

136

16.2 CEO PERFORMANCE REVIEW - DECEMBER 2019

Responsible officer: Katrina Bell, Coordinator Organisational Development

- Attachments:**
1. Letter to Jason Taylor regarding December 2019 Performance Review
 2. KPIs - Jason Taylor - July 2019 - June 2020
 3. Jason Taylor - Self Assessment
 4. Formal request for contract extension received from Jason Taylor to the Performance Review Panel

Section under the Act	The grounds on which part of the Council or Committee may be closed to the public are listed in Section 90(2) & (3) of the <i>Local Government Act 1999</i> .
Sub-clause and Reason:	(a) - information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).

Executive Summary

The purpose of this report is to enable Council to consider a report on the CEO Performance Review Panel’s recommendations in relation to the CEO’s December 2019 performance review. The role of the CEO Performance Review Panel is to oversee the process of the CEO’s performance review. The Performance Review panel treated this as a progress review for the half year period being 1 July 2019 – 30 June 2020. The recommendations in this report are based on the outcome of a meeting had between the Performance Review Panel and the CEO.

<p>RECOMMENDATION</p> <p>That Council:</p> <ol style="list-style-type: none"> 1. receives and notes the CEO Performance Review – December 2019 report and associated attachments; 2. acknowledges that the CEO has sufficiently met all of his key performance indicators for the performance review period 31 July 2019 – 31 December 2019; 3. considers the CEO’s formal request for a contract extension, with a decision to be made at a future Council meeting.

**MOVED COUNCILLOR PAUL IRELAND
SECONDED COUNCILLOR MICK SPARNON**

That there be a short term suspension of meeting procedures to allow for discussion at 7.47pm
CARRIED.

**MOVED COUNCILLOR REBECCA BOSELEY
SECONDED COUNCILLOR MICK SPARNON**

That the short term suspension of meeting proceedings be concluded.

CARRIED.

**MOVED COUNCILLOR MICK SPARNON
SECONDED COUNCILLOR PAUL IRELAND**

That Council:

1. receives and notes the CEO Performance Review – December 2019 report and associated attachments;
2. acknowledges that the CEO has sufficiently met all of his key performance indicators for the performance review period 31 July 2019 – 31 December 2019;
3. accepts and agrees to the CEO's formal request for a contract extension of 1 year.

CARRIED.

Background

The CEO, Jason Taylor, entered into a contract with Southern Mallee District Council and commenced employment on 19 July 2018. The contract has a term of three years with the potential for a one year extension at least one month prior to the end of the two year period.

A review of the CEO's performance is to be conducted on a half yearly basis with the review at the end of June to be a 360-degree review.

The first 360-degree review was finalised in September 2019, with the CEO's performance being deemed satisfactory. Following this a review of his KPIs was conducted, resulting in a change in KPIs to apply for the period 1 July 2019 – 30 June 2020.

Regarding the review due at the end of December 2019, it was resolved at the Council meeting on 18 December 2019, as follows:

That Council:

1. *appoints the Mayor, Cr Paul Ireland and Cr Mick Sparnon as the CEO performance review panel to oversee the process of the CEO's December review and to report back to Council.*
2. *appoints the Coordinator Organisational Development as the staff liaison to assist with the CEO's December review.*
3. *elects to conduct this review internally between the performance review panel and CEO for the period of 1 July 2019 to 31 December 2019.*
4. *receives a report on the outcome of the CEO performance review from the review panel at a future Council meeting.*

The Performance Review Panel met with the CEO on Wednesday 12 February 2020 to discuss his performance against the five KPIs, the outcome for each one is as follows:

Economic Development – Pinnaroo Village Green Masterplan and Lameroo Town Centre Plan project delivery – all expectations met.

Representation, Public Relations and Relationships – Councillor Relationships – all expectations met.

Leadership and Management – Council Agendas – all expectations met.

Financial Management – Budget Process – all expectations met.

Financial Management – Procurement – in progress, but a draft has been presented to the Audit Committee with minor amendments requested. An acceptable level of completion has been met.

The panel was satisfied that the CEO has met the KPIs for this review period. The request for a contract extension was discussed.

