



CUMBERLAND  
CITY COUNCIL

# Procedure for the Review of the Performance of the General Manager

## AUTHORISATION & VERSION CONTROL

<b>Policy Number</b>	POL-052
<b>Policy Owner</b>	Director Corporate Performance
<b>Date Adopted</b>	17 May 2023
<b>Version No</b>	2
<b>Document ID Number:</b>	9579879
<b>Review Date</b>	May 2027

## INTRODUCTION

The process outlined in this procedure for the review of the General Manager's performance aims to ensure that Council has the ability to review the General Manager's performance on an annual basis.

This will ensure that Council and the General Manager can maintain open dialogue about the performance of the General Manager and the organisation in delivering the key objectives of Council, in line with the Community Strategic Plan and the overall direction set by Council.

Council will undertake a formal annual review as required by the General Manager's Contract of Employment with the assistance of an appointed Facilitator, with the review process reported to Council in closed session.

## SCOPE

The scope of this procedure applies to the General Manager, Mayor, Councillors and Directors/Senior Staff.

## DEFINITIONS

**Act** means the Local Government Act 1993 (NSW).

**Agreed Projects** means projects the General Manager and the Council agree to in the Performance Agreement.

**Annual Performance Review Due Date** means a date on or as close as possible to 1 August each year.

**Annual Performance Review Period** means the twelve-month period from 1 July to 30 June each year.

**Council** means Cumberland Council.

**Facilitator** means a suitably qualified and experienced person appointed by the Council (with the General Manager's agreement) to assist in the preparation for, conduct of and reporting on the General Manager's Performance Review.

**Mid-Year Performance Review** means the informal review discussion that takes place between the Facilitator, the Review Panel and the General Manager on or as close as possible to 1 February each year, to discuss the General Manager's progress against the adopted Performance Agreement.

**Performance Agreement** means the document outlining the performance criteria agreed between the General Manager and the Council.

**Performance Review** means a review of the employee performance conducted in accordance with these procedures and clause 7 of the employment contract.

**Performance Review Process** means the end-to-end annual process of reviewing the General Manager's performance.

**Review Panel** means the Mayor, Deputy Mayor and one other Councillor nominated by the Council to conduct the Review of the Performance of the General Manager.

**Self-Assessment** means the General Manager's rating and commentary regarding his/her own performance against the Performance Agreement.

**Standard Contract** means the Standard Contract of Employment for General Managers of Local Councils in New South Wales approved by Order under section 338(4) of the Local Government Act by the Director General in force from 1 July 2006.

Unless stated otherwise, a reference to a clause is a reference to a clause of the procedure.

## **PERFORMANCE MANAGEMENT FRAMEWORK**

### **1 Delegation to the Review Panel**

- 1.1 By adopting this procedure, the Cumberland Council delegates to the Review Panel the authority to undertake performance assessments of the General Manager with the assistance of an appointed Facilitator in accordance with this procedure.
- 1.2 This delegation is to be exercised in accordance with:
  - 1.2.1 the requirements of the Act and the Local Government (General) Regulation 2021 (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 procedure to the completion of the delegated performance management tasks at the end of this term of Council.

### **2 Review Panel Members**

- 2.1 The Review Panel will comprise:
  - 2.1.1 The Mayor;
  - 2.1.2 The Deputy Mayor
  - 2.1.3 One other Councillor nominated by the Council

### **3 Training**

- 3.1 Review Panel members will receive training in conducting 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 a Facilitator to facilitate the Performance Review Process.

## **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 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
  - 5.3.3 Promoting and maintaining an ethical culture; and
  - 5.3.4 Behaviours including leadership.
- 5.4 The Performance Agreement will be presented to Council in a closed meeting together with the outcomes of the previous Performance Review Period (if applicable).

### **6 Link to Director's/Senior Staff Performance Agreements**

- 6.1 The General Manager will ensure that the Performance Agreements and any applicable Development Plans of Directors and Senior Staff:
  - 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 Director/Senior Staff are clearly articulated.

## **PERFORMANCE REVIEW PROCESS**

### **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 Mayor that the Annual Performance Review is due.

#### **7.2 Feedback from Councillors**

- 7.2.1 The Facilitator will coordinate the process of receiving written feedback from Councillors on the General Manager's performance, which will form part of the performance review discussion to be undertaken between the General Manager and the review panel.

- 7.2.2 All Councillors will be invited to submit written feedback to the Mayor and/or Facilitator outlining their assessment of the General Manager's performance and/or providing feedback about particular focus areas for the term of the next performance agreement.

### **7.3 Review Panel meeting**

The Review Panel will meet to:

- 7.3.1 Assess the responses received from all Councillors (including the Mayor); and  
7.3.2 Assign a draft rating for each part of the Performance Agreement.

### **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 ratings and opportunities for future development of the General Manager. The meeting will:
- (a) Concentrate on 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 anti-discrimination are complied with.
- 7.4.3 The Review Panel will decide on a final assessment for each part of the Performance Agreement using the assessment scale (Clause 18).

## **8 Reporting**

### **8.1 To Council**

The Mayor will report the findings and recommendations of the Annual Performance Review to a closed meeting of the elected Council as soon as practicable following the Annual Performance Review and following the completion of Council's financial results for the previous year's reporting period.

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.

### **8.2 To General Manager**

Within six weeks from the conclusion of the Annual Performance Review (and following the endorsement of Council as outlined in 9.1 above), the Mayor will prepare and send to the General Manager a written statement that sets out:

- 8.2.1 Council's conclusions about the General Manager's performance during the performance review period;
- 8.2.2 Any proposal to vary the performance criteria as a consequence of a performance review, and
- 8.2.3 Any directions or recommendations made to the General Manager in relation to the General Manager's future performance of the duties of the position.

