

GOV21	Recruitment, Remuneration and Performance Review (CEO) Policy
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**Purpose**

This policy defines the mechanisms and processes that the West Daly Regional Council has in place to support the Council to manage the CEO’s employment cycle, including recruitment and appointment, remuneration, and performance review in line with Council’s obligations under section 165 and 166 of the *Local Government Act 2019* (NT), regulation 109 of the *Local Government (General) Regulations 2021* (NT) and Ministerial Guideline 2: *Appointing a CEO*.

This policy also covers Council’s position on CEO allowances and other benefits.

**Scope**

This policy applies to Elected Members with responsibilities for managing the employment of the CEO, candidates or incumbents of the CEO position; and Council staff with responsibilities for implementing this policy.

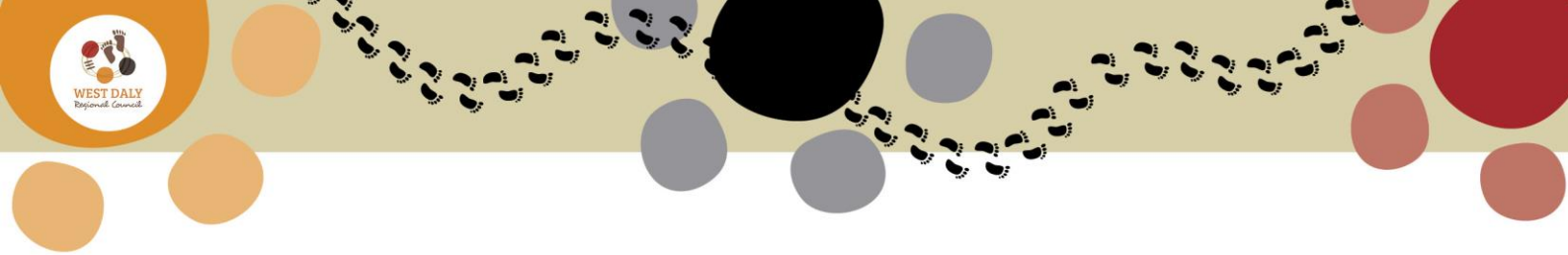
**Policy Statement**

**1. Policy Principles**

- 1.1. Council is responsible for managing the employment of Council’s Chief Executive Officer (CEO), including recruitment and appointment of the CEO, determining the CEO’s contract conditions and remuneration, and undertaking regular reviews of the performance of the CEO.
- 1.2. In managing the employment of the CEO, all of Council’s activities, processes and procedures will comply with the legislative and regulatory requirements, as well as the Ministerial guidelines for appointing a CEO.

**2. CEO Employment Advisory Panel**

- 2.1. Council will establish a *CEO Employment Advisory Panel* (the panel) to support Council to manage the employment of the CEO when necessary.
- 2.2. The panel will provide advice and support to Council with regards to the following CEO employment processes:
  - a) Recruitment and Appointment of the CEO.
  - b) CEO Contract of Employment and Remuneration.



- c) CEO Performance Review.
- d) Contract Expiry.

2.3. The panel will comprise of between 4 and 5 people being the Mayor (who will chair the panel), two additional Elected Members appointed by Council, and at least one Independent Member appointed by Council.

- a) The Independent Member/s will be appointed by the Council following a public process seeking Expressions of Interest from suitably qualified and experienced candidates.
- b) The Independent Member/s must not be a current Elected Member of Council, or Council staff member.
- c) Council may determine that the Independent Member/s is entitled to remuneration based on a sitting fee per meeting, in line with Northern Territory guidelines and/or practices for similar positions.
- d) The Independent Member/s travel costs will be reimbursed in accordance with current ATO allowances.

2.4. The CEO will allocate appropriate human resources to provide secretariat support to the panel, to ensure that all reports and documentation required under this policy are recorded and managed in compliance with legislative and regulatory requirements.

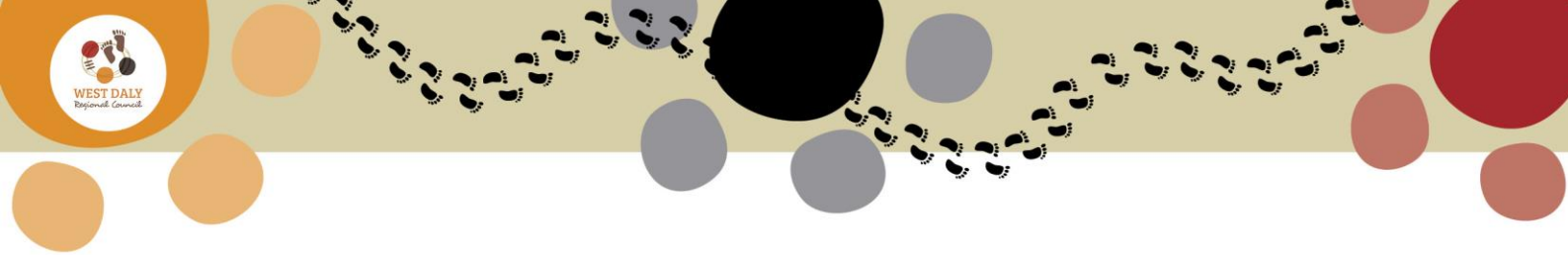
**3. Recruitment and Appointment of CEO**

3.1. Council is an equal opportunity employer and will ensure that all applicants for the CEO position have equal access to recruitment opportunities, free from discrimination.

