

# CONFIDENTIAL ITEMS 2003 – AUGUST 2022

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
170	1 November 2021	Chief Executive Officer's Performance Review 2021	<p><b>Section 90 (3) (a) Order</b></p> <p>1. <u>Pursuant to Section 90(3)(a)</u> Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public and staff be excluded from attendance at the meeting for Agenda Item 18.1.</p> <p>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 the Chief Executive Officer in that details of his performance review will be discussed which are sensitive and are details only known to those who have participated in the review process.</p> <p>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 disclosure of details of the Chief Executive Officer's performance may prematurely be disclosed.</p> <p><b>Section 91(7) Order</b></p> <p>5. After having considered Agenda Item 18.1 Chief Executive Officer's Performance Review 2021 in confidence under 90(2) and 3(a) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the agenda item plus attachment and minutes be retained in confidence until the Chief Executive Officer has been formally advised of Council's decision.</p>	Agenda item plus attachment and minutes	<p>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 the Chief Executive Officer in that details of his performance review will be discussed which are sensitive and are details only known to those who have participated in the review process.</p> <p>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 disclosure of details of the Chief Executive Officer's performance may prematurely be disclosed.</p>	Retained in confidence until the Chief Executive Officer has been formally advised of Council's decision.			<i>Report, Attachment and Minutes released on website 31 August 2022</i>

**18. CONFIDENTIAL REPORTS****18.1 REPORT TITLE: CHIEF EXECUTIVE OFFICER'S PERFORMANCE REVIEW 2021****DATE OF MEETING: 1 NOVEMBER 2021****FILE NUMBER: DOC/21/176470****ATTACHMENTS: 1. CEO KPIS SET 6 OCTOBER 2020  
2. DOC/21/179037 SUMMARY OF RESULTS OF  
CEO PERFORMANCE REVIEW REPORT  
PROVIDED TO CEO REVIEW PANEL****Key Contact Mayor Ann Ferguson OAM****Community Plan 2020-2035:**

Leadership and Good Governance

GL 2: Corporate capacity and leadership

**Annual Business Plan:**

Nil

**Purpose:**

To provide a report that details the outcomes of the Chief Executive Officer's Annual Performance Review.

**Summary – Key Issues:**

- The CEO has an annual performance review that is scheduled to conclude no later than September each year. It covers the period from 1 July – 30 June each year.
- Council Members and direct reports were invited to participate in the Chief Executive Officer's Annual Performance Review.
- Seven Elected Members completed the survey, one Elected Member declined the survey, three Elected Members did not complete the survey
- The Consultant's report to the Chief Executive Officer's Performance Review Panel (the Panel) provides the survey findings.
- The CEO has been provided with the final report and consulted on the process and outcomes.

**Recommendation:**

That Council:

**Section 90 (3) (a) Order**

1. Pursuant to Section 90(3)(a)

Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public and staff be excluded from attendance at the meeting for Agenda Item 18.1.

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 the Chief Executive Officer in that details of his performance review will be discussed which are sensitive and are details only known to those who have participated in the review process.

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 disclosure of details of the Chief Executive Officer's performance may prematurely be disclosed.

2. note the attached executive summary extracted from the report prepared for Council by Dr Wayne Coonan, Corpor8solutions (attachment 2) which includes information on the performance review process.
3. adopt the revised set of key performance objectives contained in this report to guide the Council in its assessment of the Chief Executive Officer's performance; and
4. endorse a x% (to be determined at the council meeting) increase to the CEO's current remuneration to take effect from 1 July 2021.

**Section 91(7) Order**

5. After having considered Agenda Item 18.1 Chief Executive Officer's Performance Review 2021 in confidence under 90(2) and 3(a) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the agenda item plus attachment and minutes be retained in confidence until the Chief Executive Officer has been formally advised of Council's decision.
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**Background:**

1. The CEO has a performance review that is scheduled to conclude no later than September each year. It covers the period from 1 July – 30 June each year.
2. On 3 April 2018 Council awarded a contract to undertake the CEO's Performance Review to Corpor8Solutions for a period of 4 years commencing 2018.
3. On 1 March 2021 Council resolved to note the appointment of Mayor Ferguson, Councillor Carol Bailey and Councillor Harry Seager to the Chief Executive Officer's Performance Review Panel (the Panel) as members for 2021 and that the Chief Executive Officer had been consulted on his selection to the Panel.
4. The Panel has met with Dr Wayne Coonan from Corpor8Solutions to discuss the content and methodology involved and also to discuss the draft final report findings.
5. The review evaluates the CEO's performance against objectives identified in the previous year's review process (attachment 1).
6. Once the feedback has been assessed the Panel meets to discuss the results and consider appropriate remuneration.
7. The CEO's contract references that the contract review process includes, *inter alia*, "At the conclusion of each annual performance review Council – may elect to extend the term of contract by one year."
8. The CEO's current employment contract expires 2026.
9. The Panel is assisted by the Risk and Governance Officer

**Discussion:**

1. The executive summary and performance audit, as extracted from the Consultant's final report, are provided as attachment 2 to this report from the Mayor.
2. The review process began with a survey in August 2021 and included:
  - a. a 360 degree review involving a survey of Council Members and direct reports staff; and
  - b. an audit process involving an examination of a wide range of Council documents including the annual report, business plans, long term financial plan, financial reports, project reports, reports to Council, benchmarking and other service related reports.



3. Seven Elected Members completed the survey, one Elected Member declined the survey, and three Elected Members did not complete the survey.
4. Four direct report staff completed the survey, one direct report did not complete the survey.
5. The Panel received a draft copy of the final report and met with Dr Coonan to review the draft report findings.
6. Advice from Dr Coonan regarding the remuneration review centres on the following:
  - a. comparisons with like Councils
  - b. information considered by the CEO Performance Review Panel in 2020 showed there remained a substantial gap between Mount Barker District Council's CEO and several other CEOs for what Dr Coonan regarded as less complex organisations to manage
  - c. over the 4 year period of Dr Coonan's appointment the Panel has recommended quite conservative remuneration increases
  - d. previous CEO Performance Review Panels and subsequent advice to Council included that there was a risk in not making some in roads into bridging the gap, and/or in allowing that gap to increase
  - e. that risk remains in Council's case, and perhaps for not the most obvious reason – that is, not that Mr Stuart may seek a position with another Council offering a better package but rather if Mr Stuart were to retire Council would risk not being competitive against other councils in attracting the best available talent
  - f. options should allow the Panel to make recommendations somewhere between basic Consumer Price Index (CPI) increases and matching the top CEO package of the agreed pool of like Councils.
  - g. CPI figures for year ended September 2021 - annual growth 3% nationally and 2.5% for Adelaide
  - h. The Statutes Amendment (Local Government Review) Act 2021 (refer item 4 under Statutory/Legal heading below) introduces a new CEO Remuneration Tribunal system.

#### Outcomes

10. The CEO has been provided with the report and consulted on the process and outcomes.
11. To compete with Councils to attract and retain quality leadership, Council needs to maintain its competitive capacity.

12. The CEO Review Panel believes an increase somewhere between basic CPI increases and matching the top CEO package of the agreed pool of like Councils is warranted given the performance of the CEO and closing the gap when benchmarked with other councils. Council may also give consideration to current community sentiment and expectations.

Performance Objectives – proposed to set for July 2021 to June 2022 Period

13. The CEO's 8 specific performance targets (and the 4 internal components) as set by Council 6 October 2020 (attachment 1) are long term and could be carried forward until completion.
14. Additional Performance Objectives for the period 1 July 2021 to 30 June 2022 could include:
  - 1.1. Succession Planning – relates to capacity building within the organisation to prepare for a change in leadership (including staff, council members, Mayor)
  - 1.2. Resourcing to respond to demands – includes exploring and establishing alternative resource procurement models, shared service arrangements with other councils, partnering with private and public entities and business
  - 1.3. Tourism – explore potential for train from CBD to Mount Barker, Goolwa
  - 1.4. Effectiveness of partnering opportunities – for services and infrastructure to value add and achieve efficiencies for council
  - 1.5. Wastewater governance model – explore merits of potential subsidiary structure with independent expert members to establish the best model to deliver on community aspirations
  - 1.6. Commercial Policy – continue with promotion of and educating Council and staff of council's commercial policy framework and relevance to council for next 3 years in relation to city centre catalyst and the balance of the Stephenson land, Regional Aquatic Facility
  - 1.7. Risk Management Framework for Major Strategic Projects – oversee a review of Council's strategic risk approach, including policies, and develop training to embed a forward thinking, innovative culture – including education/clarification of roles and responsibilities

- 1.8. Local Government Election Process – oversee the preparation and navigate the distractions and resourcing of this process
- 1.9. Representation Review – explore a more significant reform for community and council members including an education process regarding future structure and composition of council in future that is best able to accommodate forecast growth.
- 1.10. Social and Electronic Media engagement – involves building greater resilience within the organisation to better manage increased social media disruptions and distractions.

