



TOWN OF
VICTORIA PARK

**REVIEW OF POLICY 031: Annual Performance
Review for the Chief Executive Officer
February 2025**

Prepared by Brainbox Advisory
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Table of Contents

Purpose of Policy Reviews	4
Policy Review	5
1. Legislative alignment and policy purpose	5
Observations	5
Recommendations.....	5
2. Principles and review philosophy	6
Observations	6
Recommendations.....	6
3. Roles, responsibilities and decision-making.....	6
Observations.....	6
Recommendations.....	6
Observations.....	7
Recommendations.....	7
5. Performance criteria, KPIs and link to strategic planning	7
Observations.....	7
Recommendations.....	7
6. Agreement of process and criteria (cl 16).....	8
Observations.....	8
Recommendations.....	8
7. Conduct of the review, evidence and CEO input.....	8
Observations.....	8
Recommendations.....	8
8. External facilitator: independence, selection and scope.....	9
Observations.....	9
Recommendations.....	9
9. Remuneration review and separation from performance assessment	9
Observations.....	9
Recommendations.....	9
10. Performance improvement and link to termination standards.....	10
Observations.....	10
Recommendations.....	10
11. Training, capability and continuity	10
Observations.....	10
Recommendations.....	10
12. Transparency, confidentiality and records	11
Observations.....	11
Recommendations.....	11

13. Structural and drafting tidy-ups	11
Observations.....	11
Recommendations.....	11
Re-Drafted Policy	12
Policy 031 – Annual Performance Review for the Chief Executive Officer	12
1. Purpose	12
2. Legislative and Standards Context	12
3. Principles.....	12
4. Definitions.....	12
5. Roles and Responsibilities	13
6. Review Cycle and Timing	14
7. Performance Criteria and Measures	14
8. Agreement of Process and Performance Criteria	14
9. Evidence and Assessment	15
10. Remuneration Review	15
11. Performance Improvement.....	15
12. Training and Capability	16
13. Transparency, Confidentiality and Recordkeeping	16
14. Structure, Formatting and Related Documents.....	16
15. Review of this Policy	16

Purpose of Policy Reviews

Clear, disciplined policy work strengthens the foundations of local government. Councils carry wide statutory powers in Western Australia and operate under close public scrutiny. A well-governed organisation relies on policies that set out expectations, reduce ambiguity, and support consistent decision-making. Policies also anchor the conduct of elected members and officers to principles of integrity, fairness, and accountability. A local government that maintains current, coherent and well-structured policies reduces operational risk, improves service delivery, and meets the community's expectation for transparency. Strong policy frameworks signal a mature organisation that understands its obligations and manages its responsibilities with care.

Regular structured review sits at the heart of good governance. Legislation, standards and community expectations shift over time. Councils change membership and strategic direction. Operating environments evolve as local governments take on new projects, adopt new technologies, and respond to new regulatory settings. A policy that is not kept aligned to these changes can drift out of date and create uncertainty. Periodic review provides the discipline to check whether a policy still meets its purpose, remains legally compliant, and reflects contemporary practice. It also allows councils to test whether the policy is working as intended and whether the procedures supporting it are fit for purpose. This structured cycle of review and improvement is a core feature of strong Western Australian governance practice.

The review of CEO performance management policies is particularly important. The performance of the Chief Executive Officer has a direct effect on every aspect of a local government's work. The CEO leads the administration, implements Council decisions, ensures compliance with the Local Government Act 1995, and manages the workforce and resources of the organisation. The standards introduced by the Western Australian Government for CEO recruitment, appointment and performance management create a consistent, principled framework for councils across the State. They reinforce fairness, impartiality, clear documentation, and transparent decision-making. A local government that aligns its internal policies with these standards demonstrates a commitment to competent leadership and proper oversight.

Effective CEO performance review policies provide certainty for both Council and the CEO. They outline roles, responsibilities and timeframes. They map the process from setting criteria to gathering evidence and final endorsement. They protect the integrity of the review by ensuring impartial facilitation and careful handling of confidential information. They also encourage constructive engagement between Council and the CEO, with a focus on improvement, capability development, and the achievement of strategic priorities. Clarity in these areas helps councils discharge their statutory duty to review the CEO's performance each year and supports a positive, professional employment relationship.

Good governance depends on leaders who are accountable, transparent and responsive. Policies that set strong foundations, combined with a disciplined review cycle, safeguard these qualities. They reduce the risk of inconsistency, promote lawful practice, and build confidence among councillors, staff and the community. A considered approach to policy development and review signals a council that takes its stewardship responsibilities seriously and is committed to continuous improvement. This review aims to support that commitment by strengthening alignment with State standards, clarifying expectations, and reinforcing the principles that underpin sound local government governance in Western Australia.

