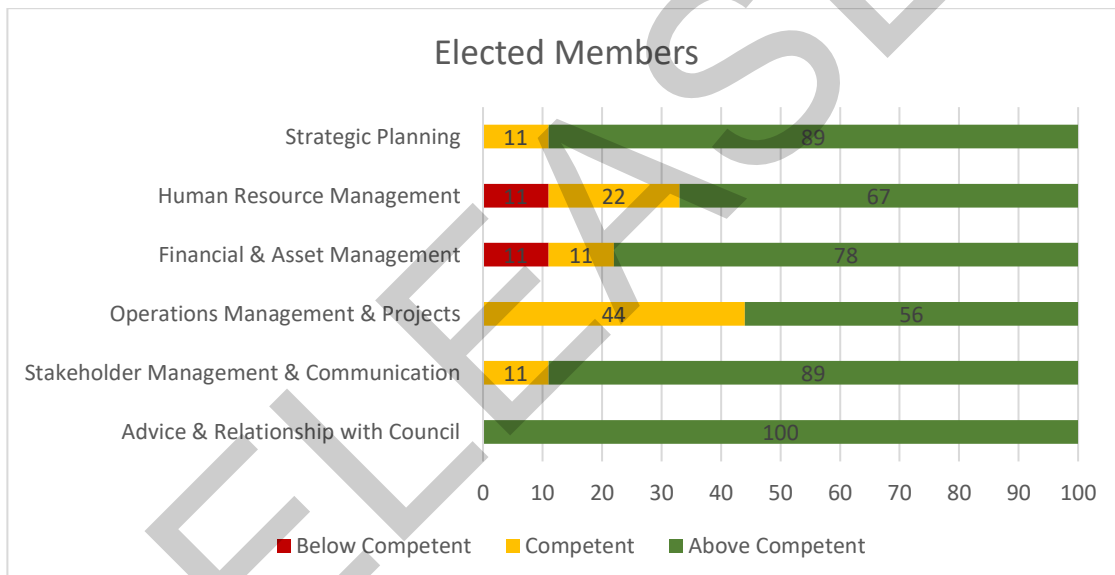
It is clear from the graph shown above that the CEO has performance rated at meeting or exceeding expectation for each Key Result Area. Key staff rated the CEO as above expectation (a rating of 4.0 or greater) across each KRA other than Human Resource Management which received a rating of 3.8, and Elected Members also gave ratings of meeting or above expectation in all areas.

**The overall rating provided by Elected Members was 3.9 and for key staff was 4.4. Both reviewer groups increased their ratings from the 2019 review where ratings were 3.8 and 4.2 respectively.**

While the rating provided by Elected Members is only slightly higher than last year this is again a positive result for the CEO. Elected Members see the CEO's Advice and Relationship with Council, and Strategic Planning as two key areas of strength. The rating received for Human Resource Management was the lowest for the CEO from Elected Members at a score of 3.5. It is notable that even at this level, Elected Members have rated performance at meeting expectations.

Some Elected Members had some concerns about the ability of the CEO to select and retain the right people. The direct reports of the CEO also rated Human Resource Management lower than the other KRAs, but at a score of 3.8 this indicates they see the CEO as meeting or exceeding expectations. The CEO's direct reports see her Advice and Relationship with Council as being her main area of strength and rate this at 4.8.

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; below competent), meeting expectations (rating of 3; competent), and above expectation (ratings of above 3, 4 or 5; above competent). 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 that, while the majority of Elected Members have rated the CEO's performance as meeting or exceeding expectation, some have rated the CEO as below expectation for Finance and Asset Management and HR. The majority of key staff have rated the CEO's performance as exceeding expectation across all factors.

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

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## 2020 PERFORMANCE REVIEW PARTICIPANTS

The 2020 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         |
| MaryLou Bishop     | Deputy Mayor  | Elected Member         |
| Stephen Furlan     | Councillor  | Elected Member         |
| Robert Ashby       | Councillor  | Elected Member         |
| Norm Coleman       | Councillor  | Elected Member         |
| James Williams     | Councillor  | Elected Member         |
| Jennifer Joshi     | Councillor  | Elected Member         |
| James Nenke        | Councillor  | Elected Member         |
| Conrad Wilkins     | Councillor  | Elected Member         |
| Andrea Caddy       | Group Manager Planning, Environment and Regulatory Services | Direct Report          |
| Joshua Bowen       | Group Manager Assets and Infrastructure                     | Direct Report (former) |
| Fiona Deckert      | Manager Community Development and Engagement                | Direct Report          |
| Danielle Garvey    | Group Manager Customer Experience                           | Direct report          |
| Vanessa Davidson   | Council Secretariat / EA to Mayor & CEO                     | Direct Report          |
| Scott Reardon      | Business Analyst  | Key Staff Member       |
| Sarah Spencer      | Communication Officer                                       | Direct Report          |
| Michael Richardson | Acting Group Manager Corporate Service                      | Consultant             |
| Neil Andrew        |   | External Stakeholder   |
| Sam Goodes         |   | External Stakeholder   |
| Matt Pinnegar      | CEO LGA   | External Stakeholder   |
| Nigel McBride      | CEO City of Prospect  | External Stakeholder   |
| Michael Hewitson   | Mayor City of Unley   | External Stakeholder   |
| Matt Nairn         | SAPOL   | External Stakeholder   |



