



GENERAL MANAGER'S PERFORMANCE REVIEW POLICY

Policy 16/2021-2024

DATE

- Ordinary Meeting - 10.10.2017 and 6.12.2022

POLICY NO:	16/2021-2024
LEGISLATIVE REQUIREMENTS	LOCAL GOVERNMENT ACT 1993
RESPONSIBILITY:	GENERAL MANAGER
OBJECTIVE:	<p>The purpose of this policy is to articulate the framework, delegation and responsibilities for the review of the General Manager's performance by the Council-appointed Review Panel.</p> <p>The policy applies to the General Manager, Mayor, Councillors, Group Managers and Manager Human Resources.</p>
REVIEW	Every 4 years

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Policy summary

This policy outlines Council's adopted process for the performance review of the General Manager. It provides the framework for who will conduct the review, when the review will be conducted and the General Manager's remuneration increase in accordance with the General Manager's Contract and the NSW Local Government Act 1993. It ensures there is a performance monitoring process in place so that the General Manager has appropriate guidance and feedback from Council on performance expectations.

Part A – Performance Management Framework

1. Delegation to the Review Panel

- 1.1. By adopting this policy, The Hills Shire Council delegates to the Performance Review Panel the authority to undertake performance assessments of the General Manager annually between **July 2022 to July 2025** in accordance with this policy.
- 1.2. This delegation is to be exercised in accordance with:
 - 1.2.1 The requirements of the Act and the Local Government Regulations 1995 (NSW);
 - 1.2.2 The requirements of any other relevant act, law or regulation; and
 - 1.2.3 Any relevant resolution or policy of Council.
- 1.3. This delegation is effective from the date of the Council resolution adopting this policy to the completion of the delegated performance management tasks at the end of the term of the General Manager's contract.

2. Review Panel Members

- 2.1 The Review Panel will comprise of:
 - 2.1.1 The Mayor
 - 2.1.2 The Deputy Mayor
 - 2.1.3 Three Councillors elected by Council; and
 - 2.1.4 One Councillor selected by the General Manager at his/her discretion.

3. Training

- 3.1 Review Panel members will receive training to conduct a performance review of the General Manager prior to being required to conduct a Performance Review.

4. Appointment of Facilitator

- 4.1 The Review Panel and General Manager will appoint an independent Facilitator to facilitate the Performance Review Process.

Part B – Performance Agreement

5. Development of the Performance Agreement

- 5.1 The Performance Agreement will be developed at the commencement of the Annual Performance Review Period in consultation with the Review Panel and the General Manager.
- 5.2 The Performance Agreement will include clearly defined and measurable performance indicators against which the General Manager's performance will be measured.
- 5.3 The Performance Agreement will include key indicators that measure how well the General Manager has met the Council's expectations with respect to:
 - 5.3.1 Strategic items;
 - 5.3.2 Operational items; and
 - 5.3.3 Behaviours including leadership.
- 5.4 The Performance Agreement will include an indicator for accrual of Annual Leave as per the Council Resolution regarding GM Contract.
- 5.5 The Performance Agreement will be presented to Council in a closed meeting together with the outcomes of the previous Performance Review Period.
- 5.6 The Performance Agreement may be varied from time to time during the term of the Performance Agreement by agreement between the General Manager and the Review Panel, such agreement not to be unreasonably withheld.

6. Link to Group Manager's Performance Agreements

- 6.1 The General Manager will ensure that the Performance and Development Plans of the Group Managers:
 - 6.1.1 Align with the Performance Agreement;
 - 6.1.2 Support the achievement of the Council's expectations of the General Manager; and
 - 6.1.3 Ensure the General Manager's strategic, operational and behavioural expectations of the Group Manager are clearly articulated and reviewed

7. Annual Performance Review

- 7.1. Notification by General Manager

At least 21 days prior to the Annual Performance Review due date, the General Manager will:

 - 7.1.1 Submit a Self-Assessment to the Facilitator; and
 - 7.1.2 Notify the Elected Council that the Annual Performance Review is due.
- 7.2 Assessment by elected Council
 - 7.2.1 The General Manager's Self-Assessment and a questionnaire relating to performance against the Performance Agreement will be distributed to Councillors and the Mayor by the Facilitator.

