

Chief Executive Officer Performance Review

Responsible Directorate:	<i>Office of the CEO</i>
Responsible Service Unit:	<i>Legal & Governance Services</i>
Date of Approval:	<i>24 March 2026</i>
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1. POLICY STATEMENT

To ensure compliance with s.5.38(1) of the *Local Government Act 1995 (the Act)* a local government must review the performance of the Chief Executive Officer (**CEO**) if the CEO is employed for a term of more than one year.

The review must be conducted in accordance with Schedule 2 of the Local Government (Administration) Regulations 1996, adopted as the City of Wanneroo's Standards for CEO Recruitment, Performance and Termination (the Model Standards).

The Standards require that the process for the review is agreed upon by the CEO and Council.

The CEO's contract of employment and this Policy establish the agreed process by which Council measures and manages the CEO performance review annually.

2. OBJECTIVE AND PURPOSE

Objective

To establish a documented agreement, in accordance with the City of Wanneroo Model Standards that guides Council's annual performance and remuneration review process for the City's CEO.

- To review CEO performance
- To manage CEO performance expectations
- To develop an opportunity to build relationships
- To increase the effectiveness of individual, systems and processes.

3. KEY DEFINITIONS

<i>DEFINITIONS: Any definitions listed in the following table apply to this document only.</i>	
Council	<i>The Council of the City of Wanneroo.</i>
Contractual performance criteria	<i>The performance criteria specified in the CEO's contract of employment as referred to in section 5.39(3)(b) of the Act;</i>
Key Performance Indicators (KPIs)	<i>The outcomes by which the CEO's performance is assessed.</i>
KPI Review Period	<i>The 12-month period that applies to each annual performance review.</i>

4. SCOPE

This policy applies to any CEO employed by the City of Wanneroo.

5. IMPLICATIONS

The objective of this Policy is to review CEO performance, manage CEO performance expectations, develop an opportunity to build relationships and to increase the effectiveness of individuals, systems and processes.

The City is committed to ensuring that each performance process is:

- Transparent and impartial
- Planned and structured
- Objective, based on facts and evidence
- Relevant, ensuring feedback is contained to performance within the review period
- Based on agreed Key Performance Indicators (KPIs)
- Inclusive of input from all Council Members
- Balanced, recognising achievements and supporting performance improvement
- Guides the CEO's professional development
- Recorded in writing.
- Maintain confidentiality throughout the process
- Provide both quantitative and qualitative feedback
- Ensure assessment is conducted in a fair and reasonable manner, based on agreed KPIs;
- Review remuneration
- Develop KPIs aligned to the Council Plan and Annual Budget in consultation with the CEO.

6. IMPLEMENTATION

The City will ensure sound administration and facilitation of the annual CEO performance review process, including:

6.1 Appointment of a Consultant

Council will engage an independent Consultant to assist with the performance management process.

The role of the Consultant in the review process can include the following:

- Ensure CEO and Council on the performance agreement, assessment plan and review timeline.
- Prepare the performance agreement and assessment plan;
- Review performance goals and criteria;
- Collect, collate and report performance evidence;
- Survey and interview Council Members, as requested;
- Facilitate the provision of feed-back to the CEO, providing an objective view regarding any performance management-related issues;
- Formulate plans to support improvement (if necessary);
- Facilitate Council and CEO in determination of Remuneration, KPIs and deliverables.

6.2 Performance Review Process

Background

- The CEO and Performance Review Committee (**the Committee**) mutually agree on the plan, structured review process, and consultant;
- An independent Consultant is appointed by the City on consideration and adoption by the Council of the recommendation from the Committee;
- The CEO performance review is a confidential governance process and as such the agenda should only reflect the review. Council staff members will not be involved in the review process;

Part One – Establish Key Performance Indicators (KPIs) – May to June

- An important step in the process is setting the KPIs.
- One of the key responsibilities of the CEO is to oversee the implementation of the Council's strategic direction. Aligning the KPIs to the goals contained in the City's Council Plan, the Annual Budget process, and Council's priorities is an important requisite.
- The Council Plan must be used as the performance framework to drive Council priorities and budget each year and is the basis for clear, achievable and measurable objectives;

- KPIs must be linked to the Council's priorities through the Council Plan and budget, and are by mutual agreement with the CEO and Council.
- KPIs are to be specific, measurable, achievable and time-based, defining clear deliverables.
- CEO submits a report to the Consultant outlining suggested KPIs aligned to the Council priorities for discussion.
- Consultant facilitates a Concept Forum with Council Members and the CEO. Draft KPIs report is discussed with the Committee, to determine proposed KPIs to be recommended to the Council.
- KPIs will be measured yearly with defined deliverables with progress towards being reported every quarter to the Committee during the twelve months.

