Policy number	**Policy 031**
Policy title	Annual Performance Review for the Chief Executive Officer
Strategic outcomes supported	CL1 – Effectively managing resources and performance CL3 - Accountability and good governance

1. Policy objective:

1.1. 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).

2. Policy statement:

2.1. 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.

2.2. 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.

3. Policy scope:

3.1. This policy applies in respect of the office of the Chief Executive Officer.

4. Legislative and Standards Context:

4.1. The CEO performance review is conducted in accordance with:

4.1.1. Local Government Act 1995 **(Act),** including s5.38, s5.39 and s5.23(2).

4.1.2. Local Government (Administration) Regulations 1996 (**Regulations**), including Schedule 2 Division 3 (Standards for Review of Performance of CEOs) and r14(2);

4.1.3. Town of Victoria Park Standards for CEO Recruitment, Performance and Termination **(CEO Standards).**

4.1.4. State Records Act 2000 **(SR Act).**

4.1.5. Department of Local Government, Industry Regulation and Safety **(DLGIRS)**Employment contract between the Town of Victoria Park (the Employer) and the Chief Executive Officer (the Employee) **(Contract)**

5. Policy definitions:

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

6. Principles:

6.1. CEO performance reviews are guided by the following principles:

6.1.1. Fairness and procedural fairness, with consistent and documented processes.

6.1.2. Impartiality and independence, supported by an external facilitator.

6.1.3. Transparency of process, balanced with appropriate confidentiality.

6.1.4. Evidence-based decision-making grounded in reliable data and verified information.

6.1.5. Alignment with the Strategic Community Plan (SCP), Corporate Business Plan (CBP), Long Term Financial Plan (LTFP), Annual Budget and statutory obligations.

6.1.6. Support for CEO capability development and continuous organisational improvement.

6.1.7. Consistency with the intent and requirements of the CEO Standards.

6.1.8. Professional, respectful conduct by all participants.

7. Roles and Responsibilities:

7.1. The Council:

7.1.1. Holds non-delegable responsibility for endorsing the performance review process and criteria by absolute majority;

7.1.2. Considers and endorses the final performance review outcome by absolute majority in accordance with cl 18 of the CEO Standards;

7.1.3. Determines remuneration outcomes and any performance improvement directions;

7.1.4. Ensures the process complies with all legislative requirements.

7.2. The Committee:

7.2.1. Coordinates the performance review process and manages timelines;

7.2.2. Works with the facilitator and provides guidance on process design;

7.2.3. Seeks input from all Elected Members before making recommendations to Council;

7.2.4. Prepares consolidated findings and recommendations for Council approval;

7.2.5. Does not make final performance or remuneration determinations.

7.3. The Mayor or Committee Chair:

7.3.1. Leads discussions with the CEO during the review cycle;

7.3.2. Ensures all Elected Members have a reasonable opportunity to contribute input into the performance review process;

7.3.3. Ensures the process remains impartial and procedurally fair.

7.4. Elected Members:

7.4.1. Provide evidence-based input consistent with statutory obligations;

7.4.2. Maintain confidentiality and avoid pre-determination;

7.4.3. Manage conflicts of interest in accordance with the Act and Model Code of Conduct.

7.5. The CEO:

7.5.1. Participates actively in the review process and co-develops performance criteria;

7.5.2. Provides evidence and a written self-assessment;

7.5.3. Responds to draft performance findings;

7.5.4. Engages constructively in any performance improvement process.

External Facilitator

7.6. The Facilitator:

7.6.1. Must be independent and free from conflicts of interest;

7.6.2. Reports to the Committee, not the CEO;

7.6.3. Designs the review process and supports agreement on criteria;

7.6.4. Collects and tests evidence, facilitates meetings and prepares reports;

7.6.5. Supports mid-year checkpoints and provides remuneration benchmarking;

7.6.6. Maintains secure records and ensures confidentiality.

8. Review Cycle and Timing:

8.1. Annual Review

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

8.2. Mid-Year Review

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

8.3. Optional Progress Meetings

8.3.1. The committee chair may call a meeting of the committee at any time to discuss progress of the CEO performance review.

8.4. Contingency Provisions

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

9. Performance Criteria and Measures:

9.1. Performance criteria must clearly align with the SCP, CBP, LTFP, Annual Budget and statutory responsibilities.

9.2. Criteria must include strategic leadership, operational delivery, governance, risk, financial management, service performance, project delivery and organisational culture.