This note sets out governance observations and recommended improvements to Policy 031 – Annual Performance Review for the Chief Executive Officer of the Town of Victoria Park, having regard to:

- Local Government Act 1995 s5.38 and s5.39
- Local Government (Administration) Regulations 1996, Schedule 2, Division 3 – Standards for review of performance of CEOs
- DLGSC Operational Guideline "*CEO recruitment and selection, performance review and termination*" (May 2022)

Policy 031 has a sound base and reflects many of the model standards, including use of an external facilitator, a committee structure, written agreements, and publication of KPIs. There are opportunities to tighten legislative alignment, strengthen governance principles, clarify roles, and embed contemporary best practice from the DLGSC guideline and other local government examples.

Policy Review

1. Legislative alignment and policy purpose

Observations

The policy objective currently refers only to s5.38 of the Local Government Act 1995 and does not explicitly reference Schedule 2 Division 3 of the Local Government (Administration) Regulations 1996, reg 18FA, or s5.39B, which imposes the requirement to adopt and apply the model CEO Standards. As drafted, the objective does not clearly state the Town's intention to give full effect to its statutory obligations, nor does it anchor the policy within the correct legislative and standards framework. A broader, more explicit policy objective would signal compliance with both the Act and the Regulations and reinforce that CEO performance reviews must occur consistently with the Town's adopted Standards for CEO Recruitment, Performance and Termination. Strengthening the objective would also allow the policy to express its purpose in supporting effective oversight, governance capability and accountability for the delivery of strategic and statutory functions. This approach aligns the policy with the Town's broader governance framework and positions it as one of the instruments that upholds ethical leadership and organisational improvement.

The policy currently defines "Review Standards" as the Town's Standards for CEO Recruitment, Performance and Termination but does not clearly state that Policy 031 operates as a procedural document under those Standards. Without this clarification, there is a risk that users may not understand the legislative hierarchy or which document prevails in the event of uncertainty or inconsistency. Explicitly stating that the policy must not be inconsistent with the CEO Standards ensures compliance with s5.39B and supports a clear and defensible governance structure.

Recommendations

The policy objective should be expanded to state that the policy gives effect to s5.38 and s5.39 of the Local Government Act 1995, and to Schedule 2 Division 3 of the Local Government (Administration) Regulations 1996, which contains the mandatory Standards for the review of CEO performance. It should also reference the Town's adopted Standards for CEO Recruitment, Performance and Termination as the governing instrument that sets the required statutory framework. The expanded objective should weave cross-references throughout the policy to the key clauses of the Standards, including cl 16 on agreement of process and criteria, cl 17 on impartiality and transparency, cl 18 on Council endorsement by absolute majority and cl 22 on performance issues and opportunities for improvement. This approach ensures a clear line of sight between the statutory framework and the procedural steps described in the policy.

A clause should be inserted confirming that where any inconsistency arises between Policy 031 and the Town's CEO Standards, the Standards prevail. This ensures the policy remains subordinate to the model standards prescribed under State law and reduces governance and procedural risk.

A short Legislative and Standards Context section should be added near the front of the document to summarise the statutory environment in which CEO performance reviews operate. This section should reference the Local Government Act 1995, the Administration Regulations (including Schedule 2 Division 3), the Town's CEO Standards and the DLGSC Operational Guideline as a good-practice reference. This addition will help readers understand the legislative basis of the policy, improve accessibility and support consistent application by Elected Members, officers and the CEO.

2. Principles and review philosophy

Observations

The policy moves quickly into procedural detail without first setting out the governing principles that should guide a CEO performance review. The absence of an explicit principles section means the document does not anchor the process in the values that underpin good governance. The model standards and the DLGSC guideline emphasise fairness, integrity, impartiality, transparency and evidence-based assessment. These principles provide the foundation for lawful and defensible performance management and should be clearly established before the process steps are introduced.

Recommendations

The policy should include a dedicated Principles section at the beginning, stating that CEO performance reviews are conducted in a way that upholds fairness and procedural fairness by ensuring a consistent, respectful and unbiased approach. The principles should confirm that integrity and impartiality guide the assessment, with all participants acting objectively and without personal influence. The policy should also state that transparency applies to the review process while maintaining appropriate confidentiality over sensitive employment information.

