

His Worship the Mayor  
Councillors  
City of Marion

## **Notice of Review and Selection Committee**

Committee Room 1, Council Administration Centre  
245 Sturt Road, Sturt

**Tuesday, 1 August 2023 at 6.30 pm**

The CEO hereby gives Notice pursuant to the provisions under Section 83 of the *Local Government Act 1999* that a Review and Selection Committee will be held.

A copy of the Agenda for this meeting is attached in accordance with Section 83 of the Act.

Meetings of the Council are open to the public and interested members of this community are welcome to attend. Access to the Committee Rooms is via the main entrance to the Administration Centre on Sturt Road, Sturt.



Tony Harrison  
Chief Executive Officer

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## 1 Open Meeting

## 2 Kurna Acknowledgement

We acknowledge the Kurna people, the traditional custodians of this land and pay our respects to their elders past and present.

## 3 Elected Member Declaration of Interest (if any)

## 4 Confirmation of Minutes

### 4.1 Confirmation of Minutes of the Review and Selection Committee Meeting held on 2 May 2023

Report Reference	RSC230801R4.1
Originating Officer	Manager People and Culture – Sarah Vinall
Corporate Manager	N/A
General Manager	Chief Executive Officer – Tony Harrison

## RECOMMENDATION

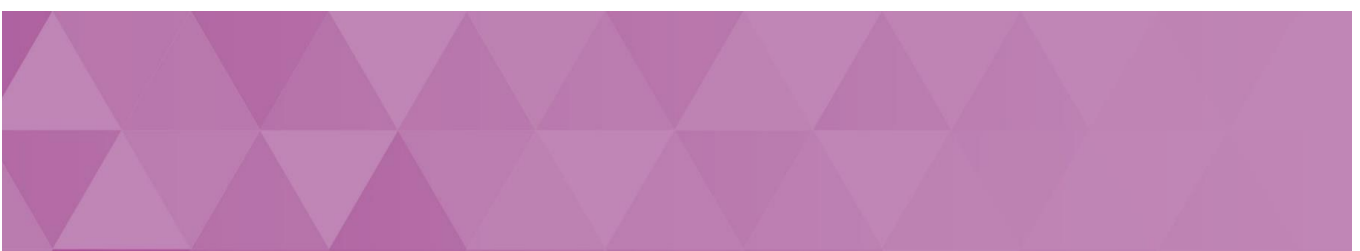
That the minutes of the Review and Selection Committee Meeting held on 2 May 2023 be taken as read and confirmed.

## ATTACHMENTS

1. RS C 230502 - Final Public Minutes [4.1.1 - 6 pages]



**Minutes of the Review and Selection Committee  
held on Tuesday, 2 May 2023 at 6.30 pm  
Committee Room 1, Council Administration Centre  
245 Sturt Road, Sturt**





## PRESENT

His Worship the Mayor Kris Hanna  
Councillor Luke Naismith (enter the meeting at 6.34pm)  
Councillor Jayne Hoffmann

## In Attendance

Acting Chief Executive Officer – Ben Keen  
Manager Office of the CEO - Kate McKenzie  
Manager People and Culture - Sarah Vinall  
Chief Financial Officer – Ray Barnwell

### 1 Open Meeting

The Mayor opened the meeting at 6.30pm.

### 2 Kurna Acknowledgement

We acknowledge the Kurna people, the traditional custodians of this land and pay our respects to their elders past and present.

### 3 Elected Member Declaration of Interest (if any)

The Chair asked if any member wished to disclose an interest in relation to any item being considered at the meeting.

No interests were declared.

6.34pm Councillor Naimsith entered the meeting

### 4 Confirmation of Minutes

#### 4.1 Confirmation of Minutes of the Review and Selection Committee Meeting held on 7 March 2023

Report Reference RSC230502R4.1

**Moved Councillor Hoffmann**

**Seconded Mayor Hanna**

That the minutes of the Review and Selection Committee Meeting held on 7 March 2023 be taken as read and confirmed.

**Carried Unanimously**



## 5 Confidential Items

### 5.1 Cover Report - CEO Performance Review Timeline

Report Reference RSC230502F5.1

The Mayor sought and was granted leave of the meeting to vary the order of agenda items and defer item 5.1 Cover Report – CEO Performance Review Timeline to be considered after item 7.1 Council and CEO KPI Reporting Quarter Three 2022/23.

### 5.2 Cover Report - Staff Movements & Exit Q3

Report Reference RSC230502F5.2

The Mayor sought and was granted leave of the meeting to vary the order of agenda items and defer item 5.2 Cover Report – Staff Movements and Exits Q3 to be considered after item 7.1 Council and CEO KPI Reporting Quarter Three 2022/23.

## 6 Reports for Discussion

### 6.1 Labour Hire Staff

Report Reference RSC230502R6.1

The Committee discussed the data provided and the types of positions in which labour hire is being utilised.

It was acknowledged that work is being done to reduce labour hire expenditure and improve processes for engagement of labour hire staff, which included discussion around management of long-term labour hire arrangements, and when labour hire may be used in favour of a recruitment process.

**Moved Councillor Hoffmann**

**Seconded Councillor Naismith**

That the Review and Selection Committee:

1. Notes this report.

**Carried Unanimously**

## 7 Reports for Noting

### 7.1 Council and CEO KPI Report Quarter Three 2022/23

Report Reference RSC230502R7.1



The Committee discussed the results around staff engagement and general morale within Council. Members acknowledged that it was useful to understand what is being done to assist areas which may be reporting lower engagement levels.

The Committee considered KPI 8 - Community Engagement / Communications, and acknowledged that this KPI is measured against council member satisfaction. There was discussion as to the types of matters which may be included or excluded from this measurement, such as changes to the Breakout Creek bicycle path.

Clarification was provided on the venues that have been excluded from KPI 10 – Asset Utilisation of Sports and Community Venues. The Committee noted that this KPI will continue to be monitored at corporate level, with results expected to improve with the introduction of an online booking system.

There was general discussion around ensuring the CEO KPIs measure what is strategically most important to council members, and ensuring that management remains focused on what is being measured and why.

**Moved Councillor Naismith**

**Seconded Councillor Hoffmann**

That the Review and Selection Committee:

1. Notes this information and information contained within the attachments for Quarter three 2022/23.

**Carried Unanimously**

#### 5.1 Cover Report - CEO Performance Review Timeline

Report Reference RSC230502F5.1

**Moved Councillor Hoffmann**

**Seconded Councillor Naismith**

That pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the Committee orders that all persons present, with the exception of the following persons: Councillor Luscombe, Acting Chief Executive Officer, Manager Office of the Chief Executive Officer, and Manager People and Culture, be excluded from the meeting as the Committee receives and considers information relating to CEO Performance Review Timeline, upon the basis that the Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to past and present employees of the City of Marion.

**Carried Unanimously**



7.04pm the meeting went into confidence

**Moved Councillor Naismith**

**Seconded Councillor Hoffmann**

In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Committee orders that this report, CEO Performance Review Timeline, the minutes and any appendices arising from this report having been considered in confidence under Section 90(2) and (3)(a) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2023.

