

Chief Executive Officer Employment and Remuneration Policy

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1. Purpose and Intent of the Policy

Under Section 45 of the Victorian Local Government Act 2020 (the Act), Council is required to develop, adopt and keep in force a Chief Executive Officer Employment and Remuneration Policy. The purpose of this policy is to support the requirements of the Local Government Act 2020 through identifying Council's approach to managing the CEO performance, remuneration and general employment conditions. The policy considers the appointment of an independent professional to provide advice to the Council on the recruitment and appointment process, provisions within the contract of employment, performance monitoring and the conduct of the annual review.

2. Policy Objective

Moyn Shire Council is committed to, and will ensure, the application of good governance, transparency and fairness in all matters relating to the employment, management and remuneration of the Chief Executive Officer (CEO).

3. Who this Policy applies to

This policy applies to activity undertaken by the Council, *CEO Employment and Remuneration Advisory Committee*, Manager Governance and Corporate Planning, the appointed Independent Advisor and candidates or incumbents of the Chief Executive Officer position.

4. Policy details

To implement the requirements of the Act the obligations regarding CEO employment, performance and remuneration will be delivered through the *CEO Employment and Remuneration Advisory Committee*.

4.1 CEO Employment and Remuneration Advisory Committee

The *CEO Employment and Remuneration Advisory Committee* will be chaired by the Mayor and will comprise all seven councillors.

Administrative support will be provided by the Manager Governance and Corporate Planning.

4.2 Independent Professional Advice

Council will engage an Independent Advisor for professional advice in relation to any matters dealt with in the CEO Employment and Remuneration Policy, including but not limited to CEO performance review and remuneration. The Independent Advisor will be

suitably qualified and experienced in human resources and must not be a Councillor or council officer. The Independent Advisor will be remunerated for the period of engagement at a negotiated rate.

4.3 Performance Review

The Council appointed Independent Advisor will assist with the CEO's performance review process. The advisor will assist Council with assessing the performance of the CEO against the current annual performance management objectives, and the development of new objectives for the following performance year.

The review will also include the opportunity for Council to provide the CEO with performance related feedback, and in consultation with the CEO, identify and agree on the key performance indicators in the performance plan. The CEO will be given the opportunity to present their self-assessment to Council in regards to the performance plan.

The performance review will be completed annually against agreed performance objectives to coincide with the anniversary of the CEO's commencement date, and the CEO's contract of employment. An informal performance review will be conducted within six months of the formal annual review each year thereafter.

4.4 Remuneration

Following the annual formal performance review of the CEO, the Council will work with the Independent Advisor to review the remuneration package of the CEO on any determination that is in effect under Section 21 of the Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 and the CEO contractual conditions.

4.5 Recruitment

The Council will appoint an External Recruitment Consultant in line with Council's Procurement Policy to manage the recruitment process of the CEO.

This will include:

- Taking a detailed brief from the Council on the role and the ideal candidate
- Preparing a detailed scheduled outlining the end-to-end recruitment process and timeline
- Developing an advertising strategy to attract suitable candidates
- Assisting the Council to conduct first and second round interviews to determine a short list of candidates
- Conducting the relevant psychometrics testing to determine the best fit

- Conducting reference checks on the preferred candidate
- Performing probity checks on the preferred candidate
- Notify unsuccessful candidates
- Working with the Manager Governance and Corporate Planning to issue the contract of employment for the new CEO
- Working with the Communications team for the Council to announce the appointment of the new CEO.

4.6 Contract of Employment

When considering the CEO Contract of Employment, Council must have regard to any matters prescribed by the relevant regulations including remuneration, termination, re-appointment and other employment conditions based on industry benchmarks, any statement of wages policy issued by the Government of Victoria and any determination that is in effect under Section 21 of the Victorian Independent remuneration Tribunal and Improving Parliamentary Standards Act 2019.

Mandatory contractual terms and conditions for the Chief Executive:

- A contract of employment is to be offered for a period of up to five years;
- A CEO is eligible to be reappointed under a new contract of employment;
- If there is a vacancy in the office of the CEO or the CEO is unable to perform the duties of the office of the CEO, the Council must appoint an Acting CEO;
- The Total Remuneration Package (TRP) includes salary, superannuation, the cost of a motor vehicle but excludes general business expenses such as laptop computer, mobile phone or study leave; and
- Termination of contract provisions.

4.7 Leave and appointment of Acting CEO

An application for leave, long service leave, personal leave or an extended absence from the CEO is to be approved by the Mayor on behalf of Council.

If the period of leave is to exceed four weeks in a continuous period, then the appointment of an Acting CEO will be by a formal resolution of Council.

5. Breach of Policy

Failure to maintain and comply with this policy may be a breach of Section 45 of the Local Government Act 2020 and be subject to review by the Local Government Inspectorate.

6. Relevant Legislation / References

- Local Government Act 2020, Section 45

- Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019, Section 21
- Fair Work Act 2009
- National Employment Standards
- Charter of Human Rights & Responsibilities Act 2006
- Equal Opportunity Act 2010 Gender Equality Act 2020

Related Moyne Shire Council documents

- Chief Executive Officer employment contract (confidential)
- Recruitment and Selection Policy
- Equal Opportunity Harassment & Bullying Policy
- CEO Employment and Remuneration Advisory Committee Charter

7. Gender Impact Assessment

A Gender Impact Assessment was not undertaken. The policy was deemed to not have a direct and significant impact on the public.

8. Human Rights Commitment

It is considered that this Policy does not impact negatively on any rights identified in the Charter of Human Rights and Responsibilities Act (2006).

9. Policy owner

Manager Governance and Corporate Planning.

Document History

Version	Date Endorsed	Reason for change	Next Review date*
001	September 2021	Policy initiated as per Local Government Act 2020	October 2023
002	October 2023	Scheduled review	October 2026

It is recognized that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this document, such a change may be made administratively. Examples include a change to the name of a Council department, a change to the name of a Federal or State Government department, and a minor update to legislation which does not have a material impact. **However, any change or update which materially alters this document must be by resolution of Council.*

Definitions of key terms used within this Policy

Term	Definition / Explanation
The Act	The Local Government Act 2020
CEO	Chief Executive Officer
Council	Moyne Shire Council
External Recruitment Consultant	A consultant with specialist expertise in executive recruitment and appointment process.
Independent Advisor	A consultant with specialist expertise in human resources, performance monitoring and review for executives.
TRP	Total Remuneration Package