The principles should require that all assessments rely on comprehensive and verifiable evidence directly linked to the agreed performance criteria, rather than opinion or anecdote. The document should make clear that the review must align with the Strategic Community Plan, Corporate Business Plan, Long Term Financial Plan and statutory responsibilities, reflecting the CEO's role in delivering these obligations. The policy should include a principle supporting continuous improvement and CEO development, highlighting that the review process not only evaluates past performance but also contributes to future capability.

The policy should refer expressly to cl 17(1)–(2) of Schedule 2 of the CEO Standards, which require that CEO performance reviews be impartial, transparent and based on thorough and comprehensive evidence. Including this reference reinforces the statutory foundation of the principles and ensures that the process aligns with the State-mandated governance framework.

3. Roles, responsibilities and decision-making

Observations

The policy establishes the CEO Recruitment and Performance Review Committee and the use of an external facilitator, and it acknowledges that Council is the body responsible for final decisions. The current drafting does not set out the distinctions between the Committee's coordinating function and Council's non-delegable decision-making responsibilities under cl 18, which requires Council to endorse the review outcome by absolute majority. The roles of the Mayor or Presiding Member, individual Councillors and the CEO are not clearly defined. The policy also lacks explicit guidance on conflict-of-interest obligations, impartiality requirements and confidentiality expectations for Committee members, which are necessary to support a lawful and credible process.

Recommendations

The policy should include a dedicated Roles and Responsibilities section that clearly outlines the functions of all participants in the CEO performance review. This section should confirm that Council endorses the agreed review process and performance criteria by absolute majority, considers and endorses the final performance review outcome by absolute majority in accordance with cl 18 of the CEO Standards, and determines remuneration outcomes and any formal performance improvement directions. The section should describe the Committee's responsibility for coordinating the process, while emphasising that the Committee does not make final determinations.

The Roles and Responsibilities section should explain that the Mayor or Committee Chair leads discussions with the CEO and ensures all Elected Members are given a reasonable opportunity to contribute before any recommendations proceed to Council. It should clarify that Elected Members are expected to provide structured, evidence-based and confidential input, maintain impartiality and avoid any form of pre-determination. The CEO's role should be described as one of co-developer of performance criteria and co-participant in agreeing the review process under cl 16.

To support integrity and governance compliance, the policy should also include an explicit conflict-of-interest and conduct clause for Committee members. This clause should reference the Local Government Act, the Model Code of Conduct and the Town's broader governance framework, ensuring that Committee members understand their obligations to act independently, declare and manage conflicts, and uphold confidentiality throughout the review.

4. Review cycle, timing and frequency

Observations

The policy adopts a financial-year review cycle and sets out a four-stage process in which the annual CEO performance review commences in the second quarter and is facilitated by an external consultant. While this provides structure, the approach focuses heavily on a single annual review point. Contemporary guidance issued by the DLGSC, along with the practice of several Western Australian local governments, encourages more regular and structured performance discussions throughout the year. These include mid-year or quarterly check-ins that support continuous feedback, allow for early identification of emerging issues and reduce the risk of unresolved matters accumulating until the end-of-year review. The absence of these interim mechanisms limits the Town's ability to maintain consistent oversight and respond proactively to performance trends.

Recommendations

The policy should specify that the formal statutory review required under s5.38 of the Act and Schedule 2 Division 3 of the CEO Standards must be completed within a set period after 30 June, such as by 30 September. This timeframe improves discipline, reduces slippage and ensures alignment with the Town's integrated planning and budget cycles. The policy should also introduce a mandatory mid-year performance check-in involving the CEO, the Committee Chair and the facilitator, supported by a short written update to Council. This mid-year activity should be expressly linked to continuous improvement, early issue identification and the DLGSC's guidance on addressing performance concerns promptly and constructively.

To support ongoing alignment, the policy should allow additional interim discussions—such as quarterly check-ins—where required by organisational needs or emerging circumstances. The policy should also include contingency provisions to ensure that even where elections, major disruptions or CEO leave occur, the Town still completes at least one statutory performance review every twelve months in accordance with s5.38(1). These additions strengthen compliance, enhance governance robustness and reflect contemporary sector expectations for more regular, structured oversight of CEO performance.

5. Performance criteria, KPIs and link to strategic planning

Observations

The policy references several categories of performance expectations, including contractual performance criteria, additional criteria, KPIs, KPOs and references to the Strategic Community Plan and Corporate Business Plan. This layering of terminology creates complexity and increases the risk of inconsistent interpretation. The simultaneous use of KPIs, KPOs, performance criteria and performance outcomes blurs distinctions and may confuse participants about what is being assessed and how. The DLGSC guideline emphasises the need for performance criteria that are clearly defined, measurable, achievable, time-bound and directly linked to Council's priorities and statutory obligations. Without a streamlined approach, the policy risks diluting the clarity required for an effective CEO appraisal framework.

