

Council Policy

CHIEF EXECUTIVE OFFICER EMPLOYMENT AND REMUNERATION POLICY

Date Adopted:	9 July 2025
Adopted By:	Council
Review Due:	9 July 2029
Responsible Officer:	Manager People and Culture
Directorate:	People and Performance
Sharepoint	SGSC-181228328-271792

PURPOSE

The *Local Government Act 2020* requires Council to adopt a Chief Executive Officer (CEO) Employment and Remuneration policy that:

1. Provides for Council to obtain independent professional advice for all matters dealt with in the policy; and
2. Provides for the following:
 - CEO recruitment and appointment
 - Contract of employment
 - Performance monitoring
 - Annual review
 - Any other matters prescribed by the regulations

DEFINITIONS

CEO	Chief Executive Officer
Committee	CEO Employment and Remuneration Advisory Committee members
Council	Southern Grampians Shire Council
Councillors	Elected members of Council who are not nominated members of the Committee.
Independent Advisor	A suitably qualified person, appointed by the Committee to: • Facilitate the CEO performance review process • Provide advice to the Committee and Council • Facilitate the recruitment and appointment process • Advise on contractual and remuneration matters

The Act

The *Local Government Act 2020*

SCOPE

This Policy applies to the employment of the CEO of Council. In the event of any inconsistency between this policy and the CEO's Contract of Employment, the provisions of the Contract shall prevail.

GENERAL PROVISIONS

COMMITTEE ROLE AND RESPONSIBILITIES

After Council elections, the Committee will be formed for a 1-year term by Council resolution.

The Committee is comprised of:

- The Mayor (chairperson)
- 2 Councillors

The Committee operates in an advisory capacity, providing recommendations to Council on:

- CEO performance monitoring
- CEO Key Performance Indicators (KPIs)
- CEO annual performance review
- Remuneration of the CEO
- CEO recruitment
- CEO contractual matters

Committee meetings

Meetings are chaired by the Mayor. All members must be present to achieve quorum.

The Committee will meet at least twice per year. Additional meetings can be called by the Mayor as required to:

- Prepare documentation relevant to the CEO's employment and remuneration
- Conduct and maintain appropriate performance reviews of the CEO
- Review the remuneration package and conditions of employment

Should Councillors have questions about the policy application and Committee operations, they can be directed, in writing, to the Chair. The Chair will respond in a reasonable timeframe.

Positions and responsibilities

The below table provides an overview of key parties and responsibilities:

CEO	• Participate in the performance appraisal process • Collaborate with the Committee • Attend meetings as requested by the Chair
Chairperson	• Mayor or delegate • Call meetings as required • Liaise with Manager People and Culture
Committee	• Advise Council on all aspects of CEO employment covered under the policy • Fulfill Council's obligations under the Act • Provide recommendations and reports to Council
Council	• Consider recommendations from the Committee • Decisions by Council resolution

Independent Advisor	• Facilitate CEO performance review process • Facilitate recruitment process • Provide expert advice on policy matters
Manager People and Culture	• Secretariat support to the Committee • HR advice as required • Agenda and minute preparation

PERFORMANCE PLAN AND MONITORING

Council will adopt an annual performance plan for the CEO including:

- KPIs and measurable outcomes for the 12-month period; and
- The Committee must, in conjunction with the CEO, develop relevant and measurable performance objectives.

The plan will be reviewed annually by the Committee, in consultation with the CEO, as part of the CEO performance review.

The agreed Performance Plan will document Key Performance Indicators (KPIs) and measurable outcomes to be delivered over the 12-month period.

The CEO will present a progress report to the Committee during the Performance Review.

PERFORMANCE REVIEW AND MONITORING

Performance review process

The Committee has authority to appoint an Independent Advisor to facilitate the performance review process, commencing within three months of end of financial year.

The CEO will present a progress report to the Committee during the performance review.

The review will assess:

- Performance obligations and KPI achievement
- Whether the CEO is meeting the performance plan criteria
- Any variations required to the terms and conditions of the contract
- Any recommended variation to remuneration

Performance Plan Monitoring and KPIs

The Committee, in collaboration with the Independent Advisor and CEO, will develop the performance plan and KPIs for the 12-month period.

Council will adopt an annual performance plan as an outcome of the performance review process.

APPOINTMENT AND RE-APPOINTMENT OF THE CEO

Council's role is to consider the Committee's recommendation at the end of the CEO contract term, and make a decision by resolution.

Appointment of permanent CEO

Recruitment will be completed through an external recruitment agency as appointed by the Committee. The Committee will oversee the recruitment process.

The Committee will be supported by the recruitment agency to negotiate the terms of employment. Once agreed, the Committee will provide a recommendation to Council for appointment of the CEO.

Appointment of the CEO is by Council resolution for a term not exceeding 5 years.

Re-appointment of the CEO

Six months prior to the expiry of the contract, after the final annual performance review, the Committee will determine its recommendation to Council being:

- Offer the current CEO a new contract, term not exceeding 5 years; or
- Engage in a recruitment process for the position with consideration to:
 - Early termination of the CEO contract where warranted
 - Termination of CEO contract upon expiry

Appointment of acting CEO

Council delegates authority to the CEO to appoint an acting CEO where the vacancy is less than 28 days.

Council must appoint an acting CEO by resolution where the vacancy exceeds 28 days.

REMUNERATION

The Total Remuneration Package (TRP) is reviewed by the Committee annually and in accordance with contract requirements.

In determining the CEO's remuneration package, Council must give regard to:

1. The principles in the Government of Victoria's Policy on Executive Remuneration in Public Entities
2. Any determination that is currently in effect under Section 21 of the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* relating to remuneration bands for executives employed in public service bodies.

LEGISLATIVE REQUIREMENTS

This Policy is required under section 45 of the Act.

Council must have regard to the following in developing the CEO Employment and Remuneration Policy:

1. Any statement of policy issued by the Government of Victoria which is in force or with respect to its wages policy (or equivalent); and
2. Any determination that is currently in effect under section 21 of the Victorian Independent Remuneration and Tribunal and Improving Parliamentary Standards Act 2019 in relation to remuneration bands for executives employed in public service bodies.

IMPLEMENTATION

This Policy will be made available on the Council website.

CHARTER OF HUMAN RIGHTS COMPLIANCE

It is considered that this policy is compatible with the relevant human rights identified in the *Charter of Human Rights and Responsibilities Act 2006 (Vic)*.

GENDER EQUALITY COMPLIANCE

It is considered that this policy is compatible with the relevant gender equality principles identified in the *Gender Equality Act 2020*.

This policy has not been identified as requiring a Gender Impact Assessment, as the policy is based on legislative requirements under the *Local Government Act 2020* and has no adverse gender impacts.

REVIEW

This Policy must be reviewed a minimum of every four (4) years.

AUTHORISED

Adopted by Council Resolution at Council Meeting 9 July 2025.

END