**Carried Unanimously**

7.25pm the meeting Came out of confidence

**5.2 Cover Report - Staff Movements & Exits Q3**

Report Reference RSC230502F5.2

**Moved Councillor Hoffmann**

**Seconded Councillor Naismith**

That pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the Committee orders that all persons present, with the exception of the following persons: Acting Chief Executive Officer, Manager, Office of the Chief Executive Officer, Chief Financial Officer, and Manager People and Culture, be excluded from the meeting as the Committee receives and considers information relating to Staff Movements and Exit, upon the basis that the Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to past and present employees of the City of Marion.

**Carried Unanimously**

7.26pm the meeting went into confidence

**Moved Councillor Naismith**

**Seconded Councillor Hoffmann**

In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Committee orders that this report, Staff Movements and Exits Q3, the minutes and any appendices arising from this report having been considered in confidence under Section 90(2) and (3)(a) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2023.

**Carried Unanimously**

7.52pm the meeting came out of confidence

RSC230502 - Review and Selection Committee - 2 May 2023





**8 Workshop / Presentation Items - Nil**

**9 Other Business**

**10 Meeting Closure**

The meeting was declared closed at 7.52pm.

CONFIRMED THIS 1 DAY OF AUGUST 2023

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CHAIRPERSON

## 5 Confidential Items

### 5.1 Cover Report - Staff movements and exit summary

Report Reference	RSC230801F5.1
Originating Officer	Business Support Officer - Governance and Council Support – Cassidy Mitchell
Corporate Manager	Manager People and Culture - Sarah Vinall
General Manager	Chief Executive Officer - Tony Harrison

#### REASON FOR CONFIDENTIALITY

##### ***Local Government Act (SA) 1999 S 90 (2) 3***

(a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)

#### RECOMMENDATION

**That pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the Committee orders that all persons present, with the exception of the following persons: Chief Executive Officer, Manager People and Culture, Manager Office of the Chief Executive Officer, be excluded from the meeting as the Committee receives and considers information relating to Staff Movements and Exit Summary, upon the basis that the Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to employee personal data.**

**5.2 Cover Report - SRWRA Audit Committee Member - City of Marion Representative**

Report Reference	RSC230801F5.2
Originating Officer	Business Support Officer - Governance and Council Support – Cassidy Mitchell
Corporate Manager	Manager Office of the Chief Executive - Kate McKenzie
General Manager	Chief Executive Officer - Tony Harrison

**REASON FOR CONFIDENTIALITY*****Local Government Act (SA) 1999 S 90 (2) 3***

(a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)

**RECOMMENDATION**

**That pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the Committee orders that all persons present, with the exception of the following persons: Chief Executive Officer, General Manager City Services, General Manager Corporate Services, General Manager City Development, Manager Office of the CEO, Manage People and Culture, be excluded from the meeting as the Council receives and considers information relating to SRWRA Audit Committee Member - City of Marion Representative, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information concerns the personal affairs of any person.**

### 5.3 Cover Report - Independent Member - Finance, Risk and Audit Committee

Report Reference	RSC230801F5.3
Originating Officer	Business Support Officer - Governance and Council Support – Cassidy Mitchell
Corporate Manager	Manager Office of the Chief Executive - Kate McKenzie
General Manager	Chief Executive Officer - Tony Harrison

#### REASON FOR CONFIDENTIALITY

##### ***Local Government Act (SA) 1999 S 90 (2) 3***

(a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)

#### RECOMMENDATION

**That pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the Committee orders that all persons present, with the exception of the following persons: Chief Executive Officer, General Manager City Services, General Manager Corporate Services, General Manager City Development, Manager Office of the CEO, Manage People and Culture, Unit Manager Governance and Council Support, Governance Office and Executive Officer to the Chief Executive Officer, be excluded from the meeting as the Council receives and considers information relating to SRWRA Audit Committee Member - City of Marion Representative, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information concerns the personal affairs of any person.**

## 6 Reports for Discussion

### 6.1 Remuneration Tribunal - Determination of CEO Remuneration

<b>Report Reference</b>	RSC230801R6.1
<b>Originating Officer</b>	Manager People and Culture – Sarah Vinall
<b>Corporate Manager</b>	Manager People and Culture - Sarah Vinall
<b>General Manager</b>	Chief Executive Officer - Tony Harrison

#### REPORT OBJECTIVE

To advise the Review and Selection Committee on the Determination of the Remuneration Tribunal of South Australia (the Tribunal) and what it may mean for the City of Marion.

#### EXECUTIVE SUMMARY

On 16 June 2023, the Tribunal made its inaugural Determination on minimum and maximum remuneration levels for local government CEOs. This Determination gives effect to section 99A of the *Local Government Act 1999*, requiring that Councils remunerate their CEOs within the published minimum and maximum Total Remuneration Package bands.

The Tribunal determined that the City of Marion is a Band 4, with a current total package range between \$319,280 and \$351,520 per annum.

No immediate action is required, however, consideration of the Determination will be necessary when discussing the contract of the Chief Executive Officer beyond the current expiration of Mr Harrison’s contract.

#### RECOMMENDATION

**That the Review and Selection Committee:**

- 1. Note the determination of the Remuneration Tribunal of South Australia regarding local government CEO remuneration, and its impact on City of Marion CEO remuneration moving forward.**

#### DISCUSSION

Paragraph 128 of the Tribunal’s published report states that original intent had been to consider factors including:

- Diversity and complexity of the functions and duties performed by CEOs
- Geographical size of the council
- Revenue of the council
- Council staff numbers and the diversity of staff roles

While this was the original intent, the Tribunal asserts that “such an approach requires the cooperation of councils” (para 68) and, of 68 South Australian councils, only 8 chose to make a submission to the Tribunal. Additionally, the Tribunal had suggested an external consultancy be engaged to assist with determining an approach to remuneration setting, however, the Local Government Association “expressed concern about the costs of an external consultancy (para 37)”, and instead suggested that CEOs be approached directly by the Tribunal for clarifying information, later also suggesting a revised survey be circulated to all Councils in a last attempt to seek accurate and complete information.

Due to ongoing difficulty with gathering of complete and accurate information, the Tribunal's final Determination has grouped Councils into 8 bands which largely align with current CEO packages. The City of Marion has been positioned as a Band 4 council, which also includes:

- City of Burnside
- City of Holdfast Bay
- City of Norwood Payneham and St Peters
- City of Playford
- City of Tea Tree Gully
- City of Whyalla
- The Barossa Council
- Town of Gawler
- Yorke Peninsula Council

The disparity in size and complexity of the councils within band 4 are somewhat problematic, with the Determination making it difficult for the City of Marion to offer an attractive and competitive package against neighbouring and/or smaller councils who are in higher bands and therefore permitted to offer considerably more to attract high calibre candidates.

It is noted that a Determination made by the Tribunal is not subject to an appeal. Additionally, the Tribunal has advised that they intend to review this Determination on a four-yearly basis. Despite this, given this is the first Determination on this matter, the Tribunal will conduct an earlier review in the middle of 2024. This presents an ideal opportunity to put forward a case for review of the band groupings to place greater emphasis on council size, scope and complexity.