- 7.2.2 Councillors and the Mayor will individually and independently, rate the performance of the General Manager against the Performance Agreement using the assessment scale outlined in it.
- 7.2.3 Any extreme scores will be discussed with the relevant Councillor and the Facilitator prior to inclusion in the Performance Review meeting.
- 7.2.4 The Facilitator will receive and collate the assessments of the elected Council in preparation for the formal Performance Review meeting.
- 7.3 Review Panel meeting
 - The Review Panel will meet to:
 - 7.3.1 Review the average of all the responses received from the Panel; and
 - 7.3.2 Agree on development actions for the General Manager.
- 7.4 Review Panel Meeting with General Manager
 - 7.4.1 Council will provide the General Manager at least 10 days' notice that a Performance Review meeting is to be conducted.
 - 7.4.2 A meeting between the General Manager and the Review Panel will be held to discuss the Panel's rating and opportunities for future development of the General Manager. The meeting will:
 - a) Facilitate constructive dialogue about the General Manager's performance against all sections of the agreed performance plan;
 - b) Identify any areas of concern and agreed actions to address those concerns; and
 - c) Ensure fairness, natural justice and the laws and principles of antidiscrimination are complied with.

8. Reporting

- 8.1 To General Manager
 - Within six weeks from the conclusion of the Performance Review, the Mayor will prepare and send to the General Manager a written statement that sets out:
 - 8.1.1 Council's conclusions about the General Manager's performance during the performance review period;
 - 8.1.2 Any proposal by Council to vary the performance criteria as a consequence of a performance review, and
 - 8.1.3 Any directions or recommendations made by Council to the General Manager in relation to the General Manager's future performance of the duties of the position.
- 8.2 To Council
 - The Review Panel will report the findings and recommendations of the Performance Review to a closed meeting of the elected Council as soon as practicable following the annual Performance Review. This is not an opportunity to debate the results or re-enact the review. The General Manager should not be present when the matter is considered.

Part C – Reward and Remuneration

9. Statutory and Other Officers Remuneration Tribunal Increases

- 9.1. An annual increase in the Total Remuneration Package (TRP) equivalent to the latest percentage increases in remuneration for senior executive officer holders as determined by the Statutory and Other Officers Remuneration Tribunal (SOORT) is available to the General Manager on each anniversary of the employment contract.

10. Discretionary Remuneration Increases

- 10.1. The Review Panel will determine by consensus any changes to the General Manager's employment conditions, including remuneration adjustments (exclusive of SOORT increases).
- 10.2. Discretionary increases to the General Manager's TRP will be:
- 10.2.1 Conditional on performance being assessed by the Review Panel as being of better than satisfactory standard;
 - 10.2.2 Modest and in line with community expectations;
 - 10.2.3 Endorsed by resolution of the elected Council together with the reasons for the increase, reported to an open meeting of Council; and
 - 10.3.4 In line with the Standard Contract for General Managers of NSW Councils.

Part D – Timeline for Annual General Manager Performance Review Process

Month	Activity	Responsible	Clause
May	Notification to Council by General Manager	GM	7.1
	General Manager submits Self-Assessment to Facilitator	GM	7.1
June	GM Self-Assessment and Performance Questionnaire is sent to Councillors and Mayor for independent rating	Facilitator	7.2.1-7.2.2
	Extreme scores discussed with individual Councillors	Facilitator	7.2.3
	Collate reviews	Facilitator	7.2.4
	Review Panel Meeting	Facilitator/Panel	7.3
	Schedule Performance Review with the GM and provide notice	Facilitator	7.4
July	Conduct formal Performance Review Meeting with General Manager	Facilitator/Panel	7.4
August	Report back to Council	Mayor	8.2
	Provide written report to GM	Mayor	8.1

Part E – Roles and Responsibilities

11. The Review Panel

11.1 The Review Panel is responsible for:

11.1.1 Developing a Performance Agreement in consultation with the General Manager

11.1.2 Undertaking a performance assessment of the General Manager in June/July each year

11.1.3 Appointing a suitable qualified Facilitator in consultation with the General Manager

11.1.4 Determining the following in relation to the Performance Agreement:

a) A final list of projects to be included in the Performance Agreement; and

b) Any managerial or behavioural actions that they would like to the General Manager to address during the review year.