**Community Engagement:**

Informing only	Information will be provided to the public upon release of confidentiality
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**Policy:**

N/A

**Budget:**

There is a budget of \$10,000 for this review subject to CPI per annum concluding with the 2021 review.

**Statutory/Legal:**

1. An annual performance review is included in the CEO's contract.
2. The Statutes Amendment (Local Government Review) Act 2021 (sections 57, 58, 60 and 61) makes a number of amendments to sections 97, 98, 99A and 102A of the Local Government Act 1999 relating to the appointment, performance review and termination of the Chief Executive Officer. The amended sections of the LG Act 1999 are:
  - a. Section 97 – Vacancy in office
  - b. Section 98 – Appointment procedures
  - c. Section 99A – Remuneration of Chief Executive Officer
  - d. Section 102A – Chief Executive Officer – Performance Review
3. Commencement of section 60 of the Review Act occurred on 20 September 2021, inserting the new section 99A into the Local Government Act. Section 99A requires councils to remunerate their CEO within the salary bands determined by the Remuneration Tribunal of South Australia (RTSA).
4. Associated regulations and transitional provisions:

- a. Regulation 4(2) of the Local Government (Transitional Provisions) Regulations 2021: clarifies that the obligation regarding CEO remuneration will not apply until the RTSA has made its first determination. This first determination is yet to occur.
- b. Section 147(5) of the Review Act provides that the remuneration of a CEO holding office on the commencement of section 99A of the Local Government Act is not affected during the term of that office by a determination of the RTSA.

*s147 (5) The remuneration of a chief executive officer holding office on the commencement of section 99A of the principal Act (as inserted by this Act) is not affected during the term of that office by a determination under section 99A.*

**Staff Resource Requirements:**

There is no impact on staff resources.

**Environmental:**

N/A

**Social:**

The community are informed about the CEO's review outcomes following the Council resolution.

**Risk Assessment:**

Nil

**Asset Management:**

N/A

**Conclusion:**

The CEO's performance measures and salary should be determined now that the Chief Executive Officer's Performance Review Panel has considered the final report.

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Previous Decisions By/Information Reports to Council

Meeting Date	1 March 2021	HPRM Reference	DOC/21/23530
Title	Chief Executive Officer's Performance Review 2021 Process and Timeframe		
Purpose	To provide a report that outlines the process for the Chief Executive Officer's Annual Performance Review.		

Meeting Date	6 October 2020	HPRM Reference	DOC/20/133957
Title	Chief Executive Officer's Performance Review 2020		
Purpose	To provide a report that details the outcomes of the Chief Executive Officer's Annual Performance Review.		

Meeting Date	6 July 2020	HPRM Reference	DOC/20/77953
Title	Chief Executive Officer Performance Review		
Purpose	To provide a revised format for the Chief Executive Officer's Performance Review Survey for 2019/20.		

Meeting Date	3 February 2020	HPRM Reference	DOC/20/5450
Title	Chief Executive Officer's Performance Review Process and Timeframe		
Purpose	To provide a report that outlines the process for the Chief Executive Officer's Annual Performance Review.		

RELEASED

**Attachment 1 to Item 18.1****Attachment 1**

**CEO Performance Objectives** for the review period  
(as set by Council 6 October 2020)

The CEO's 8 specific performance targets (and the 4 internal components) as set out below are long term and could be carried forward until completion.

- 1.1. Create Town Centre –this precinct is in the heart of Mt Barker including the entrance to Mount Barker and the 'City Catalyst' project.
  - 1.2. Sporting and Recreation Facilities – Deliver upon agreed sporting and recreation facilities in a timely manner further aquatic centre development
  - 1.3. Revenue Generation – Leverage waste water treatment for financial benefit including use of recycled water to facilitate growing at Callington & Monarto
  - 1.4. Economic Development and Tourism – Focus on recovery outcomes and building resilience from bushfires and COVID-19 impact as it effects the local economy and specifically tourism
  - 1.5. Wealth Creation – Interface with government, facilitating Kings Baptist School, partnering with St Francis de Sales school,
  - 1.6. Community – Further build upon community spirit and initiatives e.g. community events and town square concepts
  - 1.7. Environment & Natural Assets –continue to build Council leaders in environment matters e.g. treated wastewater, renewable energy, increasing Council leadership in tree management.
  - 1.8. Foster Council's Leadership Values and Behaviours – 'being an authentic mentor', 'courageous' 'owning outcomes and 'acting with unity'
2. Internal components:
- 2.1. Discussing with the senior management team:
    - 2.1.1. development of financial reporting indicators and regular updates;

2.1.2. developing a program of performance management for staff and community surveys.

2.2. Further development and trialling of community engagement strategies e.g. Your Say on Council's website, and Town Planning engagement.

2.3. Review of Council's staffing and recruitment strategy in response to the organisation's current gender and age profiles. This should be considered in conjunction with the development of a succession Plan.

2.4. Implement a continuous improvement project to target a review of the Annual Business Plan performance measurement process (identified by the Audit and Risk Committee and endorsed by Council 3 June 2019).

RELEASED

Attachment 2 to Item 18.1



**MOUNT BARKER  
DISTRICT COUNCIL**

**Chief Executive Officer's  
Performance Review  
2021**

**Extracts Only from Dr Coonan's Report  
provided to the CEO Review Panel**

PREPARED FOR THE CEO'S REVIEW PANEL BY  
DR WAYNE COONAN CORPOR8SOLUTIONS



**EXECUTIVE SUMMARY:**

This is the fourth and final year of the tendered program for the annual 360-degree performance reviews of the Council's CEO. While this report will focus on the 2021 results it will also summarise the trends in the responses of participants and significant areas of progress across the four annual reviews.

Typically, three-hundred-and-sixty-degree performance reviews employ two main methods of data collection, namely surveys and interviews. The subsequent information collected using these methods, is based upon each respondent's perceptions of the performance under review and essentially all of the data collected using these methods is subjective.

It is a common finding of researchers using surveys and interviews to evaluate a performance, that in any sample of respondents, some will have a detailed knowledge of specific performances, others will have a general impression of the performance, while some will simply not have any meaningful knowledge of it. Moreover, only a few of all respondents will have a comprehensive and detailed knowledge of the subject's performance across all of their management roles. The result i.e., the evaluation of performance is not only subjective but is frequently based upon limited knowledge of specific aspects of the performance under review. Understanding the limitations of these methods, can make a significant contribution to the veracity of a performance review, especially when they are used in combination with more objective or evidence-based methodologies.

As was the case for the 2018 and 2019 reviews of the performance of Council's CEO, the 2021 review involved the same range of methods selected from a hierarchy of methodologies that are commonly used to evaluate managerial performance. The rationale behind the concept of the hierarchy is that the results collected using some of these methods, provide more reliable data than others. The methods in the top section of the hierarchy include those that provide the most objective, measurable, valid and reliable evidence. In comparison, the results from those methods further down the hierarchy employ less reliable sources of evidence, largely based upon subjective information. These methods should, therefore, have a greater probability of accurately evaluating the level of the range of managerial performances being investigated. It is also important to understand the variability that the different methods have upon their respective capacity to accurately predict actual performance. This information is critical in determining the weighting, or importance, that should be applied when interpreting the results obtained by these various methods. It is generally accepted that more objective methods have a greater probability of providing an accurate measure of the performances under review. Consequently, these annual reviews included an Audit of documented evidence of Council's performance in the delivery of its various projects and services. The Audit was used in conjunction with the surveys. These methods are fully detailed in the Methodology Section (p9).

The Audit process employed in this review, is similar to that used in quality accreditation audits. Each involved reviewing several high-level Council reports related to the Council's performance and Council's financial status. The Audits have also included several benchmarking reports, including Price Waterhouse Coopers (PWC's) *'The Australian LG Performance Excellence Program FY18'* and a

comparative analysis benchmarking Council's performance with a selection of 'like' councils. The Audit also examined periodic reports of reviews that included the results of various Customer Satisfaction Surveys conducted both independently also internally for Council when available. The overall audit results have provided a comprehensive evaluation of the CEO's leadership and managerial performance, including the outcomes of his Key Performance Projects. The outcomes of each Audit were then considered in conjunction with the surveys and interviews of the CEO's Direct Report Staff, key contacts, and Elected Members. The order of presentation of the following summary of results is structured according to that hierarchy.

