

17.2 CEO ANNUAL REMUNERATION AND POSITION DESCRIPTION REVIEW 2022

Contact Person: Christie Russell

Why is this matter confidential?

Subject to an order pursuant to Section 90 (3) (a) of the Local Government Act 1999, this matter is confidential because This matter is confidential as it pertains to the personal details of the CEO.

A. COMMITTEE TO MOVE MOTION TO GO INTO CONFIDENCE

No action – this motion passed in the open section.

B. THE BUSINESS MATTER**17.2 CEO Annual Remuneration and Position Description Review 2022**

Responsible Executive Manager : Christie Russell

Report Author : Christie Russell

Delegated Authority : Matters which cannot be delegated to a Committee or Staff

Attachments :

1. CEO Employment Agreement
2. Local Government CEO Salary Benchmarking Report - AM Consulting

PURPOSE

For Council to consider the Total Employment Cost Package (TEC Package) encompassed within the CEO Employment Agreement (Attachment 1) following the annual performance review process.

STAFF RECOMMENDATION

The CEO Employment Agreement (Attachment 1) be endorsed with the following amendments:

<<The CEO Review Committee to recommend/Council to determine any amendments>>

COMMITTEE RECOMMENDATION

Council endorse the CEO Employment Agreement (Attachment 1) with an amendment to Schedule 2 Total Employment Cost Package with an increase of 2.5% to the annual base salary (gross) effective 23 August 2022, the date the performance review was concluded by Council; and

The Council note there are no proposed amendments to Schedule 1 - the CEO Position Description.

EXECUTIVE SUMMARY

In accordance with the CEO Employment Agreement, an annual review of the TEC Package, will be conducted within one month of the performance review (if reasonably practical), with any changes to take effect from the date on which the performance review is concluded.

Council are required to determine the CEO's successful completion of the performance review for 2021/2022 at the Ordinary Council meeting scheduled for 23 August 2022.

The matter needs to be considered as the Caretaker Period commences on 6 September 2022 and the council are unable to make a designated decision relating to the CEO's remuneration.

In accordance with the council's Caretaker Policy, this decision would be considered a designated decision during an election period therefore council are required to consider this matter at the Ordinary Council meeting on 23 August 2022 prior to the caretaker period commencing given the Council is prohibited from making a designated decision during an election period. For the purposes of the Caretaker Policy a designated decision means a decision:

- a. relating to the employment or remuneration of the Chief Executive Officer, other than a decision to appoint an acting Chief Executive Officer or to suspend the Chief Executive Officer for serious and wilful misconduct;
- b. to terminate the appointment of the Chief Executive Officer;

A decision of the Council includes a decision of a committee of Council and a delegate of Council (including Council staff and contractors working on behalf of Council).

1. BACKGROUND

For the 2021 remuneration review the Committee provided input regarding the process to be undertaken and requested a report be prepared including remuneration paid to CEO's of similar sized Councils in South Australia, CPI increases and any other factors considered relevant. This report considers those factors for the 2022 review.

The CEO Performance Review Process for 2021/2022 is to be considered within the August Committee Agenda for consideration prior to the remuneration review item for 2022.

2. RELEVANCE TO STRATEGIC PLAN

The efficient and effective process of ensuring a performance review and annual remuneration process is in place for the CEO ensures that the Strategic Plan can continue to be delivered.

3. PUBLIC CONSULTATION

There is no legal or policy requirement to consult the community on this issue.

4. DISCUSSION

- 4.1** On completion of the annual CEO performance review the Council must in accordance with the Employment Agreement undertake a review of Total Employment Cost (TEC) Package.

- 4.2** As specified in the Employment Agreement, a review of the TEC Package will take into account the key performance indicators, the position description, remuneration paid to CEO's of similar sized councils in South Australia and any other factor that the Council consider relevant.
- 4.3** The TEC Package review process has been prepared using the same methodology as the 2021 review process for remuneration. Allison Ashby, AM Consulting has prepared the 'Local Government CEO Salary Benchmarking Report' (Attachment 2) for Council's consideration.
- 4.4** Council must also review the position description of the CEO as contained in Schedule 1 of the CEO Employment Agreement (Attachment 1).

5. OPTIONS

Recommendation

The CEO Employment Agreement (Attachment 1) be endorsed with the following amendments:

<<The CEO Review Committee to recommend/Council to determine any amendments>>

6. ANALYSIS OF OPTIONS

6.1 Recommendation Analysis

6.1.1 Analysis & Implications of the Recommendation

The staff recommendation enables the CEO Review Committee to recommend any amendments to the TEC Package and/or the position description contained within schedule 1 to Council. Likewise, the staff recommendation allows for Council to resolve any amendments to the TEC Package and/or position description.

Risk Appetite

Regulatory Compliance

Council has a zero tolerance for non-compliance with applicable legislation including but not limited to: Local Government Act (LGA) 1999; Independent Commissioner Against Corruption (ICAC) Act 2012; Work Health & Safety (WHS) Act 2012; Environment Protection Act (EPA) 1993; Development Act 1993; Equal Employment Opportunity legislation; and Public Consultation legislation.

This decision will ensure council are meeting requirements under section 102A the Local Government Act 1999 (SA) ensuring a Chief executive officer—performance review is undertaken at least once in each year.

6.1.2 Financial Implications

The financial implications of any proposed changes to the TEC Package are dependent on amendments made.