Context

The CEO's contract includes the following clause relating to the CEO's performance review:

8 Performance Review

- a) *The Council will ensure that a review of the Chief Executive Officer's performance is conducted on a facilitated basis half yearly with the review for the end of the June being a 360-degree review of Elected Members, an agreed sample of staff and stakeholders to be undertaken in confidence, (both described as a Performance Review).*
- b) *The Council shall give the Chief Executive Officer a minimum of 10 working days' notice in writing that a Performance Review is to be conducted to enable the Chief Executive Officer sufficient time to prepare.*
- c) *The Chief Executive Officer will prepare and submit to the Council an assessment of his own performance at least 2 days prior to the Performance Review.*
- d) *The final report on the Performance Review of the Chief Executive Officer at the end of the June is to be forwarded to the Council or relevant Council committee for consideration (the June Half Year Assessment).*
- e) *In the event that the Chief Executive Officer does not achieve Competent Performance in the June Quarter Assessment, a written report shall be compiled with respect to the June Quarter Assessment and a copy provided to the Chief Executive Officer within 1 month of the June Half Year Assessment. The report shall set out in detail any particular aspects of the Chief Executive Officer's performance that requires improvement, together with timeframes during which the Council expects those areas of performance to be improved to a specified standard.*
- f) *The Council must provide whatever counselling, advice and assistance as may be reasonably necessary to enable the Chief Executive Officer to improve his performance during any specified timeframes referred to in clause 8 (e). If at the conclusion of the timeframes referred to in clause 8 (e) the Chief Executive Officer's performance is still below that required, the Council may:*
 - (i) take no further action: or*
 - (ii) extend the timeframe for specified improvement for a further specified period; or*

(iii) terminate the contract in accordance with clause 17.3 (b).

Policy and statutory implications

The Local Government Act 1999, Chapter 7, deals with requirements related to the CEO.

Issues

It became apparent during the process that there is a lack of clarity regarding the roles and responsibilities of the panel members. Council could consider creating a Terms of Reference for the Performance Review Panel to assist with future review processes and the panel's responsibilities.

Alternate options

Council and the CEO have contractual obligations they must meet.

If Council are of the opinion that this review was not sufficient or did not provide the required information, further performance focussed conversations could be arranged with the CEO. This is not recommended as it is seen as unnecessary and would impede on the CEO, Councillor and staff time. This could also delay future reviews from progressing in a timely manner.

Council could appoint a consultant to facilitate a future meeting for this period. This is not recommended due to financial costs associated, as well being excessive for the nature of this review.

Financial implications

There are no financial implications with this report.

Work Health and Safety and Risk implications

There are no work health and safety implications for this item.

Consultation

The Mayor and Deputy Mayor have regular weekly scheduled meetings.

The CEO's performance review has been carried out in consultation with the CEO and CEO performance review panel as appointed by Council.

Reference: 12.62.3/404

28 January 2020

Private and confidential

Jason Taylor
18 Hensley Street
PINNAROO SA 5304

December 2019 Half Year Review

Dear Jason,

I write to inform you that Council have the intention to commence your half year review for the period 1 July 2019 – 31 December 2020. The date proposed for this review is 10am on Wednesday 12 February 2020 at the Pinnaroo Institute meeting room.

This review will be treated as a progress review in the form of a meeting between yourself and the Performance Review Panel. As a part of this process you are required to prepare and submit to Council, an assessment of your own performance, at least two days prior.

After the completion of this review, the panel will present a report to Council on the outcome of the review.

I appreciate your cooperation and assistance in this process and please don't hesitate to contact me if you have any questions or concerns regarding the review.

Yours sincerely,


Andrew Grieger
Mayor
Southern Mallee District Council



Postal Address
PO Box 49 Pinnaroo South Australia 5304
Telephone: (08) 8577 8002
Email: council@southernmallee.sa.gov.au
Website: www.southernmallee.sa.gov.au
ABN: 26 208 717 728

Pinnaroo Service Centre
Day Street
Pinnaroo SA 5304

Lameroo Service Centre
Railway Terrace North
Lameroo SA 5302



Proposed Strategic Goals - Jason Taylor – CEO

Following from the June 2019 Performance Review for Jason Taylor, the following Strategic Goals have been proposed to cover the June 2019 to December 2019 period and then the next 6-month period, ending June 2020.