#### **Summary of Results:**

##### **The 'Audit'**

The 'Audit' process which is detailed later in the report (p51), examined an extensive range of documented evidence covering the major metrics of organisational effectiveness in Local Government. These documents ranged from internal reports, local benchmarking studies, to the national PWC report previously mentioned. The totality of this benchmarking information was impressive and provided substantial confirmation that the CEO had strategically engaged Council in a rigorous programme of internal and external evaluation of its performance over this four-year period. The scope of the external benchmarking over the four-year period included a national high-level review conducted by Price Waterhouse Coopers and a range of local reviews involving selected South Australian Council's. Much of the latter benchmarking was the result of an LGA cooperative group of Finance Managers, largely driven by this Council's specialist team. Additional primary sources of the audit included reports of project outcomes and of Council's financial operations and performance in service delivery. Collectively, the range of materials related to the audit, provided a compelling source of information to support the argument that the CEO has successfully managed the key performance areas assigned to him.

##### **Comparative Analysis**

The following tables are based upon the results of recent comparative analyses involving 'like' Councils. They were developed by Council staff as part of the CEO's benchmarking process. It indicates results for a range of key performance metrics over the period 2012 to 2020 including:

- Population/Rateable Properties (Residential and Non-Residential)/Staff (FTE's)/Total Operating Revenue/  
Total Operating Expenditure and Capital Expenditure
- Rate Revenue
- Expenditure
- Employee Costs/FTE's/as percentage of Operating Expenditure/FTE's per 1000 population
- FTE's per Service Area

The comparative data compiled over the four-year period (2018-2021) is extremely rich in terms of diagnostic information and as a source of potential improvement projects. The data reflects a Council that is operating efficiently and effectively when benchmarked against its seven (7) 'like' peers. This efficiency is illustrated by many of the metrics listed in the tables. The results are particularly meritorious, given the operational demands upon Council's resources to deliver services in an area with the greatest growth-related demands. Throughout the four-year period the District Council of Mt Barker (DCMB) operate cost effectively and with fewer staff per capita

compared to its peers. When the comparative data was coupled with the results of previous Customer Satisfaction Surveys, it suggested that Council was not only providing cost effective services but does so at a level of quality that is well rated by the community, especially in terms of the balance between value and expenditure.

The data confirms that Council has the second largest population amongst its comparison group and that the operating revenue and expenditure levels are relatively conservative in comparison to its immediate peers; especially when population is taken into consideration, Council also has the lowest ratio of full-time equivalent staff (FTE's) /1000 residents. Council has a marginally higher employee cost as a percentage of Operating Expenditure. However, this difference is relatively marginal, and reflects Council's focus on quality appointments, which allows it to operate with the lowest ratio of FT's/1000 residents in a rapidly expanding area.

Even without adjustment for population or the number of rateable properties, Council has the lowest employee costs as a percentage of Budget and has the second lowest rate revenue per capita amongst its immediate peers and the fourth lowest rate revenue per rateable property. Whilst Council has the second highest residential property rate and sits third in terms of the non-residential property rate, these figures largely reflect the differences in the valuations of housing stock and the relative levels of development of the respective business precincts and related commercial property values within the comparison group. The fact that these comparative figures have remained constant throughout the four-year period is further confirmation that the Council is well served by the CEO and his Management Team and staff.

**Table 1: 2021 Comparative Analysis of DCMB Performance Metrics:**

Information Sources:

Data from The District Council of Mt Barker 'Comparative review'.

Benchmark data based upon Grants Commission Data, Council Strategic Plans and Council Annual Business Plans

and 'The Australian LG Performance Excellence Program FY17', PWC 15<sup>TH</sup> December 2017.

Australian LG Performance Excellence Program FY18', PWC 15<sup>TH</sup> December 2018.

Area of comparison	Rating	MT Barker	Adelaide Hills	Alexandrina	Barossa	Gawler	Murray Bridge	Light
<b>Overview</b>								
Population	2/7	37,744	40,162	27,878	25,245	25,718	22,847	15,339
Roads Km	6/7	799	1,020	1,389	983	208	978	1,456
Income (Op/rev)	1/7	\$50,21m	\$46.62m	\$48.74m	\$38.18m	\$30.19m	\$30.22m	\$25.07m
<b>Employee Costs</b>								
Total FTE's	3/7	163*	186	197	133**	127	195	94
FTE's/1000 residents	7/7	4.32*	4.63	7.07	5.27**	5.14	8.54	6.06
Opex per FTE (\$)	1/7	\$300,436*	\$254,333	\$245,142	\$283,188**	\$239,748	\$200,144	\$251,234
Ave FTE cost	2/7	\$96,853*	\$93,728	\$84,792	\$105,915	\$86,299	\$88,441	\$92,564
Rateable props/FTE	1/7	107,88*	95.94	94.85	991.446.55**	91.44	62.44	85.27
Employee cost % Opex Budget	7/7	33.24%*	34.50%	34.59%	37.08%**	3638.%	44.19%	38.%

Area of comparison	Rating	MT Barker	Adelaide Hills	Alexandrina	Barossa	Gawler	Murray Bridge	Light
<b>Rate Revenue</b>								
Total rateable props	3/7	17,573	17,844	<b>18,685</b>	12,841	11,613	12,030	7,871
Rate revenue/Capita*	5/7	\$1,330	\$1,181	<b>\$1,748</b>	\$1,552	\$1,221	\$1,717	\$1,617
Rate revenue/Rateable property	4/7	\$2,857	\$2,613	\$2,608	\$3,051	\$2,600	<b>\$3,258</b>	\$3,184
Rate revenue/Residential property	<b>3/7</b>	\$1,957	<b>\$2,141</b>	\$1,966	\$1,775	\$1,915	\$1,840	\$1,797
<b>Operating Expenses</b>								
Opex/Capita	7/7	\$1,297	<b>\$1,224</b>	<b>\$1,732</b>	\$1,492	\$1,232	\$1,708	\$1,420
Opex/Rateable prop	4/7	\$2,787	\$2,755	\$2,585	\$2,933	\$2,622	<b>\$3,242</b>	\$3,000

**Table 2 Internal Changes 2012 To 2018**

2.7%	2012	2014	2016	2018	2020	% Change	%Change/ Yr
Population	31,011	31,950	33,117	35,545	37,744	21.71%	2.7%
Staff FTE's	132	148	151	161	163	23.48%	2.9%
Operating Revenue	\$34,450m	\$36,733m	\$39,707m	\$46,201m	\$50,214m	45.76%	5.7%
Operating Expenditure	\$34,277m	\$36,819m	\$39,102m	\$44,540	\$48,971m	42.87%	5.3%
Opex/Capita	\$1,105	\$1,152	\$1,181	\$1,253	\$1,297	17.38%	2.2%
Opex/Rateable prop	\$2,291	\$2,386	\$2,498	\$2,680	\$2,787	21.62%	2.7%
Opex/FTE	\$259,674	\$248,777	\$258,954	\$276,646	\$300,438	15.70%	1.96%

The figures above outline several key internal changes over the 8-year comparison period 2012-2020. These suggest that increases in Council's revenue have been largely below or in line with the combined cost impacts from a modest rise in the CPI, and large increases in utility prices and recent increases in the cost of waste management. While this poses a difficult balance to maintain in such a rapidly growing area, the fact that customer satisfaction levels remain positive, is a strong endorsement of Council's combined management, involving both CEO and Elected Members.

The results from the **2017** PWC annual review 'The Australasian Local Government Performance Excellence Program FY18' provided a valuable comparative analysis of Council's performance across a range of important metrics for Local Government, including Councils from Australia and New Zealand. In broad terms it indicated that Council had performed well relative to its peers in terms of the scope, efficiency and effectiveness of its operations. It also provided valuable data to complement the findings of the successive 360-degree surveys.

The audit results are an objective measure of Council's performance and the quality of leadership provide by the CEO. These comprehensive audit results have provided additional credence given the excellent results of the successive surveys of respondents from the CEO's Direct Report Staff, Key Contacts and Elected Members. The resulting overall levels of 'Excellent Performance', have remained consistent across each of the annual surveys.

Discussions with the CEO, during the Audit process indicated his awareness of issues that were later raised by respondents in the subsequent surveys. Several of these issues related to potential improvements to be considered in areas related to staffing and performance. More importantly, the audit section of each report, contained details of a range of strategies developed by the CEO in response to those issues. At the time the respective audits were conducted, many of these strategies were either underway or in advanced stages of planning. This indicated that the CEO's awareness had already progressed into strategic actions. This was a consistent finding across the reviews.

#### Overview of Survey Results

Across the four years the survey results have recorded a high level of satisfaction with the CEO's performance in managing the Council's operations. As illustrated in Table 3 the 2021 responses from Elected Members and the Direct Report Staff to the CEO are strongly congruent with those of the previous reviews and, despite slightly different protocols, to other earlier reviews, throughout the period. Responses were predominately allocated within the excellent spectrum of the response options (Outstanding to Excellent Performance).