11.1.5 Recommending any discretionary increase to the General Manager's total remuneration package as provided in clause 10.

12. The General Manager

12.1 The General Manager is responsible for:

12.1.1 Submitting a list of projects to the Review Panel (maximum of six) that they consider are of sufficient importance to warrant their personal attention in that year

12.1.2 Preparing a Self-Assessment of their performance and providing it to the Facilitator at least 21 days prior to the annual Review Panel meetings.

13. The Mayor

13.1 The Mayor is responsible for:

13.1.1 Being a member of the Review Panel

13.1.2 Preparing and presenting a Report on progress of the Performance Agreement to Council following the annual review

13.1.3 Formally advising the General Manager, Facilitator and Review Panel of any decisions of Council

14. The Elected Council

14.1 The elected Council is responsible for:

14.1.1 Holding an election at the beginning of each term to elect two Councillors to participate in the Review Panel in accordance with clause 1.1. If there is more than two nominees, Council elects the position from the nominees by open

voting (show of hands) in accordance with clause 251 of the Local Government (General) Regulation 2005 (NSW).

14.1.2 Completing a questionnaire relating to the General Manager's performance against the agreed criteria and returning it confidentially to the Facilitator within timeframes nominated by the Facilitator.

14.1.3 Justifying any extreme scores to the Facilitator.

15. The Facilitator

15.1 The Facilitator is responsible for:

15.1.1 Ensuring that the interests of both the General Manager and Council are adequately protected throughout the Performance Review Process, including ensuring reviews are conducted fairly and in accordance with principles of natural justice.

15.1.2 Preparing and distributing a questionnaire relating to performance against the Performance Agreement for all Councillors and the General Manager four weeks prior to the Performance Review Due Date.

15.1.3 Receiving the confidential completed questionnaires and compiling a summary report including the average rating for each performance area for the annual Review Panel meeting.

15.1.4 Conducting the annual Review Panel meeting

15.1.5 Updating the Performance Agreement to reflect any changes agreed at the annual review meeting including obtaining required signatures, assisting in drafting the report and formally providing any feedback to the General Manager.

16. The Manager Human Resources

16.1 The Manager Human Resources is responsible for:

16.1.1 Coordinating the Performance Review Process including scheduling of all required meetings, sourcing appropriate options for appointment of a Facilitator, formal recording of all documentation and implementation of any changes required to the General Manager's Total Remuneration Package

16.1.2 Ensuring the Review Panel members receive appropriate Performance Management training including:

a) The provision of written information regarding performance management;

b) An outline of the Performance Review Process; and

c) Guidelines for both Review Panel members and the General Manager on how to manage the Performance Review Process from their perspectives.

PART F – Assessment Scale

17. The Rating Scale

17.1 The following rating scale will be used to assess the General Manager’s performance:

Score	Rating
10	Significant Strength An outstanding display that brings credit to the General Manager and the organisation. Best practice – a model for others. Significantly exceeds expectations.
8	Area of Strength Has a reputation for achieving in that area. Displays a consistent approach to performance. Recognised as an expert in that area.
6	Area of Ability Good performance. Standards are constantly met and at times exceeded throughout the year. A valued, commendable achievement, What is expected of the General Manager on a consistent basis.
4	Development Needed Development needed in this area to consistently reach the standard expected. Often meets standards but not on a consistent basis. Attention is required to achieve objectives.
2	Significant Development Needed Performance has an adverse impact on the performance of the organisation. Urgent attention is required and rapid improvement essential.

17.2 For the purpose of calculation and increase in TRP (exclusive of SOORT) the General Manager’s Performance Assessment from the Review Panel must be greater than satisfactory, that is greater than 6 on the rating scale as follows:

17.2.2 Average rating of 6 - 1% increase in TRP

17.2.3 Average rating of 8 - 2% increase in TRP

17.2.4 Average rating of 10 - 3% increase in TRP

PART G – Appendices

18. Relevant Legislation and Guidance:

- Local Government Act 1993
- Office of Local Government Guidelines for the Appointment and Oversight of General Managers
- Standard Contract of Employment

19. Related Council Policies:

- Nil