KPI (as per the Job Description)	Summary of Action	Strategic Goals due end December 2019	Strategic Goals due end June 2020
Economic Development	Pinnaroo Village Green Masterplan and Lameroo Town Centre Plan project delivery	Hold the first project steering committee meeting and complete the first round consultation for both projects and report progress to Councillors. Be available and attempt to meet in a face to face meeting with all Elected Members prior to 31 December 2019. Agree with each Elected Member to the frequency of future meetings.	Complete the Pinnaroo Village Green Masterplan and Lameroo Town Centre Plan projects in line with the allocated planning budget (total budget for both projects set at \$80,000). Schedule regular 1-1 meetings with all Elected Members with the frequency and duration agreed to by both parties.
Representation, Public Relations and Relationships	Councillor Relationships		
Leadership and Management	Council Agendas	Conduct and complete a review of the quality of Council reports and agendas having regard for the quality and style of reports and agendas prior to July 2018 and the introduction of InfoCouncil software in July 2019. The final report to be presented to Councillors.	Implement the recommendations from the review.
Financial Management	Budget Process	Develop a schedule for the 2020/2021 Annual Business Plan and Budget Process and present the schedule to Councillors.	Meet the timeliness and objectives as outlined in the Annual Business Plan and Budget Schedule.
Financial Management	Procurement	Review and recommend enhancements to Council's Procurement Policy (focused on reviewing thresholds, value for money and local purchasing). Present draft Procurement Policy to a Council meeting for adoption.	Nil



Self-assessment of the Council approved strategic goals - Jason Taylor – CEO

Below is an assessment of my performance for the 1 July – 31 December 2019 against the Council approved strategic goals.

KPI (as per the Job Description)	Summary of Action	Strategic Goals due end December 2019	Assessment comment
<p>Economic Development</p>	<p>Pinnaroo Village Green Masterplan and Lameroo Town Centre Plan project delivery</p>	<p>Hold the first project steering committee meeting and complete the first round consultation for both projects and report progress to Councillors.</p>	<p>Exceeded goal The first Pinnaroo Village Green Masterplan Project Steering Committee Meeting was held on 28 October 2019. The weekend intensive Pinnaroo Village Green Masterplan Project community consultation was held on 15, 16 and 17 November 2019. The first Lameroo Town Centre Plan Project Steering Committee Meeting was held on 25 October 2019. The first and second consultation sessions for the Lameroo Town Centre Plan were held on 2 and 27 November 2019. Council has been kept fully informed about both projects. Both plans were in draft stage by the end of this review period. In fact Council formally resolved to seek approval of expenditure of Drought Communities Program funding on implementation of stage 1 of both projects at its 20 November 2019 council meeting. At the special council meeting on 4 December 2019 Council resolved to apply for Building Better Regions Fund Round 4 funding to implement stage 2 and 3 of both projects.</p>
<p>Representation, Public Relations and Relationships</p>	<p>Councillor Relationships</p>	<p>Be available and attempt to meet in a face to face meeting with all Elected Members prior to 31 December 2019. Agree with each Elected</p>	<p>Fully achieved goal I met with six elected members during the review period. I attempted on a number of occasions to meet with the seventh elected member and their commitments prevented that from happening, however we were able to meet in January 2020. I have an agreed frequency of future meetings with all seven elected members.</p>