Recommendations

The policy should rationalise its terminology by adopting "performance criteria" as the primary term encompassing both KPIs and KPOs, supported by "performance measures and targets" to articulate how each criterion will be assessed. This creates a simpler, more coherent structure for defining expectations. The policy should also strengthen the connection between performance criteria and the Town's integrated planning and reporting framework by requiring that a significant portion of the criteria directly reference the SCP, CBP, LTFP and key service plans. These criteria should also address key domains such as delivery of Council priorities and major projects, financial sustainability and asset management, governance, compliance and organisational culture.

To ensure rigour, the policy should include clear quality expectations for all performance criteria. Each criterion should contain a concise description of the expected outcome, measurable indicators, evidence-based methods for assessment, defined timeframes and milestones, and a rating scale agreed in advance. The policy should also clarify how personal development goals will be incorporated into the CEO's performance plan. These goals should be framed with the same discipline as operational criteria, including how they will be measured and resourced, ensuring they form an intentional and meaningful part of the CEO's overall performance framework rather than an incidental or informal component.

6. Agreement of process and criteria (cl 16)

Observations

Stage 2 of the policy acknowledges the requirement for the Town and the CEO to agree on the performance review process and any additional performance criteria, and it directs that these matters be documented. However, the policy does not explicitly reference cl 16(2)–(3) of Schedule 2 of the CEO Standards, which sets out the mandatory requirement for mutual agreement and the procedural steps involved. Nor does the policy explain what occurs if the Town and the CEO are unable to reach agreement on the process or criteria. The absence of these details leaves a gap in statutory clarity and may result in uncertainty or inconsistency if disagreement arises.

Recommendations

Stage 2 should be updated to quote or summarise cl 16(1)–(3) of the CEO Standards so that the statutory obligations governing agreement on the process and criteria are clearly stated. This amendment ensures that the policy reflects the legislative requirement for the CEO and Council to agree on the review method, criteria and timelines before the review proceeds. The policy should also introduce a structured dispute-resolution pathway for situations where agreement cannot be reached. This pathway should include good-faith negotiation between the Mayor, the Committee Chair and the CEO, with the option of seeking support from an independent mediator or facilitator if required. Where disagreement remains unresolved, the policy should confirm that Council may make a final determination while still working to preserve a cooperative and professional employment relationship.

The policy should further confirm that once agreement is reached, the process and performance criteria must be endorsed by Council by absolute majority and stored in the Town's recordkeeping system. These agreed elements should form the formal Performance Agreement for the year. This requirement strengthens governance rigour, ensures compliance with the CEO Standards and provides a clear, auditable record of the review framework.

7. Conduct of the review, evidence and CEO input

Observations

Stage 4 of the policy describes the external facilitator's role in gathering evidence, conducting the performance review and engaging with the CEO. While this establishes high-level expectations, the policy does not specify the types or sources of evidence that must be used, nor does it describe how the CEO's self-assessment will be incorporated into the process. The policy also omits guidance on how differing perspectives from Elected Members should be reconciled to form a consolidated assessment. The DLGSC guideline places strong emphasis on comprehensive evidence collection, structured and consistent assessment tools and clear opportunities for CEO self-assessment and written response. Without this detail, the review risks lacking transparency, consistency and alignment with the statutory standards.

Recommendations

The policy should include a standalone Evidence and Assessment subsection that outlines the categories of evidence required for the CEO performance review. This subsection should confirm that evidence may include quarterly or mid-year performance reporting against criteria, financial and service performance data, integrated planning and reporting milestones, governance and compliance results such as audit findings, risk information and statutory returns, and any agreed stakeholder feedback mechanisms including Councillor surveys or 360-style feedback where appropriate. The subsection should also confirm that the CEO will provide a written self-assessment addressing each performance criterion and that the external facilitator will use a standardised rating scale and assessment template endorsed by Council to ensure consistency.

The policy should clarify that the CEO will receive the draft assessment report and be given a reasonable opportunity to provide a written response before the Committee finalises its recommendation to Council. The Committee's final recommendation should identify any material differences between the facilitator's analysis, the CEO's self-assessment and the Committee's collective position, ensuring transparency in how conclusions were reached. The policy should further reinforce that the review must be impartial and transparent in accordance with cl 17 of the CEO Standards and that any allegations relating to conduct, behaviour or Code-related matters must be addressed through separate, appropriate processes rather than through the performance review itself.