**Table 3: 2021 Averaged Results for Section A - F:**

Section	1. Overall Rating/ Section 2021
Section A – CEO's Leadership Skills	Excellent
Section B – CEO's Planning Capacity	Excellent
Section C – CEO's Corporate Management Capacity	Excellent
Section D – CEO's Financial Management Capacity	Excellent
Section E – CEO's Operational Management Capacity	Excellent
Section F – CEO's Specific Performance Targets	Excellent

**Section's A to E** focus on the impact of the **CEO's management** in the general areas of '**Leadership**', '**Planning**' and '**Financial, Operational**' and '**Organisational**' management. While these results reflect upon the CEO's direct influence on staff, Elected Members, Council's operations, and service delivery, they are essentially a reflection of how his leadership is transmitted by his managers, management structure to staff and ultimately Elected Members and Community/Clients.

**Section F**, however, is focussed on a range of **significant, current priority projects** and **outcomes**. These were specifically identified by Council as personal performance priorities for the CEO. As such the 'Issues' in Section F are arguably those of highest priority for Council and those for which the CEO is most personally accountable. The issues in Section F were consequently also a strong focus for the Audit process.

**In the 2021 Survey, Section F** included eleven (11) key performance indicators, of which seven (7) received ‘**Excellent**’ (E) ratings – resulting in an **overall rating**, of ‘**Excellent**’ for the section.

The results from the other **Sections (A to E)** are also indicative of a very high standard of satisfaction, with **each Section** also achieving an **overall Excellent rating**.

Unsurprisingly, with the **overall results rated as Excellent**, there were no issues that received an ‘Unacceptable Performance’ rating. While there were thirteen (13) issues that received a ‘Major Shortcoming’ rating, eleven (11) were from a single respondent. The other two (2) issues each involved 2 respondents.

These results are consistent the relatively few ratings of any ‘Major Shortcomings’ or ‘Unacceptable Performance’ cited within the previous surveys. In the 2021 review, across the 60 issues evaluated, only two involved more than a single respondent selecting a negative rating. While negative ratings are valued, for their potential to provide feedback to assist improvement projects, they need to be put into perspective. Across all surveys (2018-2021), the negative responses were in stark contrast to the perceptions of most respondents and the evidence from the audits. Though they were rare, these negative responses are respected as genuinely held perceptions by those respondents who allocated the ratings. However, they need to be interpreted within the context of the overall ratings.

Negative ratings can be a valuable source of information as they help highlight opportunities for improvement. These negative responses will be included in the debriefing discussions with the CEO to be considered in selecting and designing future improvement projects.

#### **Debriefing:**

In keeping with Council’s commitment to the principles of ‘Continuous Improvement’(CI), the results of each survey were discussed in detail with the CEO during the debriefing discussions. Andrew’s approach to each debriefing was consistent. The discussions were robust and Andrew openly embraced the opportunities for both personal and organisational improvement identified in the reviews. During the debriefing and within the audit process it became obvious that Andrew was aware of many of the issues raised by respondents and had already given thought to related improvement strategies. As with the previous surveys, several of the CEO’s Specific Performance Targets involve iterations of long-term projects and should be carried over into future reviews until completion.

It is reassuring that the results of the 2021 performance review continue to reflect the findings of the previous reviews. Despite the obvious differences in the methodologies employed pre 2018 and in 2020, the results illustrate a consistency by Andrew to deliver quality leadership to Council. The Elected Members, residents and the CEO should be encouraged by these results.

#### **Summary:**

The overall ‘**Excellent**’ ratings of the CEO’s performance detailed in the successive surveys are supported by the comprehensive documentation reviewed in the audit process and detailed in the audit section of this report (p51).



**BACKGROUND:**

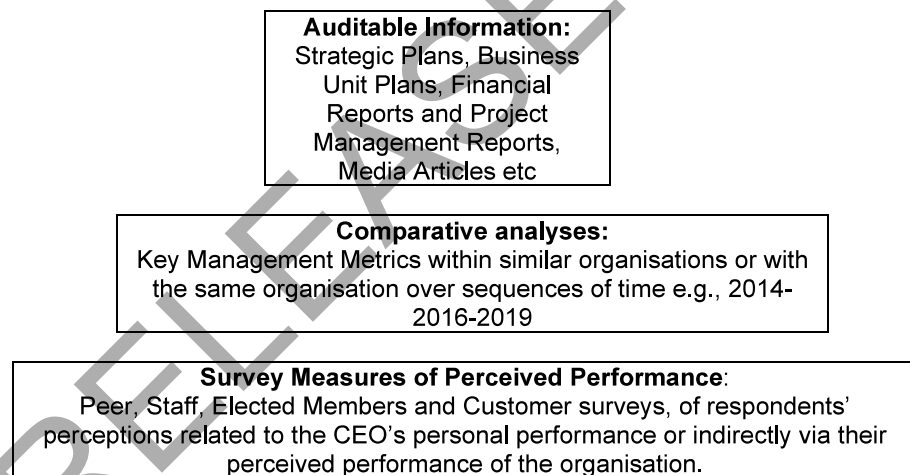
In 2018 Dr Coonan (Corpor8solutions) was appointed as the consultant to assist the Chief Executive Officer's Review Panel (Panel) to undertake a performance review for the Chief Executive Officer. This was in accordance with the terms and conditions of the Chief Executive Officer's Contract of Employment and Pursuant to Section 41 of the Local Government Act 1999. The Local Government Act 1999 requires the Council to carry out an annual review of the CEO's performance and to establish a Panel to be known as the Chief Executive Officer's Performance Review Panel to facilitate the review.

**Methodology in Perspective:**

There is a hierarchy amongst the methods that are generally used to evaluate the performance of CEO's, the order of which is based upon the reliability and validity of the evidence developed by the various methods. Within this hierarchy the most accurate indicator of the quality of managerial performance is obtained from direct measurements of the outcomes related to the various roles of the CEO.

**Figure 1: Methodological Hierarchy:**

The following figure illustrates this methodological hierarchy:



The methods at the **top of the hierarchy, are evidence based** and are typically capable of auditing by employing measures of performance which have, or can be, subject to critical review. Examples include, Strategic Plans, Business Unit Plans, Project Management Reports (completed and interim), Audit Committee Reports and Annual Reports.

The **intermediate level (also evidence based)** may include options such as comparative analyses of key management metrics. These comparisons can either be with similar organisations or can involve serial measurements over time, within the same organisation.

The **next level usually involves various forms of peer, staff and or customer surveys**. In the case of three hundred and sixty-degree (360) CEO reviews, this can also include a self-analysis involving completion of the survey by the incumbent or general reflections during the debriefing. In all cases, the **results measure**

**respondents' perceptions of performance.** The most credible of those results, are from those respondents who have direct experience of the CEO's performance in the specific areas being assessed. However, the role of the CEO is diverse, and many aspects of the role are either not known by some respondents, or if known by them, their perceptions are often based upon a few and often infrequent observations.

Consequently, many survey-based responses are heavily biased upon perceptions of, rather than direct exposure to, actual performance. It is also common for many respondents, especially newly elected Members to have little experience of some services or issues being evaluated.

In the illustration in fig 1 above, each descending level of the hierarchy, involves a less direct method of evaluation with a subsequent increase in the number of variables capable of degrading the reliability and validity of the data and any subsequent conclusions based upon it.

Nevertheless, any of the methods included within the hierarchy of options can provide valuable information to assist a review of performance; especially when the results are evaluated in context with a range of other options.

As an example, information from the surveys used within this review has provided a valuable means to measure perceptions of performance by various groups e.g., Elected Members, Direct Report Staff and CEO. These perceptions can be then compared with the more evidence-based information and that information can provide opportunities to **evaluate gaps** that might exist between actual measures of performance and perceptions of the performance. That feedback to the CEO can be valuable in assisting the development of strategies to remediate issues related to any gaps or misconceptions that the Survey results might have identified.

#### **Four linked Reviews:**

Over the four-year period the reviews employed an agreed methodology which included a range of methods from each level of the hierarchy of options mentioned above. These methods included the Audit, which included various documents and reports, a comparative analysis of Council's performance, results of the Council's Customer Satisfaction Survey (when applicable), in conjunction with the surveys of Direct Report Staff and Elected Members. The 2021 Audit process and content is fully documented in the section of the report beginning on p51.

The methodology and components of the review process was initially approved within the tender process. Each successive year it was reviewed at meetings with the Consultant and the Performance Review Panel. While the protocol employed remained constant minor changes were negotiated with the respective group of Panel members. As a result, of the unexpected impact of the COVID Pandemic and the tragic Bushfires In 2020 it was agreed that a modified version of the Performance Review would be adopted to measure the impact of these events and the perceptions of how the issues were managed by Council and the CEO.

The approved annual review process involved the Consultant:

- Meeting with the Performance Review Panel, participating as an equal Committee member and being responsible for the provision of professional advice and support.



- Conducting a survey of all Elected Members and Direct Report Staff and Key Contacts of the CEO.
- Conducting personal interviews with all Elected Members and Direct Report Staff, if requested (involved phone links).
- Conducting an audit of the CEO's key performance priorities.
- Providing the Panel with a report of the results of the survey, interviews, and the audit.
- Assisting the Panel with the preparation of the final Report together with any recommendations arising from it.
- Assisting the Panel with the remuneration review and preparation of the final Report for Council.