The Tribunal has advised we may make an application at any time if, at the time of considering a new contract, the City of Marion would like to seek special consideration to pay outside the remuneration bands. Such an application would be subject to the standard process, including placing notice on the Tribunal's website, and seeking submissions from all affected parties including the Premier as the Minister responsible for the *Remuneration Act 1990 (SA)*.

### **Next Steps**

Under the transitional provisions of the *Statutes Amendment (Local Government Review) Act 2021*, existing CEO packages are unaffected by the Determination. Consequently, no immediate action is required.

The Committee will however need to consider the remuneration bands when determining any future recommendation to General Council regarding the CEO contract and, if necessary, explore an application to the Tribunal for special consideration to pay outside the remuneration bands.

### **ATTACHMENTS**

1. Determination-4-of-2023- Local- Government- CE Os [6.1.1 - 4 pages]
2. Report-4-of-2023- Local- Government- CE Os [6.1.2 - 13 pages]



No. 4 of 2023

**DETERMINATION OF THE REMUNERATION TRIBUNAL  
Minimum and Maximum Chief Executive Officer Remuneration**

**SCOPE OF DETERMINATION**

1. This Determination applies to Chief Executive Officers of Local Government Councils to whom section 99A of the *Local Government Act 1999* (SA) applies.
2. For the reasons provided in the accompanying report, The Municipal Council of Roxby Downs is not covered by this Determination.

**MINIMUM AND MAXIMUM REMUNERATION**

3. In accordance with section 99A of the *Local Government Act 1999* (SA) (**LG Act**) the Remuneration Tribunal hereby determines the following rates of minimum and maximum remuneration for Chief Executive Officers of Local Government Councils in South Australia:

Band	Total Remuneration Package
1	\$414,000 - \$431,600
2	\$396,240 - \$402,480
3	\$357,760 - \$380,640
4	\$319,280 - \$351,520
5	\$299,520 - \$317,200
6	\$272,480 - \$292,240
7	\$235,040 - \$265,200
8	\$197,600 - \$229,840

4. Remuneration figures are expressed on a total remuneration package basis.
5. A list of council groupings is included at attachment 1.
6. Any decision in relation to an annual increase for CEO remuneration within the bands set by the Tribunal remains a matter for each council in accordance with section 99A(1) of the LG Act.

**DATE OF OPERATION**

- 7. This Determination shall have operative effect on and from 1 July 2023.



Matthew O'Callaghan  
**PRESIDENT**



Deborah Black  
**MEMBER**



Peter de Cure AM  
**MEMBER**

Dated this 16<sup>th</sup> day of June 2023



## ATTACHMENT 1

<b>Council</b>	<b>Band</b>
Adelaide Hills Council	5
Adelaide Plains Council	6
Alexandrina Council	5
Barunga West Council	7
Berri Barmera Council	7
Campbelltown City Council	3
City of Adelaide	1
City of Burnside	4
City of Charles Sturt	2
City of Holdfast Bay	4
City of Marion	4
City of Mitcham	3
City of Mount Gambier	5
City of Norwood Payneham & St Peters	4
City of Onkaparinga	3
City of Playford	4
City of Port Adelaide Enfield	2
City of Port Lincoln	7
City of Prospect	5
City of Salisbury	3
City of Tea Tree Gully	4
City of Unley	3
City of Victor Harbor	6
City of West Torrens	2
City of Whyalla	4
Clare & Gilbert Valleys Council	7
Coorong District Council	7
Copper Coast Council	6
Corporation of the Town of Walkerville	5
District Council of Ceduna	6
District Council of Cleve	7
District Council of Coober Pedy	8
District Council of Elliston	8
District Council of Franklin Harbour	7
District Council of Grant	7
District Council of Karoonda East Murray	8

District Council of Kimba	8
District Council of Lower Eyre Peninsula	7
District Council of Loxton Waikerie	7
District Council of Mount Remarkable	7
District Council of Orroroo Carrieton	8
District Council of Peterborough	8
District Council of Robe	8
District Council of Streaky Bay	8
District Council of Tumby Bay	7
District Council of Yankalilla	7
Kangaroo Island Council	7
Kingston District Council	8
Light Regional Council	5
Mid Murray Council	6
Mount Barker District Council	3
Naracoorte Lucindale Council	7
Northern Areas Council	7
Port Augusta City Council	6
Port Pirie Regional Council	6
Regional Council of Goyder	6
Renmark Paringa Council	6
Southern Mallee District Council	7
Tatiara District Council	7
The Barossa Council	4
The Flinders Ranges Council	8
The Rural City of Murray Bridge	5
Town of Gawler	4
Wakefield Regional Council	7
Wattle Range Council	7
Wudinna District Council	8
Yorke Peninsula Council	4



No. 4 of 2023

## REPORT OF THE REMUNERATION TRIBUNAL

### 2023 Inaugural Review of Minimum and Maximum Remuneration for Local Government Chief Executive Officers

#### SUMMARY

1. On 20 September 2021, section 60 of the *Statutes Amendment (Local Government Review) Act 2021 (SA)* came into operation. This inserted section 99A into the *Local Government Act 1999 (SA)* conferring jurisdiction on the Tribunal to determine the minimum and maximum remuneration that may be paid or provided to chief executive officers of councils constituted under the *Local Government Act 1999 (SA)*.
2. The Tribunal collected data in relation to the current total remuneration package of chief executive officers by way of two surveys. This occurred over an extended period of time due to the lack of response and inconsistencies of the first survey and the inaccuracies and incomplete information provided through the second survey, which required further consultation with councils.
3. For this inaugural review, the Tribunal has determined to group 67 councils into eight bands. While these bands have some generally common characteristics, the Tribunal recognises differences and potential anomalies in terms of council characteristics within and between some of these bands. Each band is based on the data provided by councils in relation to the total remuneration package of their chief executive officer. The Tribunal has then applied assumptions in relation to the value of the provision of a motor vehicle and any additional leave entitlements beyond that of usual administrative staff. This has resulted in a figure described as an “adjusted total remuneration package” for each chief executive officer who is covered by this review.
4. For the future, the Tribunal proposes to progress toward a review of the minimum and maximum remuneration of chief executive officers on a four yearly basis that is commensurate with the timeframe for local government member allowances. However, because this is the first review of this nature and it is based on data that is conflicting and inconsistent, it is acknowledged that councils may need to refer specific instances to the Tribunal for consideration. The Tribunal proposes to review the minimum and maximum remuneration amounts in July 2024 to take account of any feedback from councils and chief executive officers

and annual wage and cost of living movements. The Tribunal expects any council who, as part of any future review, identifies significant differences in the remuneration package to provide sufficient detail and reasons as to why this is the case.

## INTRODUCTION

5. Section 14 of the *Remuneration Act 1990* (SA) (**Act**) provides that the Remuneration Tribunal (**Tribunal**) has jurisdiction to determine the remuneration, or a specified part of the remuneration, payable in respect of certain offices, if such jurisdiction is conferred upon the Tribunal by any other Act or by the Governor by proclamation.
6. On 20 September 2021, section 60 of the *Statutes Amendment (Local Government Review) Act 2021* (SA) (**Amending Act**) came into operation. This inserted section 99A into the *Local Government Act 1999* (SA) (**LG Act**) to confer jurisdiction upon the Tribunal to determine the minimum and maximum remuneration that may be paid or provided to chief executive officers (**CEOs**) of councils constituted under the LG Act.
7. This review marks the first occasion on which the Tribunal has considered remuneration for local government CEOs.