8. External facilitator: independence, selection and scope

Observations

The policy provides for the appointment of an external facilitator and outlines several of the facilitator's tasks. However, it does not specify minimum qualifications, expectations regarding local government or public sector experience, or the conflict-of-interest requirements necessary for such a sensitive role. This creates a risk that consultants without the appropriate skills, governance background or independence may be engaged. The DLGSC guideline recommends using an independent consultant when the council lacks in-house expertise and emphasises the importance of independence and demonstrated experience in CEO-level performance appraisal. Without clearer standards, the policy does not fully support a robust, defensible selection process.

Recommendations

The External Facilitator section should be expanded to make clear that the Town will seek consultants with demonstrable experience in senior executive performance review, along with strong knowledge of local government or public sector governance. It should also state explicitly that the facilitator must be free from actual, potential or perceived conflicts of interest with the Town or the CEO. Setting these expectations ensures the Town engages suitably qualified professionals and preserves the integrity of the performance review.

The policy should require that each facilitator engagement be governed by brief written terms of reference. These terms should outline the scope of work, including process design, evidence collection, meeting facilitation, preparation of the draft and final reports, assistance with developing performance criteria and providing remuneration benchmarking advice. The terms should also state that the facilitator reports directly to the Committee, not to the CEO, and must comply with the Town's confidentiality and record-keeping requirements. This framework gives clarity to all parties and ensures the facilitator's independence is preserved.

The policy should also clarify that Council's resolution appointing the facilitator must confirm that the consultant is independent and acceptable to both Council and the CEO. This reflects the cooperative intent of cl 16 and supports a fair and transparent process while maintaining confidence in the facilitator's neutrality.

9. Remuneration review and separation from performance assessment

Observations

The policy incorporates remuneration review within the same framework as the CEO's performance assessment and assigns responsibility for remuneration advice to the external facilitator, subject to the Salaries and Allowances Tribunal (SAT) Band 2 determination. While this reflects the need for informed advice, the SAT determination sets strict remuneration parameters that councils must not exceed, and these are updated annually. Merging performance evaluation and remuneration discussion into a single step can blur governance boundaries and create perceptions of conflict or automatic linkage. Better practice in Western Australian local government separates performance assessment from remuneration decision-making, even though both rely on related evidence.

Recommendations

The policy should make clear that performance assessment and remuneration are related but separate processes. The performance review should conclude with an endorsed performance outcome, and remuneration considerations should occur only after that outcome is finalised. When Council considers remuneration, it should take into account the performance result, the current SAT determination and relevant market and internal equity factors. This sequencing helps preserve governance clarity and avoids the perception that salary adjustments follow automatically from ratings.

The policy should also require that the facilitator's remuneration advice explicitly confirms compliance with the current SAT determination. The advice should set out lawful options for Council, such as no increase, a CPI-aligned adjustment or movement within the prescribed band, and include the risks and rationale associated with each option. This ensures Council receives clear, contextualised information that aligns with its statutory obligations.

The policy should include a clause affirming that Council retains full discretion to determine remuneration. It should state that performance ratings do not automatically lead to any specific percentage increase or adjustment, but are one factor among several considerations. This protects Council's decision-making authority, promotes transparency and maintains proper separation between evaluation and remuneration.

10. Performance improvement and link to termination standards

Observations

The policy contains a section on the Performance Improvement Action Plan, but it does not expressly refer to cl 22 of Schedule 2, which sets out mandatory procedural steps that must be followed before any performance-related termination can be considered. The policy also does not explain how serious performance issues identified during the year—not only at the annual review—should be managed. In addition, the existing text does not make clear how the action plan is intended to align with the requirements of procedural fairness and with the termination standards set out in Division 4 of the CEO Standards. These omissions create gaps that could expose the Town to procedural or legal risk if significant concerns arise.

Recommendations

The Performance Improvement Action Plan section should be strengthened to require that any performance issues identified during the annual review or during interim checkpoints are documented clearly. This documentation should include a description of the issues, the specific improvements required, the support that will be provided such as coaching, training or resourcing, and the timeframes and review points that will apply. The policy should also expressly link the improvement plan to cl 22 of the CEO Standards, stating that the CEO must be formally advised of the performance concerns, given a reasonable opportunity to address and implement an agreed plan, and that Council must consider whether the issues have been remedied before turning its mind to any performance-related termination. This linkage ensures compliance with mandatory statutory requirements.