**Components of the Performance Review:**

As indicated above, the 2021 CEO's performance review incorporated three components:

1. An online or hard copy survey of eleven (11) Elected Members, five (5) Direct Report Staff to the CEO,
2. Optional interviews with Elected Members, Direct Report Staff to the CEO (option was not requested).
3. An audit of the CEO's KPI's agreed between the CEO and the Panel following the previous review. The audit also included a comparative analysis with like Councils.

**SURVEY RESULTS:****Introduction to the Surveys:**

Respondents in each of the surveys were invited to participate, however, the choice to do so was voluntary. The response rates across the four years ranged from 80% to 69%. The response rate for the 2021 survey was sixty nine percent (69%). Of the sixteen (16) potential respondents invited to participate, one Elected Member and one Direct Report staff member declined the survey. Of the remaining fourteen (14) invited to participate, eleven (11) responded. Seven (7) of these were Elected Members i.e., representing 64% of Elected Members. The four (4) remaining respondents were Direct Reports, representing 80% of that cohort. Three (3) Elected Members did not participate. No reasons were given and there may have been extenuating circumstances for their non-participation. However, while we can't compel people to participate the CEO's review is a significant opportunity for Elected Members and Senior Staff to provide feedback to guide the CEO's leadership of Council Operations. The conduct of an annual CEO's Performance Review is a mandated requirement tasked to all Councils. While it should be an obligatory role for all Elected Members it also provides them an opportunity to influence the CEO's leadership and management of Council.

The 2021 Survey consisted of the same six (6) Sections as the previous surveys, covering the major areas of the CEO's managerial roles. These sections included specific Issues taken directly from the CEO's Contract of Employment, his Job and Person Specifications and several priority targets, mutually agreed between the CEO and the Panel.

The six Sections of the Survey cover the scope of the CEO's areas of Management:

- Section A – CEO's General Management Leadership Skills (14 items)
- Section B – CEO's Planning Capacity (4 items)
- Section C – CEO's Corporate Management Capacity (12 items)

Section D – CEO's Financial Management Capacity (10 items)  
Section E – CEO's Operational Management Capacity (9) items  
Section F – CEO's Specific Priority Targets from last review (11 items) The number of items in Section F can be varied for each review, by mutual agreement between the CEO and the Panel.

Of the six Sections referred to above, four were related to areas of the CEO's managerial performance more directly involving staff. The CEO's performance regarding these 'Issues' was therefore deemed unlikely to have been readily observable and therefore not well known by all of the Elected Members. To limit the potential for a high number of 'Don't Know' responses, in (2018) two linked versions of the survey were developed, one for Elected Members and one for Direct Report Staff and Key Contacts (Direct Reports) to the CEO. The initial use of tailored surveys for each cohort achieved its intended purpose. However, ultimately, the advantages of using tailored surveys for each cohort with a small number of potential respondents was considered insufficient to justify their continued use.

Consequently, in 2021, the survey reverted to a single version, but retained the capability to differentiate the responses of Elected Members and Direct Report Staff. The latter was done to enhance the specificity of the feedback provided to the CEO as each cohort tends to experience a different subset of the CEO's scope of management skills and are generally better placed to provide critical feedback to the CEO about his performance in those areas

In terms of the data analysis, the 'Don't Know' responses are removed from the calculations of the percentages attributed to the remaining five responses allocated to each issue. This provides a more accurate reflection of respondents' perceptions of the CEO's performance. However, the 'Don't Know' response rate is included in the debriefing session with the CEO as it is often a good indicator of areas that may warrant more communication and, or exposure to the Elected Members and Direct Report staff.

#### **Summary and Overview of Results:**

The detailed survey responses for each of the sixty items are presented later in this report and continue to indicate positive perceptions of the CEO's leadership (note the number of issues in Section F can vary at each review). The other issues in Sections A to E remained constant for the four-year period, except for the modified approach taken in 2020.

**Table 4:** Lists the six Survey Sections and summaries of the following:

1. The **Overall (aggregated) rating** for each Section; based on the dominant rating i.e., the rating gaining 50% or more of respondent support, across all issues within that Section.
2. The **range of responses** (shown as the lowest to the highest) percentages of the total of all positive responses i.e., in the '**Outstanding to Competent**' (O-C) categories i.e., the 'Competent' responses, designated 'C' and
3. The **range of responses in the 'Outstanding to Excellent' (O-E) categories** i.e., the 'Excellent' responses, designated 'E' and
4. The **number of items rated in each of the category's - O-E, C, M/S or U/P**, within each section for 2018.

5. The number of items rated in each of the category's - O-E, C, M/S or U/P, within each section for 2019.
6. The number of items rated in each of the category's - O-E, C, M/S or U/P, within each section for 2021.
7. The **Overall Survey rating** based on the aggregation of Sectional ratings for 2021.

**Table 4: Overall Results and Results by Section:**

Section	1. Overall Rating/ Section 2021	2. Range Outstanding to Competent (O-C) performance 2021	3. Range Outstanding to Excellent (O-E) performance 2021	4. Items per Overall Rating 2018	5. Items per Overall Rating 2019	6 Items per Overall Rating 2021
Section A – CEO's Leadership Skills	Excellent	(81% -100%) *	(36% -82%) *	(9 O-E: 5 C)	(11 O-E: 3C) *	(8-O-E:6 C)
Section B – CEO's Planning Capacity	Excellent	(100%) *	(67% -73%) *	(4-O-E:0 C)	(4 O-E:0 C)	(4 O-E:0 C)
Section C – CEO's Corporate Management Capacity	Excellent	(91% -100%)	(54% -87%) *	(12-O-E:0 C)	(12 O-E:0-C)	(12 O-E:0 C)
Section D – CEO's Financial Management Capacity	Excellent	(100%) *	(60% -90%) *	(8-O-E:2 C)	(10 O-E:0-C) *	(10 O-E:0 C) *
Section E – CEO's Operational Management Capacity	Excellent	(91% -100%) *	(36% -82%) *	(7 O-E:2 C)	(9 O-E:0-C) *	(7 O-E:2 C) *
Section F – CEO's Specific Performance Targets	Excellent	(82% -100%)	(18 % -73%)	(5 O-E: 3 C)	(8 O-E: 0-C) *	(7 O-E: :4 C)
<b>7. Overall rating for the Survey</b>	<b>Excellent</b>			<b>Excellent</b>	<b>Excellent</b>	<b>Excellent</b>

**In all six Sections, the CEO achieved 'excellent' ratings;** a commendable result, which is consistent with those from the previous reviews. The overall rating for each Section is based on the ratings given to the fifty-seven to sixty\* (57-60) individual 'Issues' within the respective Sections. For a Section to be rated as 'Excellent' a predominant number of 'Issues' (i.e., 50% plus) rated within the 'Outstanding' to 'Excellent' categories. Likewise, for a Section to be rated as 'Competent' a predominant number of 'Issues' would have to be rated within the 'Competent' category. \* There were 60 'issues' in the 2021 survey as Section F was expanded to 11 'Issues'.

The aggregation of Outstanding and Excellent responses into an overall category labelled Excellent plays down the value of any 'Outstanding' responses and produces a more conservative evaluation. A more accurate measure of respondents' perceptions of the CEO's 'Excellent' performance rating often lies somewhere between 'Excellent' and 'Outstanding'.

In **Section A** in the table above, column 6 records eight (8) out of fourteen (14) 'Issues' were rated Excellent (O-E) and the remaining six (6) were rated Competent (C). Consequently, the predominant and overall rating for Section A was Excellent. For the fourteen (14) 'Issues' in the Section, the percentages of 'Excellent' ratings ranged from 36% up to 82% indicating that the lowest percentage of respondents allocating an Excellent rating for an 'Issue' in Section A was 36% and the highest was supported by 82%. The combined percentages of positive ratings e.g., 'Outstanding' to 'Competent', ranged from 81% to 100%. All six (6) sections recorded overall 'Excellent' ratings. This is an impressive result given that previous results for all six sections were already in the 'Excellent' range and following the recent Local Government elections the composition of the respondents changed with newly Elected Members joining Council.

**Comparisons with previous Reviews:**

Between reviews, there are often changes in the composition of the Elected Members and Direct Report Staff involved. Additionally, there are often differences in the issues selected for inclusion in Section F of the review and any changes in the socio-political climate also have the potential to influence the perceptions of the respondents. This was the case for the respondents in the 2019 review presumably because of the recent election. However, the previous issues in Section F were on going and mainly involved iterations of the same key performance indicators and projects. Any of these changes can have an impact on the respondents' ratings of the CEO's performance. This highlights the importance that any interpretations based upon comparing the results of serial reviews, should be carried out with caution. This is especially important in circumstances where the elements of change are substantial.