9.3. Each criterion must include measurable indicators, defined evidence sources, timeframes and targets.

9.4. Professional development goals must be incorporated each year.

9.5. Criteria must be agreed under cl 16 of the Contract and documented in the Performance Agreement.

9.6. Changes during the year require mutual agreement and Council endorsement.

9.7. Performance criteria must be published annually in accordance with cl 19 of the Contract.

10. Agreement of Process and Performance Criteria:

10.1. The CEO and Council must agree in writing on the review process and criteria under cl 16 of the CEO Standards.

10.2. The agreed process and criteria will be documented in the annual Performance Agreement, endorsed by absolute majority and signed by the CEO.

10.3. 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.

10.4. All Elected Members must have an opportunity to provide input before finalisation.

10.5. Mid-year amendments must be documented and mutually agreed.

10.6. All documents must be recorded in the Town's recordkeeping system.

11. Evidence and Assessment:

11.1. Evidence used in the review includes:

11.1.1. Performance reporting against criteria;

11.1.2. Integrated planning and reporting milestones;

11.1.3. Financial and service performance data;

11.1.4. Audit and compliance results;

11.1.5. Risk management information;

11.1.6. Major project reporting;

11.1.7. Agreed stakeholder feedback

11.2. The assessment process must:

11.2.1. Include a structured CEO self-assessment;

11.2.2. Use a standardised rating scale and template;

11.2.3. Encourage balanced input from all Elected Members;

11.2.4. Reconcile divergent views transparently;

11.2.5. Provide the CEO reasonable opportunity to comment on draft findings;

11.2.6. Distinguish clearly between performance matters and conduct matters, referring conduct concerns to appropriate processes;

11.2.7. Ensure the facilitator records evidence reviewed, persons consulted and the reasoning for findings.

12. Remuneration Review:

12.1. Performance assessment and remuneration are separate steps.

12.2. Remuneration decisions must comply with the current Salaries and Allowances Tribunal determination.

12.3. The facilitator will provide remuneration benchmarking and lawful options.

12.4. Performance ratings do not produce automatic salary increases.

12.5. Council will consider performance, market data, internal equity, financial capacity and community expectations.

12.6. Non-financial recognition (training, development) may be used where appropriate.

12.7. Council must document the rationale for remuneration decisions.

12.8. Discussion of remuneration may only occur after Council has endorsed the performance outcome

13. Performance Improvement:

13.1. Where performance concerns are identified:

13.1.1. A Performance Improvement Plan must be established in accordance with cl 22 of the Contract;

13.1.2. The CEO must be clearly advised of concerns and given reasonable opportunity to improve;

13.1.3. The plan must specify improvements required, support to be provided, timeframes and review points;

13.1.4. Council must consider whether concerns have been remedied before contemplating performance-related termination.

14. Training and Capability:

14.1. Committee members must complete recognised CEO performance review training by 30 June of the year following appointment to the Committee, with refresher training every three to five years.

14.2. New Committee members receive a structured induction including governance, statutory obligations and current CEO Performance Agreement.

14.3. Governance briefings will be provided to all Elected Members periodically.

14.4. Committee members must complete conflict-of-interest training.

14.5. The Committee Chair should undertake specialist chairing and facilitation training.

14.6. CEO professional development priorities identified through the review must be supported.

14.7. Annual briefing from the facilitator will outline expectations and methods for the coming cycle.

14.8. All training activities must be documented in the recordkeeping system

15. Transparency, Confidentiality and Recordkeeping:

15.1. Council may close meetings for CEO performance and remuneration matters under s5.23(2) of the Act and r14(2) of the Regulations.

15.2. All participants must maintain strict confidentiality over review documents and discussions.

15.3. Sensitive information must be stored securely with restricted access.

15.4. All review-related documents must be captured in accordance with the SR Act.

15.5. Public transparency is supported by an annual statement confirming completion of the CEO review without

15.5.1. disclosing confidential information.

15.6. The facilitator must return all records to the Town and destroy copies at the conclusion of the engagement.

16. Records Management:

16.1. All records relating to the CEO annual performance review process must be managed in accordance with the conditions of the State Records Act 2000 and the Town's "Content Manager" records management system.

17. Policy Review:

17.1. The policy will be reviewed every two years following a local government election, or sooner if legislative change warrants amendment.

18. Related documents

Town of Victoria Park Standards for CEO Recruitment, Performance and Termination

CEO contract

Town Governance Framework

DLGIRS guidelines and the Recordkeeping Plan.

Responsible officers	Manager People & Culture
Policy manager	Chief Financial Officer
Approval authority	Council
Next evaluation date	May 2028

Revision history

Version	Action	Date	Authority	Resolution number	Report number
1	Adopted	13/12/2022	Council	279/2022	15.7
2	Administratively amended	24/08/2023	Delegation		
3	Reviewed	20/02/2024	Council	7/2024	11.3
4	Reviewed and amended	19/05/2026	Council	81/2026	15.7
4	Administratively amended	23/06/2026	Delegation		