3.2. The CEO recruitment process will comply with all relevant legislative requirements including the requirements of the *Local Government Act 2019 (NT)*, *Local Government (General) Regulations 2021 (NT)* and relevant guidelines, and the *Anti-discrimination Act 1992 (NT)*.

3.3. The *CEO Employment Advisory Panel* will assist Council during the CEO Recruitment and Appointment process by undertaking the following functions:

- a) Making a recommendation to Council on the recruitment process for the position of the CEO (and Council must consider the recommendation and pass a resolution on this issue).
- b) Making a recommendation to Council regarding whether Council should engage an independent and suitably qualified recruitment consultant to support Council to recruit and appoint the CEO (and Council must consider the recommendation and pass a resolution on this issue).
- c) Making a recommendation to Council regarding the qualifications and selection criteria for the position that are necessary to effectively undertake the role and duties of the CEO. In making this recommendation the panel should take into consideration the needs of the West Daly Region and Council's Strategic Plan and operating context. Council must consider the recommendation and pass a resolution on this issue.



- d) Making a recommendation to Council regarding the CEO's Position Description. Council must consider the recommendation and pass a resolution on this issue. The approved description should clearly outline the qualifications, selection criteria and responsibilities of the position, and should be made available to all applicants.
- e) Making a recommendation to Council regarding the proposed CEO contract of employment (see clauses 4 and 5 below). Council must consider the recommendation and pass a resolution on this issue.
- f) Serving as the recruitment panel for the position of the CEO.

3.4. In serving as a recruitment panel for the position of the CEO, the panel must comply with all relevant legislative and regulatory requirements including (but not limited to):

- a) Thoroughly verifying the recommended applicant/s work history, qualifications, professional memberships, referees, and claims made in their job application.
- b) Making enquiries to determine the applicant/s eligibility with reference to section 166 of the *Local Government Act 2019* (NT).
- c) Determining any potential conflicts of interest that an applicant may have if appointed, and making a recommendation to Council as to how the conflict of interest will be managed). If a conflict of interest is identified in an applicant, the Council must give due consideration as to how the conflict of interest will be managed. If an applicant with a conflict of interest is appointed as CEO, the conflict of interest must be recorded in the Council's resolution made under section 165(1) of the Act and notified as soon as practicable to the Agency after the appointment is confirmed.
- d) Making a recommendation to Council regarding the most suitable applicant for the position of CEO.

3.5. In order to appoint a CEO, Council must pass a resolution after considering the panel's recommendations. Council's decision to appoint a CEO is to be based on the principles of merit, equity, and transparency, with the successful applicant assessed as clearly demonstrating how their knowledge, skills and experience meet the selection criteria for the position.

#### **4. Contractual Requirements**

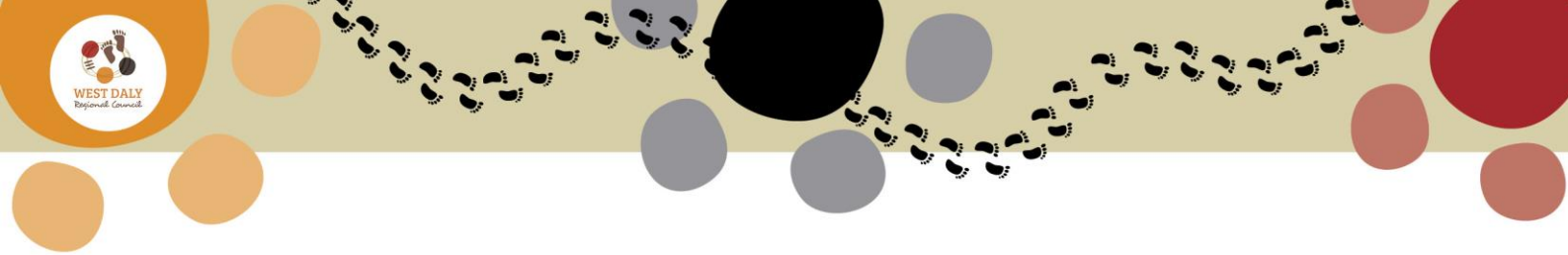
- 4.1. The CEO Employment Advisory Panel will prepare a proposed CEO employment contract for Council's consideration and approval.
- 4.2. In preparing the CEO's employment contract, the panel must ensure the contract meets the legislative and regulatory requirements as well as all relevant employment law requirements, and that the contract is legally binding and valid.
- 4.3. The panel may choose to seek advice from an independent recruitment consultant to help inform the terms and conditions of the employment contract and the proposed remuneration package.
- 4.4. The panel will also consider seeking independent legal advice to ensure that the contract is lawful and able to be enforced.