## LEGISLATIVE PROVISIONS

8. Section 99A of the LG Act states:

**“99A—Remuneration of chief executive officer**

- (1) *Subject to this section, the remuneration of the chief executive officer of a council will be determined by the council.*
- (2) *The Remuneration Tribunal will determine (from time to time) the minimum and maximum remuneration that may be paid or provided to chief executive officers of councils.*
- (3) *In making a determination under subsection (2), the Remuneration Tribunal must have regard to any matter prescribed by the regulations.*
- (4) *A determination under subsection (2)—*
  - (a) *may differ based on any factor including, for example, the geographical location of a council or group of councils (such that different minimum and maximum remuneration may be paid or provided to chief executive officers from different councils); and*
  - (b) *may provide for minimum and maximum remuneration that may be paid or provided to chief executive officers to be indexed in accordance with the determination.*
- (5) *The regulations—*
  - (a) *may make further provision in relation to a determination of the Remuneration Tribunal for the purposes of this section; and*
  - (b) *may modify the application of section 10 of the Remuneration Act 1990 in relation to a determination under this section.*
- (6) *Sections 17 and 19 of the Remuneration Act 1990 do not apply in relation to a determination under this section.*
- (7) *A reference in the Remuneration Act 1990 to determining remuneration payable in respect of an office will, for the purposes of this section, be taken to include a reference to determining the minimum and maximum remuneration payable in respect of the office.*

(8) *Despite any other Act or law, the reasonable costs of the Remuneration Tribunal in making a determination under this section are to be paid by the LGA under an arrangement determined by the Minister from time to time after consultation with the LGA and the President of the Tribunal.*

(9) *The LGA may recover the reasonable costs incurred by the Remuneration Tribunal in making a determination under this section as a debt from the councils to which the determination relates.*

(10) *A council must ensure that the remuneration of its chief executive officer is within the relevant minimum and maximum remuneration determined by the Remuneration Tribunal for the purposes of this section.”*

9. The Tribunal has noted that some limited guidance about the intention of the above legislative provision can be drawn from the second reading speech in the following terms:

*“The bill also proposes that the South Australian Remuneration Tribunal should set salaries for council chief executive officers to provide assurances to communities that CEOs are paid appropriately for the work that they do.”<sup>1</sup>*

10. The Tribunal has considered the function of CEOs as these are expressed in the LG Act:

**“99—Role of chief executive officer**

(1) *The functions of the chief executive officer include—*

- (a) *to ensure that the policies and lawful decisions of the council are implemented in a timely and efficient manner;*
- (b) *to undertake responsibility for the day-to-day operations and affairs of the council;*
- (c) *to provide advice and reports to the council on the exercise and performance of its powers and functions under this or any other Act;*
- (d) *to co-ordinate proposals for consideration by the council for developing objectives, policies and programs for the area;*
- (e) *to provide information to the council to assist the council to assess performance against its strategic management plans;*
- (f) *to ensure that timely and accurate information about council policies and programs is regularly provided to the council's community, and to ensure that appropriate and prompt responses are given to specific requests for information made to the council;*
- (g) *to ensure that the assets and resources of the council are properly managed and maintained;*
- (h) *to ensure that records required under this or another Act are properly kept and maintained;*
- (i) *to give effect to the principles of human resource management prescribed by this Act and to apply proper management practices;*
- (j) *to exercise, perform or discharge other powers, functions or duties conferred on the chief executive officer by or under this or other Acts, and to perform other functions lawfully directed by the council.*

(2) *The chief executive officer must consult with the council (to a reasonable degree) when determining, or changing to a significant degree—*

- (a) *the organisational structure for the staff of the council; or*

<sup>1</sup> South Australia, Parliamentary Debates, House of Assembly, 17 June 2020 (Stephan Knoll).

- (b) *the processes, terms or conditions that are to apply to the appointment of senior executive officers; or*
- (c) *the appraisal scheme that is to apply to senior executive officers.”*

11. The Act provides a definition of remuneration, as follows:

**“3—Interpretation**

*In this Act—*

**remuneration** includes—

- (a) *salary; and*
- (b) *allowances; and*
- (c) *expenses; and*
- (d) *fees; and*
- (e) *any other benefit of a pecuniary nature;*

**the Tribunal** means the Remuneration Tribunal established under Part 2.”

12. The Tribunal has also noted the transitional provisions at section 147(5) of the Amending Act as follows:

*“The remuneration of a chief executive officer holding office on the commencement of section 99A of the principal Act (as inserted by this Act) is not affected during the term of that office by a determination under section 99A.”*

**PROCEDURAL HISTORY**

13. Section 10(2) of the Act provides that prior to making a determination affecting the remuneration of a particular person, or persons of a particular class, the Tribunal must allow that person, or the persons of that class, a reasonable opportunity to make submissions orally or in writing to the Tribunal.
14. Section 10(4) of the Act provides that the Minister responsible for the Act may intervene, personally or by counsel or other representative, in proceedings before the Tribunal for the purpose of introducing evidence, or making submissions, on any question relevant to the public interest.
15. On 13 December 2021, the Tribunal met with the Local Government Association of South Australia (**LGA**) to discuss the Tribunal’s proposed process and guidelines for submissions.
16. On 20 December 2021, the Tribunal wrote to the Premier of South Australia, as the Minister responsible for the Act, the Minister for Local Government, as the Minister responsible for the LG Act, the LGA and local government CEOs, inviting submissions.
17. Additionally, on 20 December 2021, a public notification of the review and a guideline for the making of submissions was published on the Tribunal’s website.
18. The guidelines advised the Tribunal would consider the following factors in making its determination:
  - 18.1. The role of local government CEOs generally, including the diversity and complexity of the functions and duties performed by CEOs.

- 18.2. Any factors that demonstrate effective service delivery and responsible expenditure of public resources, including, but not limited to, any observations on the significance of this consideration.
  - 18.3. The impact of council elected member code of conduct issues on the role of local government CEOs.
  - 18.4. The impact of any mergers or amalgamations of local government councils on the role of the CEO.
  - 18.5. Any regional issues, for example, housing entitlements or remote locality entitlements in regional local government areas.
  - 18.6. The geographical size (area) of the council.
  - 18.7. The revenue (\$) of the council.
  - 18.8. Number of electors (persons) of the council.
  - 18.9. The impact of council staff numbers (FTE) on the role of the CEO and the extent to which CEOs of smaller councils undertake a diversity of roles.
  - 18.10. The methodology by which any determination of minimum and maximum CEO remuneration bands should be indexed (CPI for example), and the frequency of further reviews of the remuneration bands by the Tribunal (4 yearly cycle as per elected members, for example).
  - 18.11. Any other relevant information for the Tribunal's consideration.
19. These guidelines took into account the provisions of section 99A of the LG Act which states:
- “(3) In making a determination under subsection (2), the Remuneration Tribunal must have regard to any matter prescribed by the regulations.*
- (4) A determination under subsection (2)—*
- (a) may differ based on any factor including, for example, the geographical location of a council or group of councils (such that different minimum and maximum remuneration may be paid or provided to chief executive officers from different councils); and*
- (b) may provide for minimum and maximum remuneration that may be paid or provided to chief executive officers to be indexed in accordance with the determination.”*
20. The closing date for written submissions was 11 March 2022.
  21. On 10 January 2022, the LGA wrote to the Tribunal offering its support with this review and proposing to conduct a survey of CEOs remuneration. The Tribunal provided examples of the elements of remuneration that could be collected through a survey.
  22. On 23 February 2022, the LGA provided an update to the Tribunal that it had received 30 responses from a total of 68 CEOs. The LGA advised it was uncertain as to whether the data from 30 councils constituted a fair and representative sample of CEOs remuneration. The Tribunal was of the view that a broader sample of information was required, noting there was real potential for a decision of the Tribunal to profoundly affect CEOs whose remuneration information had not been provided.
  23. The Tribunal also noted that some CEOs may be reticent to provide information relating to their remuneration to the LGA and, on this basis, the Tribunal wrote to CEOs on 17 March 2022 requesting a spreadsheet be completed and returned directly to the Tribunal by 1 April 2022.