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

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## KEY PERFORMANCE INDICATOR (KPI) FEEDBACK

At the beginning of the 2019/2020 year, the CEO Performance Review Committee established with the CEO a set of KPIs. The KPIs covered five main areas of focus:

- Strategic Plan
- Strategic Infrastructure Projects
- Financial and Asset Management
- Leadership and Culture
- Customer Experience

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 KPIs and milestones and a report was prepared and presented to the Committee. The final report was circulated to Elected Members as part of the performance review process.

It is important to note the impact of Covid-19 on the organisation. The CEO was asked to include reference to that impact in the KPI report. It is clear from the CEO's report, that despite the impact of Covid-19, the KPIs were still mostly achieved.

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

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

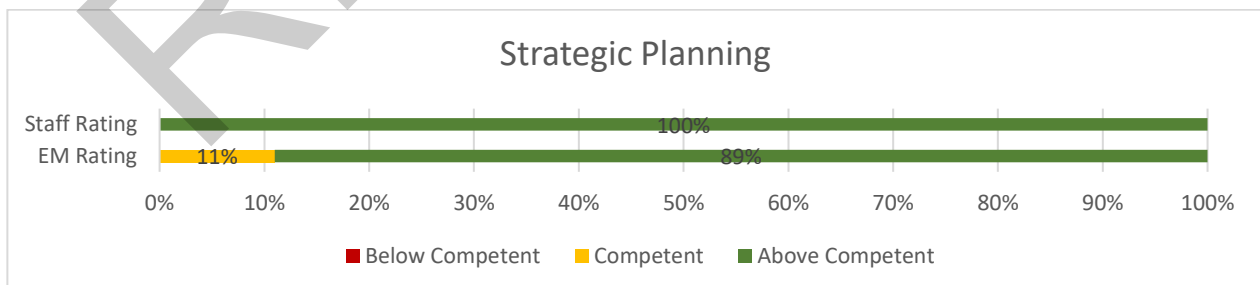
### Strategic Planning

The following average ratings were provided for Strategic Planning:



Both the Elected Member and Staff ratings have an average greater than 4.0. The range in ratings from Elected Members was from 3.0 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 at or exceeding expectations across each reviewer group.

### **Elected Member Feedback:**

Council has recently completed their Strategic Plan and Elected Members are positive about both the process and the outcomes. They describe the process as robust and one which enabled them to have input and discussion. The CEO was able to support the process and assisted Council to finalise the Plan. The CEO provided some input, which was balanced and helpful. The Strategic Plan links effectively to the previous Plan and enables Council to consider longer-term projects. In most cases, Elected Members also see linkages with the Long-Term Financial Plan and some would like to see the Asset Management Plan further drive the Strategic Plan in the future. Some of the Plan needs better articulation particularly around the Well-being Strategy. Elected Members commented about the workshops and their value in building the final Plan. Elected Members were engaged with the process.

During Council Meetings, the CEO often refers to the Strategic Plan and projects and actions are outlined for Council. The CEO also provides regular updates to Council about progress on the Plan. Some would like to see more detail in relation to some of the larger projects, such as the Walkerville Oval upgrade. Some commented that this project needs a longer-term vision and better communication of the options available. Elected Members are positive about the final Plan, but recognise that delivery of the actions is now the focus for the CEO.

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

### **Staff Feedback**

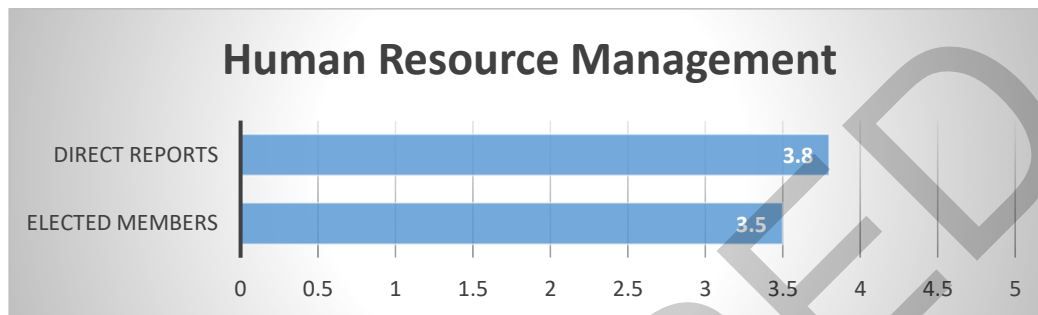
Staff commented about their involvement and input to the Strategic Plan. For most staff this was their first opportunity to contribute and they felt engaged with the process. They also commented that the CEO regularly refers to the Strategic Plan and they feel as though their work is connected to that Plan. Staff feel proud of the final document and their involvement in its formulation. They valued the collaborative approach used to develop the Plan.