## 5. CEO Remuneration

- 5.1. As part of the CEO recruitment process, a remuneration package for the CEO is to be approved by the Council.
- 5.2. The CEO Employment Advisory Panel will prepare a proposed remuneration package for Council's consideration and approval.
- 5.3. The remuneration package is to cover cash and non-cash benefits and any limitations or entitlements over private use of Council assets.
- 5.4. In determining the proposed remuneration package, the panel will seek advice on remuneration benchmarks, taking into account any legislative requirements.
- 5.5. Information and data sources that the panel should take into consideration include (but are not limited to):
  - a) Current remuneration data/market rates across the sector for Council and government organisations of a similar size and complexity.
  - b) CEO Position Description.
  - c) Council's organisational structure and the relativity of the CEO's proposed remuneration package with Council's current senior personnel remuneration.
  - d) The regional location context.

## 6. CEO Allowances and Other Benefits

- 6.1. CEO allowances and other benefits form part of the total remuneration package of the CEO and are to be informed by, and subject to, the terms of the CEO's contract of employment.
- 6.2. Unless otherwise determined by Council, the CEO's contract of employment will cover:
  - a) The CEO's entitlement to a vehicle. The vehicle and use of the vehicle will be subject to Council's *Motor Vehicle Policy*.
  - b) The CEO's entitlement to housing accommodation. The CEO must comply with Council's policies and procedures on employer provided accommodation.
- 6.3. Unless otherwise determined by Council, the CEO's contract of employment will cover:
  - a) Travel allowances, relocation assistance, salary packaging and employee vaccinations (in accordance with the terms of the Staff Travel Policy, Relocation Assistance Policy, Personal Tax Liability Policy and the Allowances and Employment Related Benefits (Council Staff) Policy).
  - b) Allocation of ICT equipment and services required to perform the role of the CEO (e.g., mobile phone and suitable plan/laptop computer/tablet etc).
- 6.4. Subject to appropriate prior authority, provision of documentary evidence and any applicable policies and procedures in place, Council will meet and/or reimburse expenses incurred by the CEO including:
  - a) Membership and subscription fees payable to professional associations which are reasonably necessary or desirable in performance of duties.



- b) Reasonable costs incurred where attending conferences, seminars or undertaking study.

6.5. Council may determine to provide the CEO with a Corporate Credit Card to use in transactions related to the role of the CEO. Use of a Corporate Credit Card must be in compliance with Council's *Credit Card Policy*.

6.6. If an expense is proposed to be incurred by the CEO that is in excess of what this policy or the CEO contract of employment provides for, the CEO is to seek a resolution of the Council before incurring the expense.

**7. Contract Expiry**

7.1. The CEO Employment Advisory Panel will make a recommendation to Council six months prior to the expiry of the CEO contract, and with regard to current legislative requirements, to:

- a) Reappoint the CEO; or
- b) Advertise for recruitment of the position of the CEO.

7.2. The panel may also make a recommendation regarding varying the terms of the reappointed CEO's contract of employment.

7.3. The panel may seek independent professional advice, if required, to ensure that any proposed recommendations or variations to the CEO's contract of employment meet current legislative and employment law requirements.

**8. Review of the Policy**

8.1. The operation of this policy should be reviewed every 3 years or more frequently as may be required, including at the same time as when the CEO's contract of employment is reviewed by Council. In this instance, any policy amendments are to be made in alignment with the terms of the CEO's contract. This policy should then be adopted and made available prior to the recruitment process for the CEO commencing.