24. The Tribunal is sensitive to the potential confidentiality issues in relation to the information provided and as a result will not be disclosing individual names or information within this report or the accompanying determination.
25. As part of this process, the Tribunal received a further 12 surveys.
26. The Tribunal conducted a hearing on 2 May 2022 for councils and individuals seeking to make oral submissions to the Tribunal.
27. The Tribunal received eight submissions from the following councils and individuals:

Council / Individual	Type of submission	Summary of Issues raised
Coorong District Council	Council	<ul style="list-style-type: none"> <li>Data and information provided in relation to review criteria</li> <li>Regional / remote locality issues</li> </ul>
Adelaide Hills Council	Council	<ul style="list-style-type: none"> <li>Data and information provided in relation to review criteria</li> <li>Indexation should be 3 to 4 years to align with local government members</li> </ul>
Tim Jackson, Administrator, Coober Pedy Council	Individual	<ul style="list-style-type: none"> <li>Remote locality issues</li> <li>Attraction and retention issues</li> </ul>
District Council of Kimba	Council	<ul style="list-style-type: none"> <li>Data and information provided in relation to review criteria</li> <li>Issues specific to smaller councils</li> <li>Remote locality issues, such as remote housing consideration</li> <li>Indexation should be ABS Wage Price Index over 4 years</li> </ul>
City of Norwood, Payneham & St Peters Council	Council	<ul style="list-style-type: none"> <li>Data and information provided in relation to review criteria</li> </ul>
Port Adelaide Enfield Council	CEO	<ul style="list-style-type: none"> <li>Data and information provided in relation to review criteria</li> <li>Key result areas for CEO provided.</li> <li>4 yearly cycle for reviews is reasonable</li> </ul>
City of Tea Tree Gully Council	Council	<ul style="list-style-type: none"> <li>Data and information provided in relation to review criteria</li> <li>4 yearly cycle should include a CPI increase similar to local government members</li> </ul>
Whyalla Council	Council	<ul style="list-style-type: none"> <li>Data and information provided in relation to review criteria</li> <li>Attraction and retention issues</li> <li>Regional / remote locality issues</li> <li>WA model should be considered</li> </ul>

28. This represents a small proportion of the councils and CEOs that were given the opportunity to make submissions.
29. While the submissions generally provided information about the characteristics of these councils against the guidelines provided by the Tribunal, the information provided did not assist the Tribunal to determine a coherent and sustainable approach to establishing minimum and maximum levels of remuneration.
30. The Tribunal noted information provided by the City of Port Adelaide Enfield's CEO. This information provided a useful summary of the role of the CEO, covering oversight of the diverse assets and effective service delivery to a demographically diverse community together with engagement with the local and broader communities, and the development of that council area. This submission incorporated consideration of unique geographic, demographic, social, historical characteristics of that council.
31. The Tribunal also noted the City of Norwood, Payneham and St Peters advice that CEO experience, performance reviews and annual remuneration reviews are pertinent issues when councils are considering CEO remuneration.



32. Additionally, the Tribunal noted submissions made by primarily regional councils that they expected their CEOs to be more operationally focussed because of fewer middle management levels within the organisation.
33. The regional council submissions also noted greater distance and travel commitments and challenges associated with staffing. Some councils argued strongly in favour of attraction and retention payments. The Tribunal particularly noted difficulties experienced by the Coober Pedy Council in attracting and retaining CEOs.
34. The Tribunal noted that councils have unique requirements of their CEOs and require flexibility to negotiate remuneration arrangements to best meet these needs. For example, some councils may require a strategic leader to lead a complex organisation, while a small council may prefer a leader with exceptional technical expertise.
35. The Tribunal was unable to identify any objective or standard approach to setting remuneration levels between councils.
36. On 15 September 2022, the Tribunal provided an update to the LGA that it had obtained information from all councils and had spent some time assessing the data. The Tribunal's capacity to reach accurate conclusions about the remuneration arrangements was severely limited by quite disparate approaches to different components of remuneration recorded by councils and their CEOs. This was exemplified in differing approaches to recording superannuation arrangements, including defined benefit superannuation arrangements and to motor vehicle costings which varied substantially. The Tribunal suggested it might engage an external professional consultancy to assist in this process.
37. The LGA provided a response on 11 October 2022 in which it expressed concern about the costs of an external consultancy. The LGA suggested the Tribunal contact CEOs with questions of clarification designed to fill in any gaps in the data already available, rather than undertaking the survey process anew, advising this would reduce the costs associated with the review.
38. On 29 November 2022, the Tribunal advised the LGA that the remuneration data it had was problematic in that the information provided by councils reflected very different approaches to calculating current significant elements of total remuneration and hence would result in a flawed and inconsistent assessment of maximum and minimum remuneration levels. The Tribunal also advised of its intention to conduct a further survey of CEO salary levels, requiring councils to provide costing instructions consistent with normal salary and accounting practices. Consistent with the request of the LGA, and to reduce the cost imposts on councils, the Tribunal agreed to conduct the further survey 'in house' using its own resources.
39. Prior to distributing the updated survey to all CEOs, the Tribunal tested the revised survey approach on a small number of CEOs to identify any issues that councils may have with it. The LGA nominated four CEOs for this purpose.
40. Following the conclusion of this trial process, the revised survey was sent to all CEOs on 16 December 2022. CEOs were requested to complete the survey by 25 January 2023.
41. All survey responses were ultimately received by 7 March 2023 but inaccuracies and incomplete information required further consultation with councils to clarify the information provided. In a small number of instances, particularly relating to vehicle costing approaches, the Tribunal has had to make an estimate of total costs, including Fringe Benefits Tax implications.