The policy should further include a clause confirming that serious performance concerns arising outside the annual review are not deferred until the end of the cycle. Instead, such concerns should trigger either an extraordinary review or a targeted mid-cycle review, applying the same principles and procedural safeguards as the main review. Where this occurs, the Performance Improvement Action Plan should be updated contemporaneously to reflect the emerging issues. This ensures a fair and responsive approach to performance management throughout the year, consistent with procedural fairness and the intent of the CEO Standards.

11. Training, capability and continuity

Observations

The policy currently notes that Elected Members who nominate for the Committee are “encouraged” to complete the WALGA CEO Performance Review course. This language is permissive rather than directive and does not establish a clear governance expectation. The DLGSC guideline, along with examples from other Western Australian local governments such as the Shire of Capel, sets a firmer standard by requiring panel members to undertake training within a defined timeframe. These examples highlight sector-wide recognition that CEO performance reviewers must possess the skills and knowledge needed to conduct a lawful, fair and effective assessment. The current policy does not reflect this strengthened expectation.

Recommendations

The policy should require all Committee members to complete recognised CEO performance review training, such as the WALGA course or an equivalent program, within six months of their appointment. It should also specify that refresher training must occur at least every five years to maintain currency with legislative changes and evolving governance practice. To ensure continuity of capability, the policy should state that where external training is not reasonably available, the Town will provide its own governance training aligned with the DLGSC guideline.

The policy should further include a clause requiring a structured induction and handover process for new Committee members. This induction should cover the Town’s CEO Standards, Policy 031 and its supporting procedures, and the current performance agreement and timetable. Providing this information ensures new members are properly oriented and able to participate effectively and responsibly in the review process from the outset.

12. Transparency, confidentiality and records

Observations

The policy includes a Records Management section and makes reference to the State Records Act 2000; however, it does not explicitly cite s5.23(2) of the Local Government Act 1995 or r14(2) of the Local Government (Administration) Regulations 1996, which govern the circumstances in which Council may close a meeting to discuss confidential matters. The policy also does not acknowledge the need to balance confidentiality with providing the community an appropriate level of transparency about the CEO performance review process and its outcomes. These omissions risk creating ambiguity about statutory meeting procedures and the Town's broader governance commitments.

Recommendations

The Records Management and confidentiality section should be expanded to make clear that all CEO performance review reports, supporting evidence and minutes are to be treated as confidential records and managed in accordance with the State Records Act 2000 and the Town's Recordkeeping Plan. The section should also confirm that Council will consider CEO performance and remuneration matters as confidential items under s5.23(2) of the Act and r14(2) of the Regulations when appropriate, reflecting the sensitive and personal nature of CEO employment information.

The policy should also introduce a commitment to a public transparency statement, published annually on the Town's website. This statement should confirm that the CEO performance review has been completed in accordance with the Act, Regulations and the Town's CEO Standards and indicate whether the CEO's performance was assessed as meeting or exceeding expectations, without disclosing detailed ratings or confidential material. This measure would complement the existing requirement to publish the CEO's annual performance criteria under cl 19 and would demonstrate the Town's commitment to transparent governance while respecting statutory confidentiality obligations.

13. Structural and drafting tidy-ups

Observations

The policy is clear in intent but dense in structure, which may make it difficult for Elected Members and officers to navigate during an already complex statutory process. Several clauses appear more than once, and some cross-references point back to concepts that could be consolidated or reordered. This layering creates unnecessary cognitive load and increases the risk of misinterpretation, particularly for new Elected Members or those unfamiliar with the legislative requirements.

Recommendations

The policy should be restructured into clearer, more accessible sections arranged under numbered headings. These sections should include: Purpose and scope; Legislative and standards context; Principles; Roles and responsibilities; Review cycle and timetable; Agreement of process and performance criteria; Evidence collection and assessment; Performance improvement and underperformance management; Remuneration review; Training and capability; Transparency, confidentiality and records; and Related documents and references. This structure will give users a logical sequence that aligns with the statutory CEO Standards and reflects a typical governance workflow.

The four-stage framework currently embedded in the text should be relocated to a process overview diagram or schedule placed at the end of the policy. The main body of the policy should then reference this schedule rather than reproducing the detail mid-text. This approach allows for clearer policy content while providing a visual or step-based guide that can be updated without altering the core governance requirements.

Finally, all legislative references and clause numbers should be cross-checked against the most current compilation of the Local Government (Administration) Regulations to ensure accuracy. This will prevent reliance on outdated clause numbers and reinforce the policy's compliance with the State's legislative framework.