From a professional development perspective, there can be some value in comparing current results with those from previous reviews despite these limitations. Serial comparisons are not a focus of this review, because the pre and post 2018 protocols are significantly different. However, as a common protocol was agreed as part of the tender process, it allows the option for serial comparisons to be included from the 2018 review up to and including 2021. However, the levels of confidence that can be attributed to any conclusions derived from serial comparisons should always be balanced against the inherent limitations involved.

Notwithstanding the substantial differences in the protocols employed between this and any pre 2018 reviews, they reflect substantially consistent results.

**The Value of Negative Ratings:**

Negative ratings, e.g., 'Major Shortcomings' even where they are made by a very small number of respondents across these reviews, can be useful in identifying potential areas both organisational improvement, and the CEO's professional development.

The following **Table 5** is retained to provide some perspective regarding the number of the negative ratings and the areas of related managerial performance. The table lists the six (6) 'Sections' of the survey, the 'Overall Rating' and the number of 'Issues' in each section where two or more respondents rated the outcome as a 'Major Shortcoming'.

In this 2019 review, none of the fifty-seven 'Issues' elicited more than a single 'negative' response. This was a slightly improved result to the 2018 review. In the 2021 review, there were sixty 'Issues' of which fourteen (14) produced negative responses. All but two were single responses and the remaining two each had two respondents. As in the previous surveys those, fourteen (14) came largely from one respondent. In each case, the negative responses were at variance to the views of most other respondents. This variance can be seen in the detailed survey results, which are covered later in the report and contain the full range of responses to each of the fifty-seven 'Issues' (There were 60 'Issues' in 2021 Survey due to increase to 11 items in Section F).

**Table 5: Issues which resulted in 2 or more respondents rating the management performance as a 'Major Shortcomings' (this was the initial baseline set in 2018).**

Section	Overall Rating 2021	Major Shortcoming (items with 2/>2 respondents)
Section A – CEO's General Management Leadership Skills	<b>Excellent</b> (8E: 6C)	<b>one</b> out of 14 items*
Section B – CEO's Planning Capacity	<b>Excellent</b> (4E:0C)	<b>zero</b> out of 4 items*
Section C – CEO's Corporate Management Capacity	<b>Excellent</b> (12E:0C)	<b>zero</b> out of 12 items*
Section D – CEO's Financial Management Capacity	<b>Excellent</b> (10E: 0C)	<b>zero</b> out of 10 items*
Section E – CEO's Operational Management Capacity	<b>Excellent</b> (7E: 2C)	<b>zero</b> out of 9 items*
Section F – CEO's Specific Performance Targets	<b>Excellent</b> (7E: 4C)	<b>one</b> out of 11 items*

In Best Practice organisations, performance appraisals are frequently referred to as personal development reviews. This terminology is deliberately employed to emphasise that the intended focus of the review process is to assist the professional development of those being reviewed. **The Feedback Section of the survey results is largely a review of the general results and only of specific value to the CEO.** Based on comments from previous Panels this section was not required in the Panel's report. Instead, the details will be covered by the consultant with **the CEO within** the debriefing process.

In this and the previous reviews, the percentage of survey respondents that selected the 'Major Shortcoming' 'Unacceptable Performance' options, was very low. However, given the professional development focus of this process, it is recommended that the CEO considers all the 'Issues' raised in the review, including the negative ones, as potential opportunities for professional and organisational improvement. This approach remains consistent with the Council's support for the Business Excellence Framework (BEF) and its central concepts of 'Continuous Improvement (CI) and 'Benchmarking'. The same recommendation also applies to the comments provided by respondents that were associated with the negative ratings.

While the number of critical or negative responses in this review remained small, as in the previous reviews, they will remain, clearly identified within each of the tables and graphs provided to the CEO during the debriefing process.



**MOUNT BARKER**  
**DISTRICT COUNCIL**

**CEO PERFORMANCE REVIEW**  
**AUDIT RESULTS**

RELEASED

**AUDIT REPORT:**

**The inclusion of the Audit was designed to provide a balance of objective evidence related to the CEO's performance.** The protocols used to select audit documents are similar to those employed in the accreditation audits of all major quality systems.

Consequently, this audit sought high level documents as sources of evidence to verify the CEO's performance. High level documents refer to any document that has been presented as part of Council's formal reporting processes. These documents can range from major statutory, financial and project reports to internal newsletters or other materials, including PowerPoint presentations and media articles tabled at Council meetings.

The selected documents, cited in the audit, cover the CEO's major management related KPI's derived from his Contract and Position Statement.

The **strategic** performance objectives in Section F are essentially long term in nature and are generally related to major projects. Consequently, projects will be carried over into future annual reviews. These reviews will report on successive iterations of these projects until their completion, when they will be replaced by new objectives. All of the strategic performance objectives in Section F for this review were in progress but have not yet been subject to this Audit process. As has been the practice to date, these issues will be included in the 2022 Audit.

As with the previous audits, the documentation that was available for review in this Audit was impressive in terms its volume, scope, and the quality of the information it provided. The cited documents are subsequently too extensive to attach in hard copy.

To facilitate access to the related documentation for the Panel members, the following information is presented by:

- **Topic** e.g., **Leadership and Staff Development**,
- Followed by **Comments** where appropriate,
- **E-Links** to the document on Council's website,
- **Item and Page references** where appropriate.

Much of the documentation cited, is project or report focussed and relates to more than a single area of managerial competence. As an example, a well conducted project or a strategic or a long-term financial plan, may provide evidence of quality leadership as well as evidence that a strategic performance target has been completed. However, to avoid unnecessary duplication, wherever possible, the e-links to the source documents have been included under the most suitable topic.

**Previous Audits (a summary of key issues from 2018, 2019 and 2020)****Leadership And Staff Development – Section A:**

Council's CEO has led the development of an extensive network of key Government, NGO and Corporate contacts. He has established excellent relationships as can be seen from the comments provided by his key external contacts in the 360-degree surveys. Mount Barker has a reputation as a progressive Council, a Council that keeps its 'eyes on the ball' and a leader in approaching opportunities proactively.



The CEO's leadership related initiatives include the establishment and continuation of the:

- Corporate Governance Group
- Leadership Group meets bi-monthly
- Staff Leadership program
- Emerging Leaders program
- Administrative Excellence Group
- Strategic Development group
- Mentor Month
- CEO's membership and leadership role in the LG Chief Officers Group (an Association of 80 plus CEO's from Australian and New Zealand) Responsible for the professional development of its members and staff; including organising and contributing to the Association's Conferences for CEO's and also their Executive Assistants.
- CEO's broader contribution to sector wide professional development through articles to 'LG Professionals' Newsletter.'
- Council's inclusion in the Australian LG Performance Excellence Program an Australian- New Zealand benchmarking project conducted by PWC for the Local Government Professional and including data from 156 councils.
- CEO's establishment of the Developer Contributions Plans
- **New Award:** The CEO was awarded the Public Sector Award from the Urban Development Institute of Australia (UDIA) – see attachment **Appendix 3**

**Local Government Reform Input:** - 6 August 2018 – page 72

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%206%20August%202018.pdf>

**Local Government Reform input:** – 21 January 2019 – page 84

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%2021%20January%202019.pdf>

**Corporate Management:**

**Awards**

- The Adelaide Hills Visitor Information Centre in Hahndorf won a state Visitor Centre award for excellence in innovation and collaboration due to the work they do in assisting more than 50,000 visitors each year.
- Council trainee won Maxima Business Trainee of the Year Award and is one of two finalists in the SA Training Award
- Introduction of a single social media Facebook site for Council (previously there were 2 separate sites for particular departments)
- <https://www.facebook.com/mountbarkercouncil>

**Planning Section B:**

Evidence of the CEO's Planning initiatives include development or ongoing developments of:

- Council's Environmental Plan
- Council's Township Plan e.g. The Hahndorf component which involved extensive Community/Council involvement.
- Developer Contribution Plans.
- Recognition and Awards for Council's projects (refer below).
- Wastewater projects
- Aquatics developments
- Sports Hub developments



**Corporate Management– Section C:  
(Communication, Staff Development, Mentoring and Commitment to Performance Excellence)**

- The adoption of 'Tricker's Model' for communication regarding, monitoring and reporting of Council's activities and projects, both internal and external (joint ventures). This process is based on the work of Professor Robert Tricker. It has resulted in higher quality reporting and the further development of high-quality staff.
- The Council's corporate structure progressively and constantly evolves to meet expectations. A senior staff member who has extensive local government experience and recently re-joined Mt Barker Council after 10 years elsewhere in other Local Government, provided unsolicited feedback about how progressive this Council was and credited the CEO for Council having some of the best professional systems available in the LG Sector.
- The CEO has engaged Council in a number of major **Local Government benchmarking** activities.
  - At a national level (plus New Zealand) as part of 'The Australian LG Performance Excellence Program FY18.
  - Locally through the involvement in the Administrative Excellence Group; Finance Managers Group.
  - Internal Benchmarking review with selected peer group (like) Councils based upon Grants Commission Database Reports