## **9 Mid-Year Review**

- 9.1 During December/January of each review period, the Review Panel, General Manager and Facilitator will meet to conduct an informal review discussion regarding the General Manager's progress against the adopted Performance Agreement.
- 9.2 The General Manager will be prepared to discuss with the Review Panel and Facilitator any issues or concerns he/she can foresee with meeting the objectives in the Performance Agreement and any suggested remedies.
- 9.3 The Facilitator will seek the feedback of all other Councillors prior to this discussion, in advising the General Manager and Review Panel of any concerns held by any Councillors.
- 9.4 The Review Panel will provide feedback to the General Manager on any issues requiring attention during the remainder of the Annual Performance Review Period.
- 9.5 The Performance Agreement will be amended to reflect any agreed changes.
- 9.6 A report by the Mayor on the progress of the Performance Agreement will be presented to a closed session of the next available Council Meeting.

## **REWARD AND REMUNERATION**

### **10 Statutory and Other Officers Remuneration Tribunal Increases**

- 10.1 An annual increase in the Total Remuneration Package (TRP) equivalent to the latest percentage increase 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.

### **11 Discretionary Remuneration Increases**

- 11.1 Following the performance review, the Review Panel will consider the outcome of the review, the current remuneration of the General Manager against the market for similar roles and will report to Council any recommended changes to the General Manager's employment conditions, including remuneration adjustments (exclusive of SOORT increases).
- 11.2 Discretionary increases to the General Manager's TRP will be:
  - 11.2.1 Conditional on performance having been determined as being of better than satisfactory standard (refer to Assessment Scale in Clause 18)

- 11.2.2 Modest and in line with community expectations
- 11.2.3 Endorsed by resolution of the elected Council together with the reasons for the increase, reported to an open meeting of Council; and
- 11.2.4 In line with the Standard Contract.

## **ROLES & RESPONSIBILITIES**

### **The General Manager**

#### **12 The General Manager is responsible for:**

- 12.1 Submitting a list of projects (maximum of six) that they consider are of sufficient importance to warrant their personal attention in the year to the Mayor.
- 12.2 Preparing a Self-Assessment of their performance and providing it to the Facilitator.

### **The Mayor**

#### **13 The Mayor is responsible for:**

- 13.1 Working with the Director Corporate Performance to appoint a suitably qualified Facilitator in consultation with the General Manager and the Review Panel.
- 13.2 Being a member of the Review Panel.
- 13.3 Determining (in consultation with the Review Panel and Council) the following in relation to the Performance Agreement.
  - 13.3.1 A final list of projects to be included in the Performance Agreement.
  - 13.3.2 Any managerial or behavioural actions that they would like the General Manager to address during the review year.
- 13.4 Recommending to Council any discretionary increase to the General Manager's total remuneration package.
- 13.5 Presenting a report to the elected Council and the General Manager following the mid-year and annual reviews.
- 13.6 Formally advising the General Manager and the Facilitator of any decisions of Council.

### **The Elected Council**

#### **14 The elected Council is responsible for:**

- 14.1 Completing a questionnaire relating to General Manager's performance against the agreed criteria and returning it confidentially to the Facilitator within timeframes nominated by the Facilitator.
- 14.2 Justifying any extreme scores to the Facilitator.

## **The Facilitator**

### **15 The Facilitator is responsible for:**

- 15.1 Developing a Performance Agreement in consultation with the General Manager and Council.
- 15.2 Coordinating the collection of feedback from Councillors for the assessment of the performance of the General Manager in consultation with the Review Panel in December/January and July/August each year.
- 15.3 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.
- 15.4 Conducting the Mid-Year and Annual Review meetings with the General Manager and Review Panel.
- 15.5 Updating the Performance Agreement to reflect any agreed changes.

## **The Director Corporate Performance**

### **16 The Director Corporate Performance is responsible for:**

- 16.1 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.

## **The Review Panel**

### **17 The Review Panel is responsible for:**

- 17.1 Developing a Performance Agreement in consultation with the General Manager and Council.
- 17.2 Undertaking a performance assessment of the General Manager in February and August each year.
- 17.3 Appointing a suitably qualified Facilitator in consultation with the General Manager.
- 17.4 Determining the following in relation to the Performance Agreement:
  - 17.4.1 A final list of projects to be included in the Performance Agreement; and
  - 17.4.2 Any managerial or behavioural actions that they would like the General Manager to address during the review year.
- 17.5 Recommending any discretionary increase to the General Manager's total remuneration package as provided in clause 11.



## Assessment Scale

### 18 The Rating Scale

18.1 The following rating scale will be used to assess the General Manager's performance:

Score	Rating
10	<b>Significant Strength</b> An outstanding display that brings credit to the General Manager and the organisation. Best practice - a model for others that significantly exceeds expectations
8	<b>Area of Strength</b> Has a reputation for achieving in that area. Displays a consistent approach to performance. Recognised as an expert in that area.
6	<b>Area of Ability</b> 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	<b>Development Needed</b> 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	<b>Significant Development Need</b> Performance has an adverse impact on the performance of the organization. Urgent attention is required and rapid improvement essential.

## TIMELINE OF ANNUAL GENERAL MANAGER PERFORMANCE REVIEW PROCESS

Month	Activity
February	Mid-Year Review (Facilitator, Review Panel and General Manager)
August	Annual Performance Review Discretionary Remuneration Increases Development of the Performance Agreement
September	Directors/Senior Staff participate in Council's Performance Management Framework

### RELATED LEGISLATION

*Local Government Act 1993 (NSW)*

### RELATED DOCUMENTS AND COUNCIL POLICY

*General Manager's Contract of Employment*