Staff also 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.

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. The CEO provides regular updates to the organisation about progress and delivery of the Strategic Plan.

## Human Resource Management

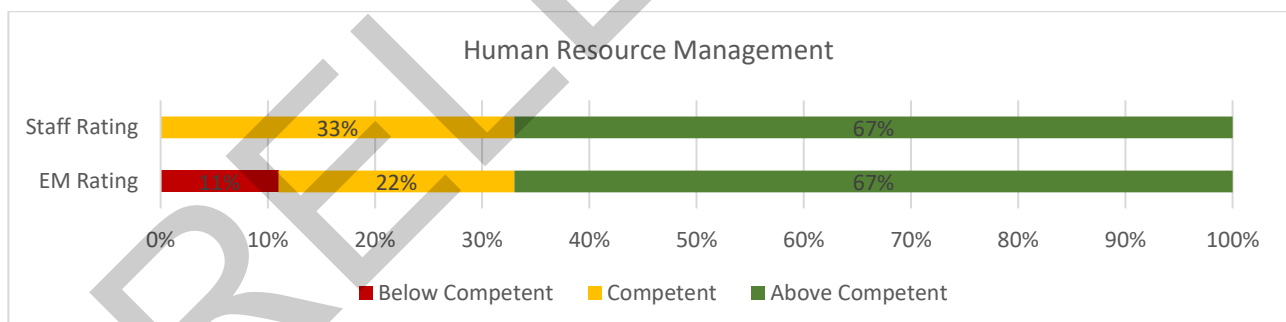
The following average ratings were provided for Human Resource Management:



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

The range in ratings was from Elected Members was 2.0 to 4.5, and from key staff was from 3.0 to 5.0.

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



It is clear from the chart above that 67% of both Elected Members and key staff rate the CEO's performance at exceeding expectations. Although the rating for this factor is slightly lower than other areas, clearly the majority of reviewers still see the CEO's performance as effective for this KRA.

### Elected Member Feedback:

Elected Members indicated that they are not close enough to the organisation and the staff to provide much input for this KRA. Many commented about some recent changes in Group Managers and they were unsure of the issues or the reasons. They also accepted that this is the responsibility of the CEO and they are not involved. However, we sought their views about the impact of that turnover in relation to projects and the general business of Council.

They all commented that they had not seen any negative impacts in delivery of services of projects. The CEO has managed to cover the gaps and maintain high standards for the organisation. Some indicated they wanted to have more visibility of succession for key roles across the organisation and had some concerns about the lack of succession for the CEO. While this is not an immediate issue, they wonder how the CEO will cover any absences she needs to have for leave. They also comment that the CEO has attracted some excellent people to Walkerville.

From their observations of the CEO and her Team, Elected Members see an organisation that is performance focussed, which is positive. The CEO relies on her senior people to provide reports and updates to Council, with Elected Members also being positive about this aspect of the CEO's performance. Many commented that the CEO is responsive to questions and will respond quickly to communication from them.

It is clear from the feedback that the CEO needs to continue to focus on recruiting the right people and retaining them within the organisation.

#### **Key Staff:**

Staff describe the CEO as a driven and hands on leader, who knows her team well. She is supportive as a leader and will always make time to assist them and deal with their questions. The CEO is driven to deliver excellent performance for the Team. Her communication style is described as direct and she lets people know where they stand. She provides clarity of direction and does not micro-manage but can be consulted on key issues. She provides honest and constructive feedback to them.