**Meadows Township Plan for Consultation – 3 June 2019 – Page 46**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/06-03%20June%202019%20Agenda.pdf>

**Township Lead Strategy – 4 February 2019 – page 40**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%204%20February%202019%20L.pdf>

**Unsolicited Bids Policy - 4 February 2019 – page 57**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%204%20February%202019%20L.pdf>

**Nairne Village Green – 1 April 2019 – page 76**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%201%20April%202019.pdf>

**Asset Management Plans – 6 August 2018 – page 26**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%206%20August%202018.pdf>

**Finance – Section D:**

The following links include references to additional documentation regarding the CEO's Financial Management:

**Annual Business Plan** – Link to document attached

**Long Term Financial Plan** – endorsed 3 September 2018

<https://www.mountbarker.sa.gov.au/webdata/resources/files/Final%20Long%20Term%20Financial%20Plan%202018-2028pdf>

**Budget Review – 5 November 2018 – page 39**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%205%20November%202018%20print%20v2.pdf>

**Budget Review 4 February 2019 – page 18**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%204%20February%202019%20L.pdf>

**Budget Review 6 May 2019 – page 166**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%206%20May%202019.pdf>

**New Cash Debenture – 1 April 19 - page 106**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%201%20April%202019.pdf>

**Internal Audit:**

**Internal Audit Annual Report – 23 August 18 – page 6**

**Internal Audit on MDPA Land Division Process - page 34**

**Review of Internal Audit Program –page 60**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Audit%20Committee%20Agenda%2023%20August%202018.pdf>

**Internal Audit on Project Management – 18 April 2019 page 5**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Audit%20and%20Risk%20Committee%2018%20April%202019%20v2.pdf>

**Financial Reporting:**

**Draft Annual Business Plan – 2 July - page 104**

**Adoption of Fees and Charges – 2 July – page 202**

**Adoptions of Statement of Estimates – 2 July – page 230**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%202%20July%202018%20Print.pdf>

**Statutory Financial Statements – 25 October 2018 – page 6**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Audit%20Committee%20Agenda%2025%20October%202018%20P.pdf>

**External Audit Management Report – 6 December 2018 – page 31**

**Outstanding Sundry Debtors – 6 December – page 44**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Audit%20Committee%20Agenda%206%20December%202018.pdf>

**Outstanding Debt Receivables – 6 March – page 7**

**Outstanding Sundry Debtors – 6 March – page 16**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Audit%20and%20Risk%20Committee%206%20March%202019.pdf>

**Draft Annual Business Plan Rating Policy 23 May 2019 – page 6**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Audit%20and%20Risk%20Committee%20Special%2023%20May%202019.pdf>

**Investments and Borrowings – 25 October 2019 – page 69**

<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Audit%20Committee%20Agenda%2025%20October%202018%20P.pdf>

**Annual Business Plan Quarterly Performance Reporting****ABP Quarterly Report – 1<sup>st</sup> quarter - November 2018 – page 118**<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%205%20November%202018%20print%20v2.pdf>**ABP Quarterly report - - 2<sup>nd</sup> quarter – March 2019 – page 84**<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%204%20March%202019.pdf>**ABP Quarterly report - - 3<sup>rd</sup> quarter May 2019**<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Council%20Meeting%20Agenda%206%20May%202019.pdf>**Operational Management - Section E:**

Audit evidence indicates that:

- The CEO and staff are focussed on the planning and delivery of effective and efficient services to 'our' community.
- The CEO promotes a corporate approach to decision making based on a 'business case' discipline, whilst recognising that the Local Government objective is not for profit.
- The CEO promotes an integrated project management approach to key Council initiatives.

**Risks****Regional Risk Action Plan – 25 October 2018 – page 65**<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Audit%20Committee%20Agenda%2025%20October%202018%20P.pdf>**6 March 19 - 23**<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Audit%20and%20Risk%20Committee%206%20March%202019.pdf>**High and Strategic Risks – 6 December 2018 – page 48**<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Audit%20Committee%20Agenda%206%20December%202018.pdf>**18 April – page 55**<https://www.mountbarker.sa.gov.au/webdata/resources/minutesAgendas/Audit%20and%20Risk%20Committee%2018%20April%202019%20v2.pdf>

**2020-21 Audit****Addendum: Chief Executive Officer Key Performance Areas 6 October 2020**Performance Objectives

1. *The CEO's 8 specific performance targets (and the 4 internal components) are long term and as previously stated should be carried forward until completion.*

***a. Create Town Centre –this precinct is in the heart of Mt Barker including the entrance to Mount Barker and the 'City Catalyst' project***

- In the last 12 months the City Centre Catalyst Project Expression of interest process was finalized. A Heads of Agreement between Council & Burke Urban Investments has been completed.
- Council Report on Heads of Agreement– DOC/21/21511
- Signed Heads of Agreement Document – DOC/21/61817
- CCCP Development: Request for detailed proposals – DOC/20/146472
- Website: <https://www.mountbarker.sa.gov.au/council/news/latest-news/mount-barker-catalyst-project>

***b. Sporting and Recreation Facilities – Deliver upon agreed sporting and recreation facilities in a timely manner, further aquatic centre development***

- Summit Sport and Recreation Park constructed and activated for community use. Licence Agreements in place for Football SA and Hills Football League.
- Playgrounds and trails delivered in accordance with annual business plan.
- Award of the tender for the extension of the linear trail to the SSRP – refer council meeting item on 6 October 2020
- Construction of the extension of the linear trail to the SSRP – completed early 2021
- SSRP Stage 1 construction completed early 2021 and official opening held on 29 April 2021

***c. Revenue Generation – Leverage waste water treatment for financial benefit including use of recycled water to facilitate growing at Callington & Monarto***

- A grant has been obtained to build new recycled water storage in Callington. A number of customers are in negotiation with Council over future water use agreements which will see their productive use of land expand.
- Authority for commercial in confidence negotiations on recycled water quality, storage and use – refer council meeting item on 6 July 2020
- Endorsement of design phase for stage 1 upgrade of the wastewater treatment plant – refer council meeting item on 3 August 2020;
- Award of tender for north eastern sector (Mount Barker) sewer and recycled water infrastructure - refer council meeting item on 3 August 2020;
- Endorsement of numerous applications for grant funding – refer council meeting agenda items on 1 February 2021, 6 April 2021, 3 May 2021,
- Endorsement of the brief for the Wastewater Service Delivery Study and workshop participation – refer council meeting item on 7 September 2020;
- Determination of preferred location for recycled water storage facility - refer council meeting item on 6 October 2020
- Endorsement of procurement strategy for sewer main and inlet pump station project - refer council meeting item on 2 November 2020
- Endorsement of business case for the sewer main and inlet pump station project - refer council meeting item on 1 March 2021
- Consideration of the prudential report for the sewer main and inlet pump station project – refer council meeting items on 6 April 2021 and 3 May 2021
- Approval of proposed arrangements with the Samwell Family for the supply of recycled water - refer council meeting item on 3 May 2021
- Note and endorse revised long term financial modelling for wastewater/recycled water – refer council meeting item on 7 June 2021
- Approval of revised trade waste policy – refer council meeting item on 7 June 2021
- Endorsement of the Nairne Wastewater Infrastructure Upgrading Business Case – refer council meeting item on 7 June 2021

***d. Economic Development and Tourism – Focus on recovery outcomes and building resilience from bushfires and COVID-19 impact as it effects the local economy and specifically tourism***

- A large program of fire recovery works has been completed using fire funding in the Harrogate and Brukunga area. This included road repairs, tree management, revegetation, new trails, cemetery repairs, fire tanks and pumps and fencing. This culminated in a community event at the Harrogate Hall where community leaders were invited along to share in the success of the recovery efforts.
- Hahndorf Mainstreet Revitalisation Detailed Concept Endorsed and promoted to DIT regarding potential for integration into their \$250m Hahndorf traffic infrastructure upgrade project.

***e. Wealth Creation – Interface with government, facilitating Kings Baptist School, partnering with St Francis de Sales school,***

- Presentation and submission to Infrastructure SA for the delivery of the remainder of the connector road;

- Active participation on Management Committee for Community Sports Centre with 60% community use achieved.