Re-Drafted Policy

Policy 031 – Annual Performance Review for the Chief Executive Officer

1. Purpose

This policy sets out the Town of Victoria Park's framework for conducting the annual performance review of the Chief Executive Officer (CEO) in accordance with the Local Government Act 1995, the Local Government (Administration) Regulations 1996 and the Town's adopted Standards for CEO Recruitment, Performance and Termination (CEO Standards). The policy ensures that the review process is lawful, transparent, impartial and evidence-based, and that it supports effective oversight, capability development and continuous organisational improvement.

This policy operates as a procedural instrument that supports the CEO Standards. Where any inconsistency exists between this policy and the CEO Standards, the CEO Standards prevail.

2. Legislative and Standards Context

The CEO performance review is conducted in accordance with:

- Local Government Act 1995, including s5.38, s5.39 and s5.23(2);
- Local Government (Administration) Regulations 1996, including Schedule 2 Division 3 (Standards for Review of Performance of CEOs) and r14(2);
- Town of Victoria Park Standards for CEO Recruitment, Performance and Termination;
- State Records Act 2000;
- Relevant guidance issued by the Department of Local Government, Sport and Cultural Industries.

3. Principles

CEO performance reviews are guided by the following principles:

- Fairness and procedural fairness, with consistent and documented processes.
- Impartiality and independence, supported by an external facilitator.
- Transparency of process, balanced with appropriate confidentiality.
- Evidence-based decision-making grounded in reliable data and verified information.
- Alignment with the Strategic Community Plan, Corporate Business Plan, Long Term Financial Plan, Annual Budget and statutory obligations.
- Support for CEO capability development and continuous organisational improvement.
- Consistency with the intent and requirements of the State's CEO Standards.
- Professional, respectful conduct by all participants.

4. Definitions

A definitions section is included to support consistent interpretation of this policy.

- Performance Criteria – agreed areas of CEO accountability for the review period.
- Performance Measures and Targets – specific indicators, evidence sources and timeframes that demonstrate achievement of the performance criteria.
- Performance Agreement – the annual written agreement between Council and the CEO that sets out the review process, performance criteria, measures and timelines.
- Facilitator – an independent external consultant appointed to support the review process.
- Committee – the CEO Recruitment and Performance Review Committee.
- Performance Improvement Plan – a written plan developed in accordance with cl 22 of the CEO Standards.

5. Roles and Responsibilities

Council

Council:

- Holds non-delegable responsibility for endorsing the performance review process and criteria by absolute majority;
- Considers and endorses the final performance review outcome by absolute majority in accordance with cl 18 of the CEO Standards;
- Determines remuneration outcomes and any performance improvement directions;
- Ensures the process complies with all legislative requirements.

Committee

The Committee:

- Coordinates the performance review process and manages timelines;
- Works with the facilitator and provides guidance on process design;
- Seeks input from all Elected Members before making recommendations to Council;
- Prepares consolidated findings and recommendations for Council approval;
- Does not make final performance or remuneration determinations.

Mayor / Committee Chair

The Mayor or Committee Chair:

- Leads discussions with the CEO during the review cycle;
- Ensures all Elected Members have a reasonable opportunity to contribute input;
- Ensures the process remains impartial and procedurally fair.

Elected Members

Elected Members:

- Provide evidence-based input consistent with statutory obligations;
- Maintain confidentiality and avoid pre-determination;
- Manage conflicts of interest in accordance with the Act and Model Code of Conduct.

Chief Executive Officer

The CEO:

- Participates actively in the review process and co-develops performance criteria;
- Provides evidence and a written self-assessment;
- Responds to draft performance findings;
- Engages constructively in any performance improvement process.

External Facilitator

The Facilitator:

- Must be independent and free from conflicts of interest;
- Reports to the Committee, not the CEO;
- Designs the review process and supports agreement on criteria;
- Collects and tests evidence, facilitates meetings and prepares reports;
- Supports mid-year checkpoints and provides remuneration benchmarking;
- Maintains secure records and ensures confidentiality.

6. Review Cycle and Timing

Annual Review

The statutory CEO performance review must be completed each year by 30 September to meet s5.38 requirements and to align with planning and budget cycles.

Mid-Year Checkpoint

A structured mid-year checkpoint must be held involving the CEO, Committee Chair and the facilitator. A short written summary will be provided to Council.

Quarterly Optional Progress Meetings

Quarterly progress discussions may occur between the CEO and Committee Chair to maintain alignment and monitor emerging issues.