## CONSIDERATION

42. The Tribunal's jurisdiction in relation to local government CEOs is confined to making determinations, from time to time, in relation to the minimum and maximum levels of remuneration only.
43. The Tribunal notes that individual councils can determine, within those minimum and maximum remuneration levels, the specific amount of remuneration to be paid to their CEO, as well as the various components of the remuneration package, such as superannuation, motor vehicles, allowances or other non-monetary benefits, provided that these total remuneration arrangements fall within the minimum and maximum amounts set by the Tribunal.
44. In determining what constitutes remuneration, the Tribunal has taken into account the following components:
- Monetary remuneration
  - Superannuation, including the statutory minimum employer contributions, any salary sacrifice component and any additional payments made by a council
  - Annual leave loading
  - Additional leave entitlements
  - Bonuses and performance incentives - in cash or otherwise
  - The private benefit value of any motor vehicle and/or equipment (excluding mobile telephones and portable computing equipment provided to the CEO by the council)
  - School or childcare fees, including school uniforms
  - Newspaper/magazine/online subscriptions
  - Personal travel or any other benefit taken in lieu of salary by the CEO (and immediate family at the discretion of the council)
  - Health insurance
  - Any and all allowances
  - Any other form of payment - cash or otherwise
  - Any Fringe Benefits Tax paid by council in respect of any of the above
45. The Tribunal concluded that mobile telephones and portable computing equipment provided to CEOs, fundamentally for work purposes, but which may be used for reasonable personal use, should not be regarded as remuneration for these purposes. The Tribunal considers that these items are inherent requirements for a CEO function and, in any event, any additional reasonable use represents a minimal additional cost such that separating personal and business use involves unreasonable administrative costs.
46. The Tribunal has not included professional development costs that directly relate to the performance of CEO duties and membership of professional associations related to the performance of CEO functions in its assessment of remuneration.
47. The Tribunal has not included one-off payments that relate directly and solely to relocation expenses in its consideration of remuneration.
- (a) Motor Vehicles**
48. The December 2022 survey required councils to include the annual amount of the personal benefit value of the provision of a motor vehicle for private use or cash in lieu of a motor vehicle. The personal benefit value was to be determined by multiplying the percentage of personal use of the vehicle, by the annual cost to the council for that vehicle, including all annual costs of maintenance, fuel, taxes, registration, running costs, as well as an annual depreciation.

Depreciation was to be calculated using the rate of 12.5% (prime cost method) or 25% (diminishing value method).

49. There were significant variations in motor vehicle arrangements amongst councils, reflecting different costing approaches, obvious differences in motor vehicles, the extent to which motor vehicle use was for business purposes and Fringe Benefits Tax recognition.
50. The Tribunal has concluded that a sustainable basis for some of these estimates has not been established and urges councils to review their costing methodologies. The Tribunal suggests the application of a consistent approach to motor vehicle costing arrangements for the future based on actual annual cost of provision of any motor vehicle provided by the council, less an assessed component for business use. The methodology outlined above is proposed as an appropriate approach for the future.
51. To assist the Tribunal in setting minimum and maximum levels of remuneration, for the purpose of this review, it has built an assumption into the data obtained for motor vehicles. Where the value of the motor vehicle and Fringe Benefits Tax was below \$20,000, the Tribunal added the difference to the total package of remuneration (i.e. if the council provided a value of \$15,000 for the motor vehicle and Fringe Benefits Tax, then the Tribunal has added \$5,000 to the total package of remuneration). Where a Council has not provided Fringe Benefits Tax information, the Tribunal has estimated that value and incorporated that estimate into its assessment of total remuneration. For clarity, this does not propose an actual increase in the remuneration payable to those CEOs, but rather, ensures a more consistent and realistic approach to the valuation of vehicles.
52. To the extent that councils negotiate new contractual arrangements, it is appropriate that motor vehicle costs that relate to all private use are separately recognised as remuneration components.

**(b) Additional leave per year**

53. Councils were requested to provide any additional leave entitlements that CEOs receive beyond the standard four week entitlement and to confirm if that additional leave was “purchased” through a salary deduction or whether it was simply an added employment benefit.
54. The total remuneration package of CEOs for the purpose of assessing minimum and maximum remuneration was then adjusted to take into account the monetary value of any additional leave entitlements.

**(c) Superannuation**

55. The Tribunal noted that some CEOs are members of defined benefit funds but access to these superannuation arrangements is not available to more recent appointees. The Tribunal has also recognised that some CEOs contribute extra payments to these defined benefit funds. The difficulties associated with comparing defined benefit funds with accumulation funds are significant. For the purposes of this assessment, the Tribunal has universally recognised the minimum Superannuation Guarantee legislative provisions, and any explicit amounts paid by councils in excess of these national minimum standards irrespective of whether a defined benefit scheme is in operation.

**(d) Allowances**

56. As discussed above, the Tribunal has considered any and all allowances to form part of remuneration. This includes any housing allowance, remote allowance, attraction or retention allowance, utilities allowance or reimbursement or direct payment, grooming or clothing allowance and any entertainment related allowances or entitlements.
57. The Tribunal recognises that the characteristics of some councils means they may place more significance on some allowances. For example, an additional remuneration element in the form of an allowance may need to be agreed between a council and its CEO to recognise either distance or remoteness issues.
58. The Tribunal has adopted the position that the Coober Pedy Council should be recognised as facing particular recruitment challenges given the combination of its remoteness and unique characteristics.
59. Whilst the current minimum and maximum amounts set for each remuneration level take into account all allowances, the Tribunal urges councils to notify it of any substantial issues or adjustments that may need to be made or taken into account in the next review.

**(e) Fringe Benefits Taxes**

60. The minimum and maximum remuneration amounts have been set on the basis that councils will recognise any applicable Fringe Benefits Tax in the total remuneration costing for CEOs.

**(f) The Municipal Council of Roxby Downs**

61. The Tribunal has noted the unique position of the Municipal Council of Roxby Downs. This reflects the indenture agreement applicable to that area and the unique funding arrangements that apply. Accordingly, the Tribunal has not included this council in this review.

**REMUNERATION LEVELS****(a) Other Jurisdictions**

62. In the conduct of this review, the Tribunal considered available information relating to local government CEO remuneration in other Australian jurisdictions.
63. The April 2023 determination of the Western Australian Salaries and Allowances Tribunal reviewed remuneration bands for local government CEOs and allowances for certain elected members. In that determination, a four-band structure was adopted with total reward package bands ranging from \$136,023 to \$404,488 per annum. In addition, maximum separate isolation allowance amounts for nominated councils were identified, taking into account the remoteness, cost of living, social disadvantage, the impact of a dominant industry, attraction and retention issues and community expectations. The quantum of these maximum payments depended on the assessed circumstances of the local council concerned. The determination provided for a discretionary housing allowance where there was a lack of suitable housing, or recruitment issues. The determination considered the private benefit value of motor vehicles provided to CEOs for reporting purposes.
64. Information relative to other States and Territories is not uniformly published, thereby limiting the usefulness of any comparative analysis, and there is no regulatory arrangement equivalent to the Western Australia Salaries and Allowances Tribunal.