***f. Community – Further build upon community spirit and initiatives e.g. community events and town square concepts***

- Developed key community strategies and plans including Community Development Lead Strategy, Reconciliation Action Plan and Disability Access and Inclusion Plan.
- Delivered grant funded projects, Young Women's Covid Response Project and establishment of a Local Drug Action Team.
- Supported a total of 47 community events, while 20 were impacted and cancelled due to Covid restrictions. A Christmas event was conducted in modified environment with success and Council hosted the SSRP opening event.
- A number of community partnerships have been established to support the maintenance of parks and reserves.
- A community mountain bike park was established at Tara Illa
- Council is currently working with City Collective on the City Centre Catalyst Project Town Square design. Town Square design endorsed at the 5<sup>th</sup> October Council meeting and included the town square design report and community engagement plan.
- CCCP Town Square presentation to Elected Members – DOC/21/153273
- October Council report – DOC/21/154810 (Still to be finalised)

***g. Environment & Natural Assets – continue to build Council leaders in environment matters e.g. treated wastewater, renewable energy, increasing Council leadership in tree management.***

- Chris Lawry continues to be a leader in tree management
- The newly appointed Council arborist team is well established and are still developing knowledge and skills
- Work Group Leaders have been identified for arborist and open space operations
- A very experienced Team Leader of Wastewater Operations has been appointed which has resulted in improved operation of the WWTP and treated water quality.
- A PhD student has been appointed to the Laratinga Wetlands to run trials to improve the performance of the wetland.
- An environmental improvement plan has been developed and adopted by the EPA.
- Two new solar panel installations have been provided to Meadows and Bald Hills Rd treatment facilities to reduce consumption from the grid.
- A number of local high value trees have been saved from destruction and relocated to prominent public areas.
- New recycled water customers have been identified in the district and these are being pursued under a commercial arrangement.

- A pipeline has been installed to allow recycled water to bypass the wetlands to enable the desired hydraulic loading to be achieved longer term.
- Additional resources have been added to the MOPS team to deliver greater environmental outcomes on the ground.
- A waterway maintenance program has been developed.
- Staff have given a lectures on work farming to the community.
- The library has implemented a waste management system to reduce waste to landfill.
- A new hard waste service with high resource recovery targets has been developed.
- Endorsement of Council Submission: Hanson Quarry Lease Application - refer council meeting item on 3 August 2020;
- Water sensitive urban design training for staff and regional councils
- Annual revegetation program – 10,000 tubes, 500 people involved. Events include National tree day and Leif Frankham memorial event
- New native vegetation roadside marker signs produced
- Bushcare program including support for 21 Bush for Life sites
- Successful grant applications
  - a. Bushfire recovery
  - b. Foundation for National Parks and Wildlife funding (community nursery)
  - c. Local Economic Recovery for biodiversity works (PIRSA via H&FLB)
  - d. Landscape recovery weeds funding
  - e. Living Lighter Locally – Citizen Science collaborative project
- Resilient Hills and Coasts – new sector agreement signed
- House of Tomorrow sustainable housing research report
- Sustainable Mount Barker free plant giveaway
- Mount Barker Natural Parklands concept developed
- Food Systems Mapping project
- Stringybark dieback research project

***h. Foster Council's Leadership Values and Behaviours – 'being an authentic mentor', 'courageous' 'owning outcomes and 'acting with unity'***

- The Leadership Values and Behaviours were reviewed in 20/21 and renamed to 'Our Values & Behaviours' and the introduction of a safety value.

***i. With the addition of internal components:***

***Discussing with the senior management team:***

***Development of financial reporting indicators and regular updates;***

***Developing a program of performance management for staff and community surveys.***

- Performance discussions held with staff. 40% of staff received PDRs in 2020
- Financial reporting indicators for asset sustainability etc have been adopted as per LTFP and reported through ABP



2. *Additional internal components for consideration include:*

**a. Further development and trialling of community engagement strategies e.g. Your Say on Council's website, and Town Planning engagement.**

- 'Your Say' was used for 21 engagements in 20/21 including Footpath Strategy, Hard Waste Service, Periodical Elector Representation Review, Sport Hub Naming, Littlehampton Greening, Community Plan.
- Your Say' has also been used as a mechanism for keeping the community informed on progress of specific plans, projects or services such as Mount Barker Wastewater Facility and the Brukunga and Harrogate Township Plan.
- Across the 21 projects, 6900 people visited a project page, 3900 accessed information about the project (eg viewed a document, viewed FAQs), and 1600 were engaged (e.g. made a submission, completed a survey).

Review of Social Media use commenced.

**b. Review of Council's staffing and recruitment strategy in response to the organisation's current gender and age profiles. This should be considered in conjunction with the development of a succession Plan.**

- Not commenced in 2020/21 financial year.
- c. Implement a continuous improvement project to target a review of the Annual Business Plan performance measurement process (identified by the Audit and Risk Committee and endorsed by Council 3 June 2019).**
- Project Team for ABP established with distributed responsibilities for:
  - Annual objectives and KPIs aligned with Corporate Plan
  - Financials
  - Document preparation, communication and engagement
- Some refining in this approach to continue including clarification of overall project management, Corporate Planning improvements and document template improvements to aid input from a variety of staff.

**Audit Debriefing:**

In keeping with Council's commitment to the principles of 'Continuous Improvement' (CI), the CEO was supportive of the opportunities for improvement identified in this review. As in previous reviews, the CEO was aware of most issues identified in the findings of the reviews and had implemented several related improvement strategies or had initiated plans to do so. Many of these strategies are detailed in the Audit information above.

It was previously mentioned in the Audit report, that the CEO had organised for a comparative analysis of 'like' Councils to be undertaken and several of the results from this



analysis were detailed earlier in this report. These results in conjunction with those from Council's previous customer satisfaction surveys, indicate that in terms of staffing levels and the operational demands of delivering quality Council services, Council operates efficiently and effectively. Moreover, this level of performance is generally achieved with fewer staff and lower associated costs, relative to its closest peers. This is especially so when Council's hills location, population size and rates of growth are included in considerations. While this efficiency is commendable it should also be acknowledged that it has led to increased workloads in some specific roles and at some stage this will need to be reviewed.

**Conclusion:**

The results of the 2018-2021 surveys indicate a consistent, high level of satisfaction with the CEO's performance in managing the Council's operations. The responses from Elected Members and the Direct Report Staff to the CEO, were again strongly allocated within the 'Outstanding to Excellent Performance' spectrum of the response options. The results of the Audit give additional confidence in the credibility of the survey results. Collectively, they reconfirm that CEO's overall performance deserved to be rated as 'Excellent'.

As was the case in each of the four surveys, Elected Members, the CEO, Council staff and the Community should be encouraged by these results.

RELEASED

RELEASED

**18. CONFIDENTIAL REPORTS**

**18.1**      **REPORT TITLE:**      **CHIEF EXECUTIVE OFFICER'S PERFORMANCE  
REVIEW 2021**  
**DATE OF MEETING:**      **1 NOVEMBER 2021**  
**KEY CONTACT:**      **MAYOR ANN FERGUSON OAM**

Moved Councillor Bailey that Council:

**Section 90 (3) (a) Order**

1. Pursuant to Section 90(3)(a)  
Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public and staff be excluded from attendance at the meeting for Agenda Item 18.1.

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 the Chief Executive Officer in that details of his performance review will be discussed which are sensitive and are details only known to those who have participated in the review process.

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 disclosure of details of the Chief Executive Officer's performance may prematurely be disclosed.

Seconded Councillor Morrison

CARRIED  
OM20211101.22

8.35pm Moved Councillor Leach that Council with approval of two-thirds of the members present, suspend the meeting procedures pursuant to Regulation 20 of the Local Government (Proceedings at Meetings) Regulations 2013, for a period sufficient to facilitate informal discussion during which time no motion may be moved other than to resume normal meeting proceedings, or resumed at the discretion of the Mayor.

Seconded Councillor Morrison

CARRIED  
OM20211101.23

9.28pm Moved Councillor Bailey that Council resume normal meeting procedures.

Seconded Councillor Westwood

CARRIED  
OM20211101.24

Moved Councillor Leach that Council endorse a 2.5% increase to the CEO's current remuneration to take effect from 1 July 2021.

Seconded by Councillor Morrison

LOST

Moved Councillor Hardingham that Council endorse a 3% increase to the CEO's current remuneration to take effect from 1 July 2021.

Seconded Councillor Morrison

CARRIED  
OM20211101.25

Moved Councillor Hardingham that Council

2. note the attached executive summary extracted from the report prepared for Council by Dr Wayne Coonan, Corpor8solutions (attachment 2) which includes information on the performance review process; and

3. adopt the revised set of key performance objectives contained in this report to guide the Council in its assessment of the Chief Executive Officer's performance.

Seconded Councillor Westwood

CARRIED  
OM20211101.26

Moved Councillor Westwood that Council:

**Section 91(7) Order**

4. After having considered Agenda Item 18.1 Chief Executive Officer's Performance Review 2021 in confidence under 90(2) and 3(a) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the agenda item plus attachment and minutes be retained in confidence until the Chief Executive Officer has been formally advised of Council's decision.

Seconded Councillor Hardingham

CARRIED  
OM20211101.27

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MEETING DECLARED CLOSED AT 9.31 PM

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MAYOR

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DATE