Part Two – Performance Review – July-August

- Before the review period the CEO is given notice by the Mayor that a review will be initiated and asked to provide a report on evidence against the agreed KPIs;
- CEO submits a report to the Consultant outlining the evidence and achievements against KPIs;
- Consultant facilitates a Concept Forum with Council Members and the CEO. The CEO presents the 'year in review' report to Council Members at the concept forum.
- Consultant to provide a confidential, independent assessment of the evidence provided by the CEO which will be summarised in the survey form, agreed between the Committee and the CEO, before submitting to the Council Members;
- Following receipt of the report, all Council Members are individually interviewed and/or surveyed by the Consultant to gain their feed-back, rate CEO performance and provide additional comments as necessary.

Finalisation

- A confidential performance report is generated by the Consultant which includes the Council Members' consolidated feedback, performance recommendations suggested KPIs for the following year, remuneration and contract content;
- Performance report is discussed with the Committee and the CEO, (single purpose confidential meeting only), to determine performance level, remuneration and contract as required to be recommended to the Council;
- The Committee agree with CEO on KPIs and deliverables, included in the final performance review report, for the following twelve months;
- Recommendations in the final report to be approved and adopted by Council.

7. ROLES AND RESPONSIBILITIES

The **General Counsel** will be responsible for:

- a) Coordinating the activities of the Council throughout the review process;

- b) Establishing a timeline for the Annual Review Process; and
- c) Initiate the Request for Quotation (RFQ) process to appoint a consultant in accordance with Council's Purchasing Policy and relevant corporate procedures.

Consultant will be responsible for coordinating feedback on the CEO's year in review report against KPIs (refer to section 6.1).

Council Members are responsible for overseeing the performance review process and ensuring that a final review report is presented to Council to conclude the process within 3 months of the completion of the former KPI review period. If a local government election, or another extraordinary event, falls within this 3-month period, the Council shall establish revised timeframes for the review process in liaison with the CEO.

Council and the CEO will be responsible for presenting the draft KPIs and measurements in Council for determination within 3 months of the completion of the former KPI review period. KPIs must be linked to Council's priorities through the Council Plan and budget to ensure affordable delivery. The KPIs are to be recorded and confirmed by Council with agreement from the CEO via a signed performance agreement between Council and the CEO.

It is incumbent upon **Council Members**, to actively participate in the CEO Performance Review process and to provide feedback in accordance with the provisions of this policy. The CEO performance review is a confidential governance process. City employees must not be involved in the review process, other than to provide information and administrative support as requested by the Consultant and the Mayor.

CEO Performance Review Committee is responsible for managing the CEO Annual Performance Review process, including the quarterly reviews aligned with the Council Plan Corporate Reporting process. The Committee review reports and makes recommendations to be considered by Council. Council must endorse the review by an absolute majority.

DISPUTE RESOLUTION (if applicable)

Disputes in regard to this policy will be referred to the CEO Performance Review Committee in the first instance. Where the CEO Performance Review Committee is involved in the dispute, it will be referred to an Independent Consultant for a determination.

8. EVALUATION AND REVIEW

This policy will be reviewed every 3 years.

9. RELATED DOCUMENTS

City of Wanneroo's Standards for CEO Recruitment, Performance and Termination (the Model Standards)

10. REFERENCES

Local Government Act 1995

The Standards for CEO Recruitment, Performance and Termination for review of performance of CEO's are contained within the *Local Government (Administration) Regulations 1996*

11. RESPONSIBILITY FOR IMPLEMENTATION

General Counsel

12. REVISION HISTORY

Version	Next Review	Record No.
July 2024 – CROI – 07/24	July 2025	24/228839v1
14 August 2025 Policy Review Committee (Item 5.1)	July 2026	24/228839v2
March 2026 – CEO Performance Review Committee – 16 March 2026 (24/228839v3) Council Meeting – 24 March 2026 - CE02-03/26	March 2029	24/228839v3