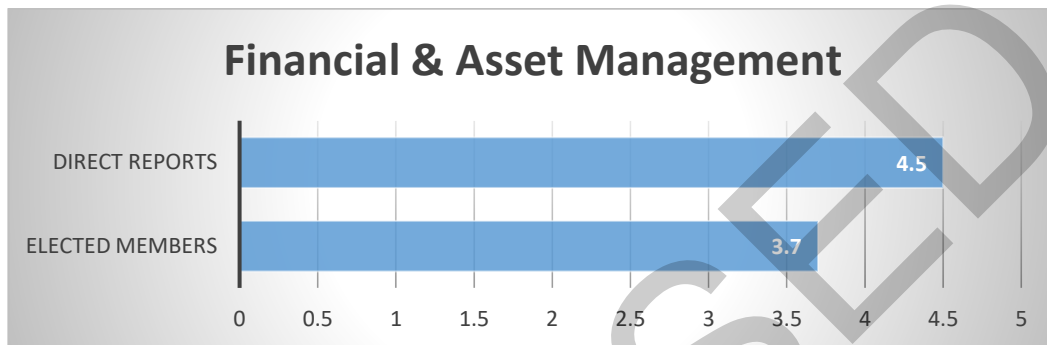
We sought their views about some of the recent changes in key staff. They are not unsettled by the changes and consider Walkerville to be a good place to work. Many reported that they joined Walkerville because of the CEO. They wanted to learn and have the opportunity to develop. The CEO has a significant workload and they want to provide her with the support she needs to deliver in her role. They would like to see the CEO have more time to mix with them informally, which she does this when she can.

The CEO provides regular updates to the Team about outcomes from Council Meetings and they use that time to review work plans and their priorities. They are able to have input to the work program and the CEO listens to and considers their views and issues. She has a collaborative style and will make decisions after reviewing the data. She ensures people have the tools they need to do their jobs.

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 better perform. They are also positive about the way she managed the Covid-19 response. She was clear and decisive about the issues and how they would be managed.

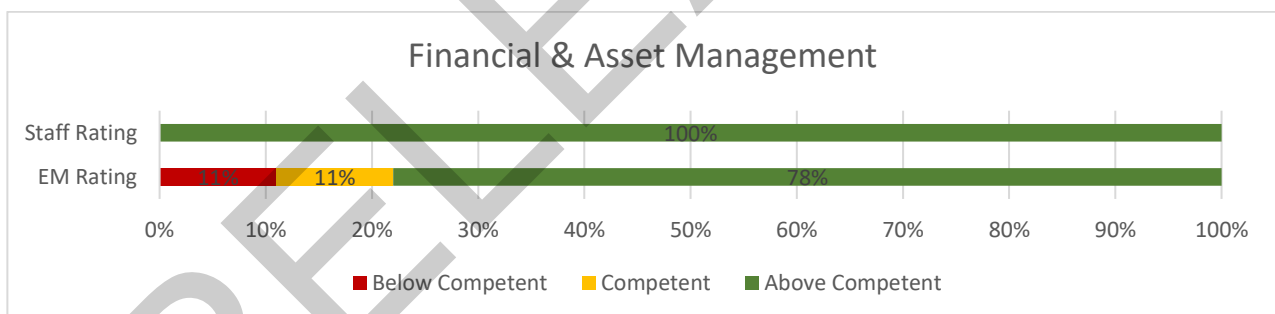
## Financial and Asset Management

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 solid rating. The range in ratings for Elected Members was from 2.5 to 4.5, and for staff was from 4.0 to 5.0.

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



The chart above shows that 78% of Elected Members rated the CEO at exceeding expectations, and 100% of staff provided the same rating. This is clearly seen as a strength for the CEO.

### Elected Member Feedback:

The feedback from Elected Members was mostly positive. The CEO presents well to the Elected Members, demonstrating a strong understanding of key 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. Elected Members felt engaged with the budget process and are positive about the final budget. They are also happy with the reports that are provided to Council and the ability of the CEO and her Team to answer questions.

It was noted by some that there is still some work to do in linking the Asset Management Plan with the budget and Long-Term Financial Plan. They commented that they see improvement here in the

last year and expect this to continue. Some also commented on some errors in the early version of the budget, but this was managed effectively.

Elected Members are positive about the ability of the organisation to deliver the agreed budget. The CEO seems able to manage issues that arise during the budget period and attend to unplanned expenses, while still delivering the right result. Some noted a degree of overspend on some capital works projects that was a surprise to them.

Some also commented that more detailed reports were needed about the operational and financial performance of some of the subsidiaries.

**Staff Feedback:**

Overall, staff are positive about the financial management and the CEO's leadership in this area.