Contingency Provisions

Where elections, CEO leave or exceptional circumstances disrupt the cycle, Council must still ensure at least one review occurs every 12 months.

Annual Review Schedule

At the beginning of each financial year the Committee will confirm and publish the performance review schedule.

7. Performance Criteria and Measures

- Performance criteria must clearly align with the SCP, CBP, LTFP, Annual Budget and statutory responsibilities.
- Criteria must include strategic leadership, operational delivery, governance, risk, financial management, service performance, project delivery and organisational culture.
- Each criterion must include measurable indicators, defined evidence sources, timeframes and targets.
- Professional development goals must be incorporated each year.
- Criteria must be agreed under cl 16 and documented in the Performance Agreement.
- Changes during the year require mutual agreement and Council endorsement.
- Performance criteria must be published annually in accordance with cl 19.

8. Agreement of Process and Performance Criteria

- The CEO and Council must agree in writing on the review process and criteria under cl 16 of the CEO Standards.
- The agreed process and criteria will be documented in the annual Performance Agreement, endorsed by absolute majority and signed by the CEO.
- If agreement cannot be reached, the parties must engage in good-faith negotiation, with support from the facilitator, and may seek independent mediation. If disagreement persists, Council will determine the process while ensuring fairness.
- All Elected Members must have an opportunity to provide input before finalisation.
- Mid-year amendments must be documented and mutually agreed.
- All documents must be recorded in the Town's recordkeeping system.

9. Evidence and Assessment

Evidence used in the review includes:

- Performance reporting against criteria;
- Integrated planning and reporting milestones;
- Financial and service performance data;
- Audit and compliance results;
- Risk management information;
- Major project reporting;
- Agreed stakeholder feedback.

The assessment process must:

- Include a structured CEO self-assessment;
- Use a standardised rating scale and template;
- Encourage balanced input from all Elected Members;
- Reconcile divergent views transparently;
- Provide the CEO reasonable opportunity to comment on draft findings;
- Distinguish clearly between performance matters and conduct matters, referring conduct concerns to appropriate processes;
- Ensure the facilitator records evidence reviewed, persons consulted and the reasoning for findings.

10. Remuneration Review

- Performance assessment and remuneration are separate steps.
- Remuneration decisions must comply with the current Salaries and Allowances Tribunal determination.
- The facilitator will provide remuneration benchmarking and lawful options.
- Performance ratings do not produce automatic salary increases.
- Council will consider performance, market data, internal equity, financial capacity and community expectations.
- Non-financial recognition (training, development) may be used where appropriate.
- Council must document the rationale for remuneration decisions.
- Discussion of remuneration may only occur after Council has endorsed the performance outcome.

11. Performance Improvement

Where performance concerns are identified:

- A Performance Improvement Plan must be established in accordance with cl 22;
- The CEO must be clearly advised of concerns and given reasonable opportunity to improve;
- The plan must specify improvements required, support to be provided, timeframes and review points;
- Council must consider whether concerns have been remedied before contemplating performance-related termination.

12. Training and Capability

- Committee members must complete recognised CEO performance review training within six months of appointment, with refresher training every three to five years.
- New Committee members receive a structured induction including governance, statutory obligations and current CEO Performance Agreement.
- Governance briefings will be provided to all Elected Members periodically.
- Committee members must complete conflict-of-interest training.
- The Committee Chair should undertake specialist chairing and facilitation training.
- CEO professional development priorities identified through the review must be supported.
- Annual briefing from the facilitator will outline expectations and methods for the coming cycle.
- All training activities must be documented in the recordkeeping system.

13. Transparency, Confidentiality and Recordkeeping

- Council may close meetings for CEO performance and remuneration matters under s5.23(2) and r14(2).
- All participants must maintain strict confidentiality over review documents and discussions.
- Sensitive information must be stored securely with restricted access.
- All review-related documents must be captured in accordance with the State Records Act 2000.
- Public transparency is supported by an annual statement confirming completion of the CEO review without disclosing confidential information.
- The facilitator must return all records to the Town and destroy copies at the conclusion of the engagement.

14. Structure, Formatting and Related Documents

- The policy adheres to the Town's style guide and governance framework.
- Internal references shall be accurate and updated during each review cycle.
- Related documents include the CEO Standards, CEO contract, Town Governance Framework, DLGSC guidelines and the Recordkeeping Plan.
- A summary flowchart of the review process is attached as an appendix.

15. Review of this Policy

This policy will be reviewed every two years or sooner if legislative change warrants amendment.