65. The Tribunal has historically applied a six-level grouping system for the consideration of allowances applicable to members of councils. In its 2022 Report, the Tribunal expressed reservations about the usefulness of this arrangement and has indicated that it proposes to invite submissions about a review of that arrangement in 2026.<sup>2</sup> Notwithstanding these observations, the Tribunal has considered the extent to which the current groupings could provide a basis for the determination of minimum and maximum remuneration levels. There are significant impediments to such an approach. Firstly, the characteristics of councils within the established groups that may be particularly relevant to CEOs vary substantially within and between the groups such that use of the groups for this purpose appears illogical. Secondly, the Tribunal considers that exclusive reliance on factors such as overall staff numbers does not equate to a measure of CEO skill requirements.
66. The Tribunal has taken into account national salary surveys of the local government sector. Because of the substantial range between low and high remuneration levels, and uncertainties about just how employment benefits are assessed, this information is of limited value in setting minimum and maximum levels in South Australia, consistent with the legislative requirements. It has, however, confirmed that the CEO remuneration levels are generally consistent with the indicative survey data.

**(b) Minimum and maximum remuneration levels in South Australia**

67. The Tribunal's preference is to progress toward establishing minimum and maximum remuneration levels founded on an assessment of skill and competence levels. Such an approach would allow the flexibility to set remuneration consistent with the challenges confronting a given council. However, the limited information available to the Tribunal, combined with the very small number of submissions, simply does not support such an approach at this time. Councils are encouraged to make submissions about such an approach in the future.
68. The Tribunal is not in a position to determine the minimum and maximum remuneration levels based on factors such as the geographical size of the council, revenue of the council and other factors as listed in paragraph 18 above. It considers these factors to be sensible criterion to guide any future determinations of the Tribunal, however, under the current legislation such an approach requires the cooperation of councils.
69. For this inaugural review, the Tribunal has determined to group councils into eight bands. While these bands have some generally common characteristics, the Tribunal recognises differences and potential anomalies in terms of council characteristics within and between some of these bands. Each band is based on the data provided by councils in relation to the total remuneration package of their CEO. The Tribunal has then applied assumptions in relation to the value of the provision of a motor vehicle and any additional leave entitlements beyond that of usual administrative staff. This has resulted in a figure described as an "adjusted total remuneration package" for each CEO who is covered by this review.
70. With the exception of the band consisting of the City of West Torrens, City of Charles Sturt and City of Port Adelaide Enfield, the bandwidths range from \$17,680 to \$32,240. This group of three councils has a much smaller bandwidth because its total remuneration amounts are significantly higher than most other metropolitan councils. The Tribunal was cognisant of the fact that remuneration discrepancies between councils meant that clearly definable criterion

<sup>2</sup> South Australian Remuneration Tribunal, *Report of the Remuneration Tribunal: 2022 Allowances for Members of Local Government Councils, Report 2 of 2022*, p.9 [<https://www.remtribunal.sa.gov.au/documents/2022/20220705-Report-2-of-2022-Members-of-Local-Government.pdf>]

such as that listed in paragraph 18 could not be used to define bands without resulting in very large band remuneration diversity inconsistent with the function of the legislation.

71. The Tribunal has determined that the Adelaide City Council should be separated from councils generally for the purpose of considering CEO remuneration. This recognises that separate legislation covers that council. As no submission was received from the Adelaide City Council in relation to this review, the Tribunal's consideration is entirely based on the current total remuneration for the Adelaide City Council CEO.
72. The Tribunal has differentiated between the City of West Torrens, City of Charles Sturt and City of Port Adelaide Enfield and other significant metropolitan councils. This distinction is entirely based on current remuneration arrangements which differ substantially from other significant metropolitan councils and large provincial centres.
73. A further group of metropolitan, near metropolitan councils and larger regional councils have been grouped together. The Tribunal has placed the Corporation of the Town of Walkerville in this group but notes that the characteristics of that Corporation are fundamentally different from all other metropolitan councils. Finally, the Tribunal has established two groupings of regional councils, largely distinguished by population characteristics.
74. While the approach the Tribunal has taken in this review restricts the extent to which exceptional circumstances of a particular council can be properly recognised and provides limited explanation of the basis for existing remuneration levels to the community, this reflects the disparate current remuneration levels and lack of information about how these were arrived at. A more accurate assessment of remuneration bands based on council characteristics and performance measures is not possible on the information made available to the Tribunal. The Tribunal suggests that it may be appropriate for discussions with the LGA in advance of the next review to identify minimum and maximum remuneration levels based on agreed council criteria, with the potential for separate recognition of attraction incentives and defined performance measures.
75. The Tribunal considers that wage price movements should be recognised within the framework of minimum and maximum remuneration levels, particularly given the time period that has lapsed between the commencement of the inaugural review and the operative date of the Determination.
76. The Tribunal has considered the wage movements and current rate of inflation and has factored these into the minimum and maximum amounts of remuneration but notes that the increase applied is substantially less than CPI.
77. Any decision in relation to an annual increase for CEO remuneration within the bands set by the Tribunal remains a matter for each council in accordance with section 99A(1) of the LG Act.
78. Furthermore, in accordance with section 147(5) of the *Statutes Amendment (Local Government Review) Act 2021* (SA), if the current remuneration level for a CEO is below the minimum band level set by the Tribunal, this may be increased to within the band limits at the discretion of the council. Conversely, if the remuneration level for a CEO is above the band level maximum, the Tribunal would expect no further increase in remuneration during the term of that appointment unless the remuneration level was to fall below the maximum remuneration level following any annual adjustments established by the Tribunal.

**FREQUENCY OF REVIEWS**

79. The Tribunal proposes to progress toward a review of the minimum and maximum remuneration of CEOs on a four yearly basis that is commensurate with the timeframe for local government member allowances. However, because this is the first review of this nature and it is based on data that is conflicting and inconsistent, it is acknowledged that councils may need to refer specific instances to the Tribunal for consideration. The Tribunal will review the minimum and maximum remuneration levels in July 2024 to take account of any feedback from councils or CEOs and wage and cost of living adjustments. The Tribunal expects any council who, as part of any future review, identifies significant differences in the remuneration package to provide sufficient detail and reasons as to why this is the case.

**OPERATIVE DATE**

80. The accompanying Determination will come into operation on and from 1 July 2023.



Matthew O'Callaghan  
**PRESIDENT**



Deborah Black  
**MEMBER**



Peter de Cure AM  
**MEMBER**

Dated this 16<sup>th</sup> day of June 2023

## 7 Reports for Noting

### 7.1 Council and CEO KPI Report Quarter Four 2022/23

<b>Report Reference</b>	RSC010823R7.1
<b>Originating Officer</b>	Unit Manager Governance and Council Support – Victoria Moritz
<b>Corporate Manager</b>	Manager Office of the Chief Executive - Kate McKenzie
<b>General Manager</b>	Chief Executive Officer - Tony Harrison

#### REPORT OBJECTIVE

To advise the Committee of the results of the Council and CEO KPI's for quarter four 2022/23.

#### EXECUTIVE SUMMARY

Monitoring performance of the Council and CEO KPI's is critical for ensuring that the Council is contributing to the achievement of its objectives in both the Strategic Plan and the 4-Year Business Plan 2019-2023.