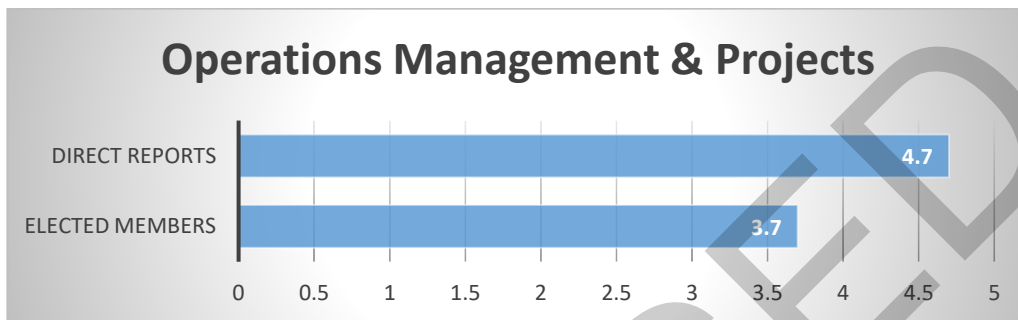
Staff speak positively about the CEO's discipline with the budget process and her ability to allocate funds to achieve the best outcomes for Walkerville. She has shown a good focus on delivering projects and capital works. The CEO ensures the timely preparation of the Annual Business Plan and staff are engaged with that process.

The CEO holds Group Managers to account for their budget and will support them if there is a need for unplanned expenditure. They ensure the CEO is informed of budget issues and she will listen to their issues and work through solutions with them.



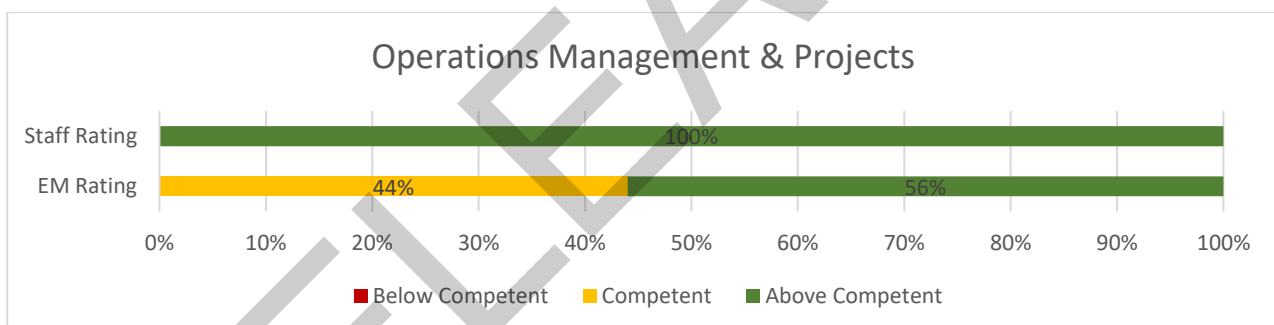
## Operations Management and Projects

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



The average rating for this Key Result Area from Elected Members was 3.7 with a range from 3.0 to 5.0. The average from staff was 4.7, with a range from 4.0 to 5.0.

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



The chart shows that 86% of Elected Members rated the CEO's performance above competent and 100% of staff providing the same rating. This is a very positive result for the CEO.

### Elected Member Feedback:

With an average rating of 3.7, Elected Members rated this area slightly lower than last year's rating of 3.8 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. Elected Members are also positive about the day to day operations of the organisation and maintenance of the Town. All Elected Members are happy with the way Walkerville looks.

Some had some concerns about the Walkerville Oval redevelopment and wanted to see a more comprehensive and detailed plan. They thought that some of the stages needed further definition and they wanted to see more options as part of the development. Elected Members also want to ensure that Walkerville has the capacity to effectively deliver some of the bigger projects.

Some noted some budget over-runs on projects and wanted to ensure that was not repeated. There was also a view that the Asset Management Plan needs to drive more of the capital works budget, to ensure assets are maintained appropriately. With a limited budget it is critical that money is spent on asset maintenance as well as projects.

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.

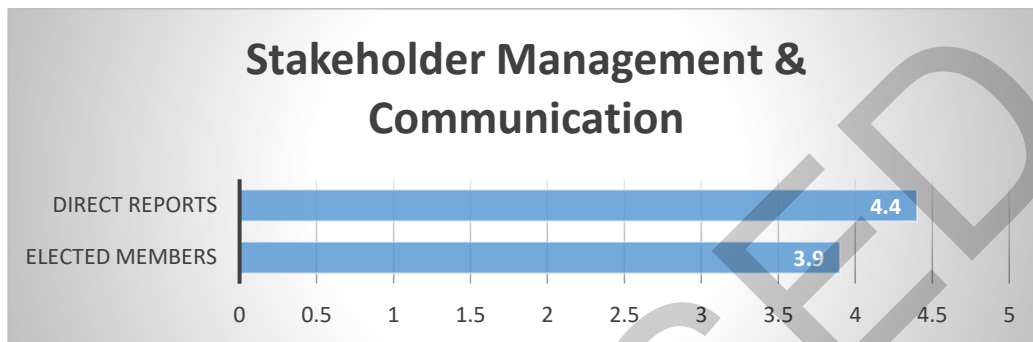
The CEO has a high focus on delivery of the bigger projects and seeks regular progress reports. While this is a focus, the CEO is also across the day to day operational performance. The CEO sees the Depot staff informally most days and maintains a good relationship with them.