		<p>Member to the frequency of future meetings.</p>	<p>I continue to have a very flexible approach to meeting with elected members and place a high value on the benefit of these meetings.</p> <p>The attached <i>Elected member meetings</i> document confirms recent meetings and agreed frequency of meetings.</p>
<p>Leadership and Management</p>	<p>Council Agendas</p>	<p>Conduct and complete a review of the quality of Council reports and agendas having regard for the quality and style of reports and agendas prior to July 2018 and the introduction of InfoCouncil software in July 2019. The final report to be presented to Councillors.</p>	<p>Fully achieved goal</p> <p>I formally commissioned a review of the quality of Council reports and agendas within days of receiving an email from the Mayor providing in-principle approval of the KPIs in mid November 2019.</p> <p>Deb Brokenshire, Director Community and Corporate at Coorong District Council has overseen the Council agenda reports review. The review findings were provided in January 2020. The report <i>Southern Mallee agendas report</i> is provided as evidence of this review. The report provides an enthusiastic endorsement of the vast improvement in the professionalism, quality and transparency of current reporting.</p> <p>The report conclusion states <i>"The current format of the Southern Mallee Council Agenda is considered extremely informative and professional. Southern Mallee Council Members and community are now presented with a transparent and compliant document which is providing information to ensure accountable and open decision making, When comparing the pre-July 2018 documents with today's, the improvement in all areas is extremely evident with professional reporting by officers and explanatory and considered reports included. Not only is the improved quality of information providing assistance in decision making 'here and now', it is also providing long term historical explanation and information on why decisions have been reached. This calibre of information should not be underestimated in understanding the reasoning behind in decisions made. The introduction of InfoCouncil software has resulted in a vastly improved quality and style of reports for the Southern Mallee Council."</i></p>



<p>Financial Management</p>	<p>Budget Process</p>	<p>Develop a schedule for the 2020/2021 Annual Business Plan and Budget Process and present the schedule to Councillors.</p>	<p>Fully achieved goal</p> <p>Elected members were provided with a draft schedule for the 2020/2021 Annual Business Plan and Budget Process on 11 November 2019 for comment. Limited feedback was received. The Mayor provided verbal feedback at a CEO/Mayor catch up meeting and his request for an additional budget refinement workshop was added to the schedule. The revised schedule was provided to elected members on 9 December 2019.</p> <p>A copy of the <i>Annual business plan and budget schedule of activities for 2020/21</i> email is attached as evidence.</p>
<p>Financial Management</p>	<p>Procurement</p>	<p>Review and recommend enhancements to Council's Procurement Policy (focused on reviewing thresholds, value for money and local purchasing). Present draft Procurement Policy to a Council meeting for adoption.</p>	<p>Substantially achieved goal</p> <p>A revised Procurement Policy was presented to Council's Audit Committee on 18 December 2019. However the Audit Committee requested a small number of changes. The only notable change was to retain a separate Procurement policy and Credit card policy. Accordingly both of these policies will now be presented for a second time to the Audit Committee.</p> <p>No changes were requested to the Procurement policy in relation to thresholds, value for money or local purchasing.</p> <p>The resignation of the Audit Committee Chair has impacted this goal.</p> <p>The minutes of the 18 December 2019 Audit Committee and subsequent Council meeting on 15 January 2020 are evidence of this goal having been substantially achieved.</p>

Formal request for contract extension

Dear CEO performance review panel

As part of my performance review for the period of employment 1 July – 31 December 2019 I formally request that you consider, and subsequently, have Council consider extending my contract of employment.

As you are aware my contract of employment provides as follows:

4. Option to Extend Contract of Employment

(a) The Council, subject to satisfactory performance by the Chief Executive Officer in the first 2 years of the Term, may in its absolute discretion and with the agreement of the Chief Executive Officer, extend the Agreement by one year from the Expiry Date to 19 July 2022 (the Extended Term).

(b) The Council must notify the Chief Executive Officer at least one month before the end of the first 2 years of the Term whether the Extended Term will be offered to the Chief Executive Officer.

Accordingly it is my understanding that if Council is of a mind to extend my contract for an additional (fourth) year it would need to advise me of such by at least 19 June 2020. This would require Council to consider this on or before the 17 June 2020 Council meeting.

I am committed to my role at Southern Mallee District Council. I request the CEO performance review panel reciprocate this commitment by recommending to Council an extension of my contract for a fourth year.

I consider that such an extension is well supported by my passion and commitment to this organisation and the community, my extensive achievements to date, and the positive performance against performance requirements in my probation period review, my first annual review and this review.

Without such a commitment by Council by 19 June 2020 I would be in the unfortunate position of having no security of tenure beyond 19 July 2021.

I look forward to your favourable recommendation and the opportunity to continue to provide effective leadership, and bring further investment and success to Southern Mallee.

Regards

Jason Taylor
Chief Executive Officer