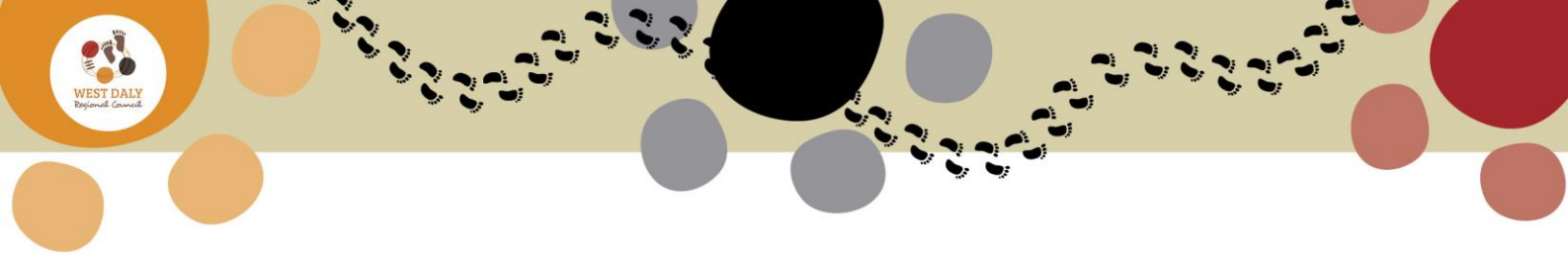
**9. Responsibilities**

9.1. Council is responsible for:

- a) Appointing the CEO Employment Advisory Panel members, including the Independent Member/s.
- b) Approving the CEO recruitment process, CEO employment contract and remuneration, and appointing the CEO.
- c) Conducting CEO performance reviews in line with the provisions of this policy and the CEO contract.
- d) Conducting remuneration reviews in line with the provisions of this policy.

9.2. The CEO is responsible for:

- a) Allocating appropriate human resources to provide secretariat support to the CEO Employment Advisory Panel.
- b) Working collaboratively with the panel to develop the annual Performance Plan.



- c) Participating actively in the performance review process and making use of constructive feedback.
- d) Undertaking professional development as outlined in the performance review and/or Performance Plan.
- e) Promptly bringing to Council’s attention any situation where it might be reasonably appropriate to vary any aspect of the Performance Plan and/or performance review process, in response to current circumstances.

## References

*Anti-Discrimination Act 1992 (NT)*

Australian Taxation Office Taxation Determination

*Local Government Act 2019 (NT)* s.166; s.174(1); s.174(3)

*Local Government (General) Regulations 2021 (NT)*

Guideline 2: Appointing a CEO

## Definitions

In the context of this policy the following definitions apply:

**Benefit** means any non-cash benefit and cash payment (other than base salary) made or expected to be made for the benefit of a Council staff member.

**Conflict of Interest** means a potential, perceived, or actual conflict between a Council staff member’s official duties and responsibilities in serving the public interest, and their own private interests. A conflict of interest can arise from avoiding personal losses, as well as gaining a personal advantage – whether financial or otherwise. This includes advantages to relatives, friends, and business associates.

**Independent Member** means a suitably qualified and experienced professional who is not a current Elected Member or Council staff member.

**Recruitment Consultant** means a consultant with specialist expertise in sourcing and evaluating candidates for senior executive roles.

**Remuneration** means salary and salary equivalents including cash and non-cash benefits.

## Related Documents

Allowances and Employment Related Benefits (Council Staff) Policy

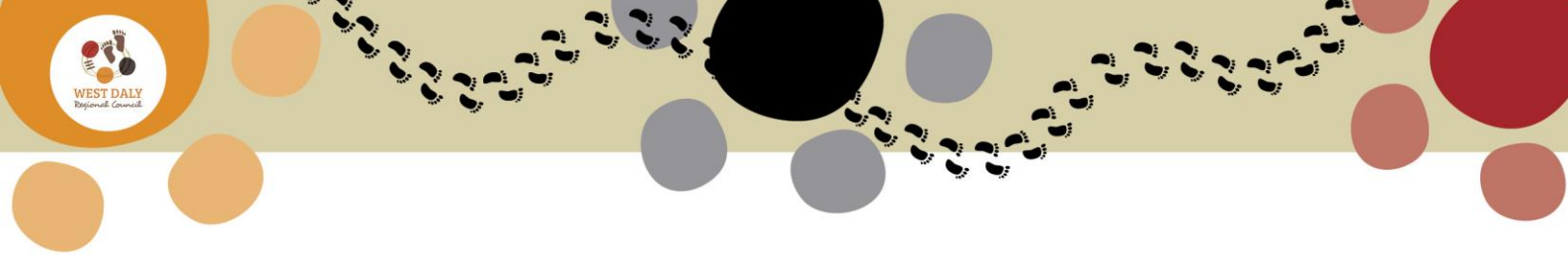
Code of Conduct (CEO)

Conflict of Interest (Elected Member, Local Authority and Council Committee) Policy

Conflict of Interest (Council Staff) Policy

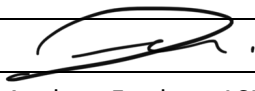
Credit Card Policy

Gifts and Benefits Policy (Council Staff)



- Grievance Resolution Policy
- Personal Tax Liability Policy
- Relocation Assistance Policy

For more information, contact the Policy Custodian.

<b>Signature of Endorsement:</b>	
<b>Name:</b>	Matthew Eastham ASM
<b>Position:</b>	Chief Executive Officer