The CEO is well informed 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. Some staff commented that they would like more detailed project updates, so they were better informed about activities and projects.

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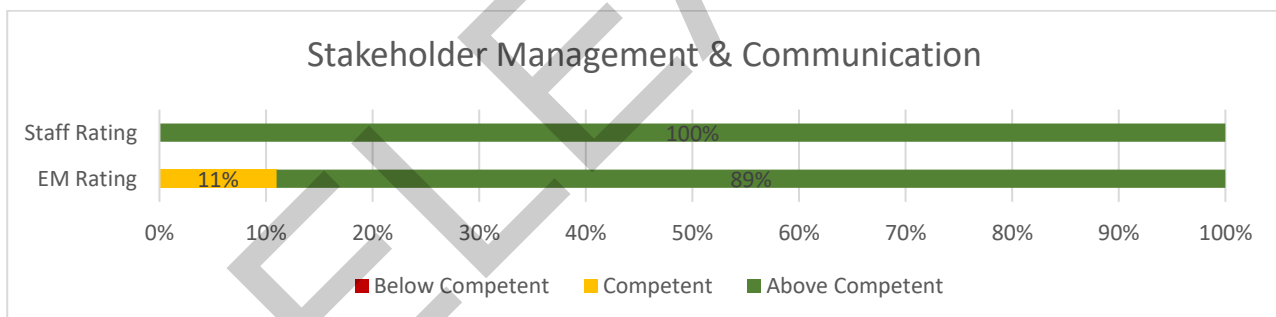
## Stakeholder Management and Communication

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



The average ratings from both Elected Members and Staff are positive. The average from Elected Members was 3.9 with a range from 3.0 to 5.0. The average from staff was 4.4 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 89% of Elected Members rated performance at exceeding expectations. The ratings from staff show a similar picture, with all staff rating performance at the same level. 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 positive in this area. Elected Members see the CEO as highly engaged with the Local Government community and well networked. This is leveraged successfully for Walkerville. Some would like to see more engagement with the community in general and especially with local businesses. Many noted the successful consultation with the community about the Wesleyan Cemetery and want to see that continue with other community consultation processes. Some want the CEO to review the effectiveness of community consultation and develop new ways to consult and interact through better use of technology.

Elected Members note the CEO's passion about Walkerville and are confident she represents them well at functions and meetings. The CEO is well informed on key issues and understands the operations of Government. They comment that Walkerville always comes first for the CEO and she is able to 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. She also has demonstrated the ability to manage difficult stakeholders.

**Staff Feedback:**

Staff were positive about the CEO's performance in this area. 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. 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.

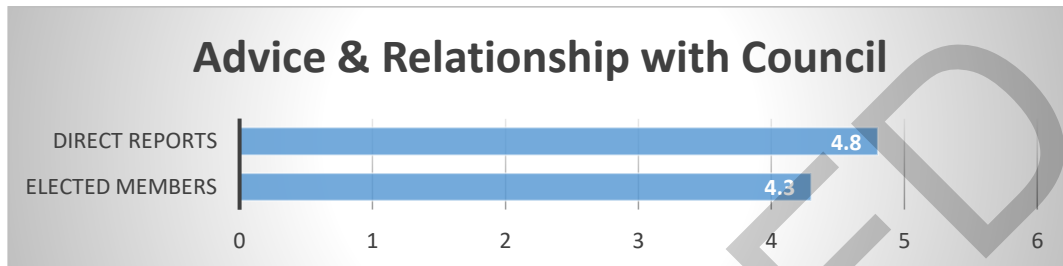
It was commented that the CEO has a sound decision making process and will use facts to support her decisions. This evidence-based approach carries through to her dealings with stakeholders and is able to engage positively and effectively using this method.

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

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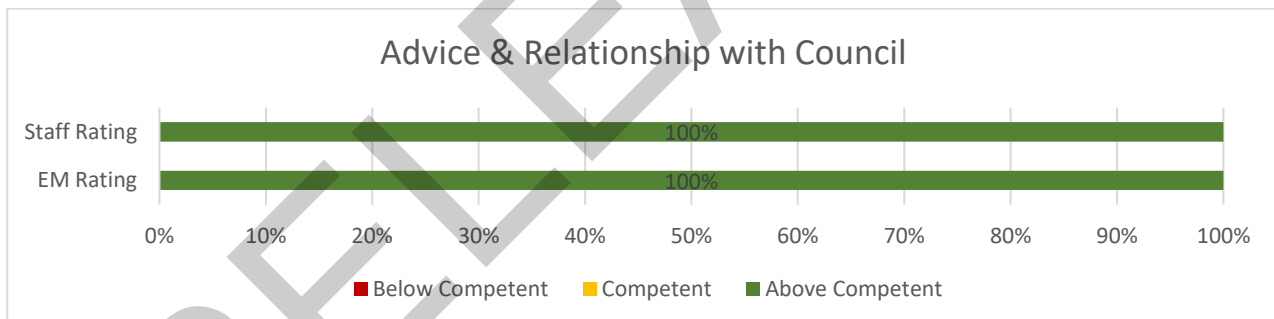
## Advice & Relationship with Council

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



It is apparent from the ratings in the chart above that the CEO is very highly regarded in this Key Result Area. This factor was rated by both the Elected Members and Staff as exceeding expectation. The Elected Members had an average rating of 4.3, with a rating range from 4.0 to 5.0. Key Staff provided an average rating of 4.8 with a range from 4.5 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 Elected Members and Staff rated the CEO's performance as above competent for this factor. The results for this KRA are exceptional for the CEO.

### Elected Member Feedback:

As outlined above, all Elected Members rated the CEO as exceeding expectation for this Key Result Area. Feedback indicated that the CEO's knowledge and experience continue to be invaluable assets to Council. The CEO demonstrates a good understanding of the legislative and governance requirements and is able to provide sound advice and guidance to Council. The CEO is supportive of Elected Members both inside and outside the Chamber.

Elected Members commented that the CEO is accessible 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 the Chamber and she has a confident presentation manner herself.

Some commented in the 2019 review that some reports had been below standard. The standard and timing of reports now aligns with expectations.

The CEO is available and will assist Elected Members to develop a motion they might want to present to Council. Her advice is relevant and constructive even if it is not something with which she agrees. She remains impartial and listens to what Elected Members want to propose. The CEO is a good sounding board for their ideas and uses her experience to inform Elected Members. The CEO is seen as supportive of the Mayor and Elected Members see a positive relationship between the Mayor and CEO. In the Chamber the CEO is able to answer most questions and provides thoughtful and balanced views.

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 continues to work well with Council and provides Elected Members 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 who were chosen at random. During the performance review process, we had confidential meetings with a number of staff.

In seeking feedback, we supplied each staff member with a series of questions, to give some structure for the discussion. We have provided their feedback below.

### **How would you describe the leadership style of the CEO?**

The CEO leadership style is described as assertive, calm, and measured. She is confident in her abilities, and is professional in her dealings with people. She is an intuitive thinker and presents clear and concise directions for staff. This leadership style was particularly important during Covid-19. She was clear about what was required, listened to the concerns of people, and then gave clear direction. The CEO remains calm and her style is consistent even in tough times. While some recent changes in Group Managers has been unsettling for some, most staff respect the CEO's judgement and know she is making the right decision for Walkerville. The CEO is performance-focused but enables people to do their job.

### **How would you describe her communication skills?**

The CEO has a clear and concise communication style. She is direct but this ensures clarity and staff know what is expected of them. This style communication is what is needed and this has been especially so over recent months. The CEO wants people to share issues with her and she is quick and supportive in resolving those issues. The CEO keeps the organisation up to date with regular formal communication, especially following a Council Meeting. Some would like to see her relax more and have more informal time with the Team.

### **How would you describe the culture of the organisation?**

The culture is described as being intense at times. The focus on performance is clear to all staff and they need to deliver for Walkerville. The culture had more of a social tone in the past, but this year has seen some changes and additional work pressures driven by Covid-19. Staff commented they have adjusted to the times and think it is a good place to work. Staff consider they have great Group Managers, and this is important to them. Many reported they receive feedback from the CEO at times directly or indirectly through their Group Manager. The CEO is available to staff and some reported direct dealings with her occasionally.

Some reported that, due to recent changes and the workload, the organisation has become a bit siloed again and this needs to be reviewed. A focus for the CEO and her Team is to build more cross-functional teams.

### **What are the strengths of the CEO?**

The CEO is described as supportive and ensures clarity. She listens to people and makes quick decisions when needed. She is strong in relation to the legislative requirements of the organisation and brings knowledge and experience to her role. The CEO will make tough decisions and backs the judgement of her Team.

### **What needs to change at Walkerville?**

As indicated above, some silos have started to form, and this needs some attention from the CEO. Some also want to hear more from the CEO and would welcome more feedback. The recent staff changes have unsettled some, but people have confidence in the CEO to make the right decisions.

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## EXTERNAL STAKEHOLDER FEEDBACK

The Committee established a list of external stakeholders from whom feedback should be sought. It can be seen 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 continues to be consistent with earlier reviews. The CEO is seen as a strong and direct communicator and people know where they stand with the her. 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 when tensions are heightened. She keeps to the topic and wants to ensure she listens as much as she contributes to the discussion. She is passionate about issues that impact Walkerville and she represents her Town effectively.

The CEO is also described as commercially astute. She understands what drives good commercial outcomes and negotiates hard for Walkerville. She brings a calm and thoughtful approach to her dealings with others. She works collaboratively and will take time to make sure their thinking is aligned.

The CEO is reported as always being prepared for meetings, having done the required work before each meeting. If she has promised to deliver something for a meeting, she does 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.

Reviewers also consider the CEO to be results focused and able to get things finished. She will raise sensitive issues that others want to avoid but need to be discussed. She is confident and shows a sense of urgency when required and is able to guide 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.

The CEO is seen as most positive in her role by external stakeholders.

## **SUMMARY AND DEVELOPMENT GOALS**

The CEO has received a positive performance review this year, with ratings slightly higher than those received last year. With both Elected Members and key staff rating the CEO as meeting or exceeding expectations, this is a positive outcome for the CEO.

The CEO has built and maintained strong and effective relationships with Elected Members, and they provided positive feedback about her support for, and contribution to, Walkerville. She played an important role in the development of the Strategic Plan and continues to deliver against her KPIs. The CEO is seen by Elected Members as delivering the results they expect from her and the Team. She has a focus on managing the financial position for Walkerville and has demonstrated an ability to deliver projects and keep up with the day to day needs of the Town. There is still some room to develop the Asset Management System, although it is noted this has improved over the last year. Her ability to engage with the community is also seen as constructive and effective. Elected Members want to see the CEO continue to develop new ways of engaging with the community. A continued focus on finding and retaining the right people continues to be important, but the CEO has managed to deliver results despite some turnover of staff.

Feedback from staff is positive and they are supportive of their CEO. While they have seen some turnover of staff, the CEO continues to be supportive of the Team and encourages them to deliver for Walkerville. The way she managed the issues associated with Covid-19 ensured staff were clear about what they needed to do and she was supportive in tough times. The CEO is seen as an effective leader who listens to people.

The CEO continues to get positive performance feedback in the KRAs, especially Strategic Planning and Elected Member Advice and Relationships. Her performance in the areas of Stakeholder Engagement 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 should continue to build relationships, especially with local business leaders.

We recommend the CEO focus on the following areas:

- Continue to focus on building and retaining a high performing team. Focus on building succession across the organisation.
- Continue to focus on community engagement to develop stronger relationships with local stakeholders. Consider how to further develop community consultation processes.

## 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 **\$256,679**. This is comprised of the following:

- Base Salary: \$228,435
- Superannuation: \$21,244
- Motor Vehicle: \$7,000

The above remuneration was effective from 1 July 2019.

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

| Council                              | 2019/2020 Remuneration |
|--------------------------------------|------------------------|
| City of Burnside                     | \$ 275,000             |
| City of Norwood, Payneham, St Peters | \$ 287,920             |
| City of Prospect                     | \$ 260,656             |
| City of Unley                        | \$ 286,923             |
| Average                              | \$ 277,625             |

We note that remuneration for Burnside and Prospect reflect remuneration for the new CEOs. It is notable that both Councils needed to pay more for the new CEO than they were paying for the previous incumbents.

While it is recognised that the ERA Councils are much larger than Walkerville, the CEO actively engages and works with the incumbent CEOs. The CEO’s current remuneration sits about 7.5% below the average for benchmark Councils. We have excluded Walkerville data from the sample.

Councils are currently working through their annual review processes. The relativity has declined since the last review, driven by higher remuneration for Prospect and Burnside. We are advised that the CEO for Unley has elected not to take any increase in remuneration in 2020.

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 2020 | 2.2%         | 2.4%   |

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 2.1% across all sectors.

#### **Remuneration Recommendation:**

We note the following:

- The CEO's remuneration is currently sitting about 7.5% below the average for other ERA CEO's, and the relativity to those CEO's has declined over the last year.
- The CEO's Employment Agreement requires that any increase at least reflect CPI movements, which is 2.4% at March 2020.
- The WPI movement for 2019 at March was 2.1%

Council must make a minimum adjustment of 2.4% for the 2020 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 3.9 from Elected Members and 4.4 from Staff, which indicates the CEO is exceeding expectations.

Council could consider an increase in the range from 2.4% to 4.0%, in recognition of the CEO's positive performance.

We understand that the CEO has advised the Committee of her wish to have any increase in remuneration deferred until 1 January 2021. Council has a legal obligation to offer an increase equivalent to the Adelaide CPI at March 2020. It is our view that Council should indicate in writing to the CEO their legal obligation as set out in the Employment Agreement. Should she consent to a change in clause 9.3 for this year, Council can lawfully agree to her request.

## 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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