Details of the results are provided in Attachments 1-4. For the quarter four results, Council achieved the Core Target on all KPI's with the exception of the following KPI's:

- Delivery of agreed projects identified in ABP and fourth year targets in the 4-year plan. The result for Q4 was 90% and has not met the core target of 95%. The off-track projects and associated comments are provided in attachment 1a.
- Asset Utilisation of Sports and Community Venues – the result for quarter 4 was 42%. Although the Core Target of 50% was not reached, it is noted that this is an improvement on the previous quarter result of 29.99%.
- Staff Engagement – the combined engagement results were 70%. This is slightly less than the core target of 75%. There was only one SLT department that did not reach the 50% participate rate target, reaching 42%.
- Asset Renewal Funding Ration - Q4 Forecast - This is an annual measure currently forecast to be between 80 and 90%. The core target is greater than or equal to 90%. This ratio has been impacted by supply chain issues particularly in relation to the renewal program for fleet. The final Asset Renewal Funding Ratio for 2022-23 will be reported following completion of audited 2022-23 Annual Financial Statements.

Given the timing of the report some of the final figures for the quarter four reporting period are yet to be determined. The report also includes estimates for some of the KPI's. Any final audited results will be provided to the Committee in October 2023 along with the 2023/24 quarter one figures.

#### RECOMMENDATION

**That the Review and Selection Committee:**

1. **Notes this information and information contained within the attachments for Quarter four 2022/23.**

#### ATTACHMENTS

1. Attachment 1 KPI Summary [7.1.1 - 2 pages]
2. Attachment 1a Supporting Information for KPI2 2 [7.1.2 - 1 page]

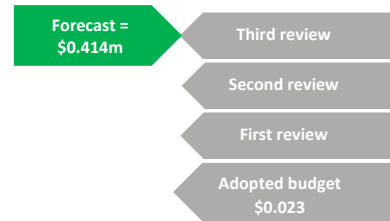


3. Attachment 2 KPI Summary 1 1 [7.1.3 - 1 page]
4. Attachment 3 FTE Employees Staff and Agency 1 1 [7.1.4 - 1 page]
5. Attachment 4 Labour and FTE Movement Summary 8BBS 1 1 [7.1.5 - 1 page]

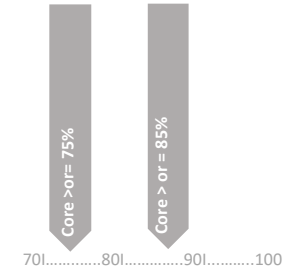


# CEO AND COUNCIL KEY PERFORMANCE INDICATORS 2022/23 QUARTER FOUR: APR '23 – JUN '23 - ATTACHMENT 1

**1 Financial Sustainability**  
**Core target:** Council maintains, on average a break even or better funding (cash) position over the Long-Term Financial Plan  
**Stretch target:** Council maintains a break-even or positive position in delivering its Annual Budget.  
**Measure:** This target compares funding cash position at the relevant budget review with the adopted budget figure.  
**Q4 Forecast:** Both the core and stretch targets are forecast to be met with a \$0.414m surplus forecast in 2022-23 and a forecast surplus of \$0.774m over the ten years of the LTFP. Final surplus for 2022-23 will be reported following completion of audited 2022-23 Annual Financial Statements.

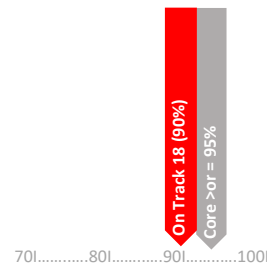


**4 Overall Satisfaction with Council's performance**  
**Core target:** Greater than or equal to 75% rated as satisfied or above.  
**Stretch target:** Greater than or equal to 85% rated as satisfied or above.  
**Measure:** Annual Community Survey  
**Q4 Comment:** Council decided not to run the community survey this year. Therefore no result is available.

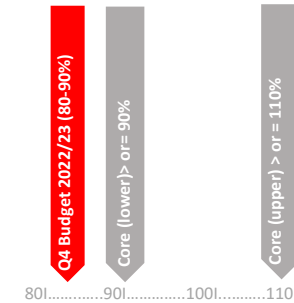


**2 Delivery of agreed projects identified in ABP and fourth year targets in 4-year Plan (20 projects – (projects completed in years 1, 2 and 3 not included)**

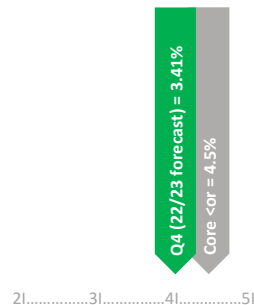
**Core target:** Greater than or equal to 95%  
**Measure:** Monthly data as at 31 March 2023  
**Q4 Result:** 90% - 18 projects are on track. 2 projects are considered off-track. The Core Target has not been met.



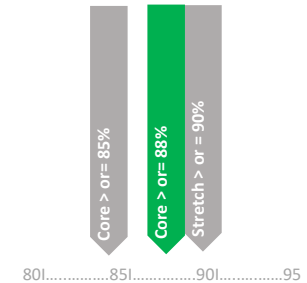
**5 Asset Renewal Funding Ratio**  
**Core target:** Asset Renewal Funding Ratio between 90 and 110%  
**Stretch target:** Asset Renewal Funding Ratio equal to 100% over the ten year long term financial plan  
**Q4 Forecast -** This is an annual measure currently forecast to be between 80 and 90%. This ratio has been impacted by supply chain issues particularly in relation to the renewal program for fleet. The final Asset Renewal Funding Ratio for 2022-23 will be reported following completion of audited 2022-23 Annual Financial Statements.  
 The Asset Renewal Funding Ratio indicates whether Council is renewing or replacing existing assets at the rate of consumption.



**3 Total Employees Costs**  
**Core target:** Less than or equal to 4.5% increase in actual employee costs (including agency staff) against prior year's actual costs – adjusted for Council endorsed changes to meet resourcing requirements.  
**Stretch target:** Less than or equal to 4% increase in actual employee costs (including agency staff) against prior year's actual costs – adjusted for Council endorsed changes to meet resourcing requirements.  
**Q4 forecast:** the 2022/23 forecast is currently \$41.842m which is a 3.41% increase over the 2021/22 audited result after adjusting for council endorsed changes and additional grant funded positions



**6 Delivery of Council's Capital Works Program**  
**Core target:** Greater than or equal to 85% delivery of Council's planned capital works program (adjusted for extraordinary items)  
**Stretch target:** Greater than or equal to 90% delivery of Council's planned capital works program (adjusted for extraordinary items)  
**Q4 Forecast =** This is an annual measure currently forecast to achieve the core target with a forecast result of 88%. Final confirmation on this target will be reported following completion of audited 2022-23 Annual Financial Statements.



# CEO AND COUNCIL KEY PERFORMANCE INDICATORS 2022/23

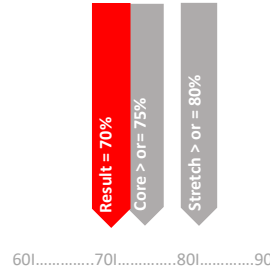
## QUARTER THREE: JAN '23 – MAR '23 - ATTACHMENT 1



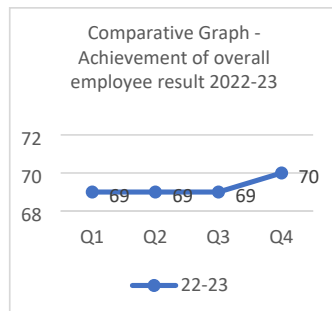
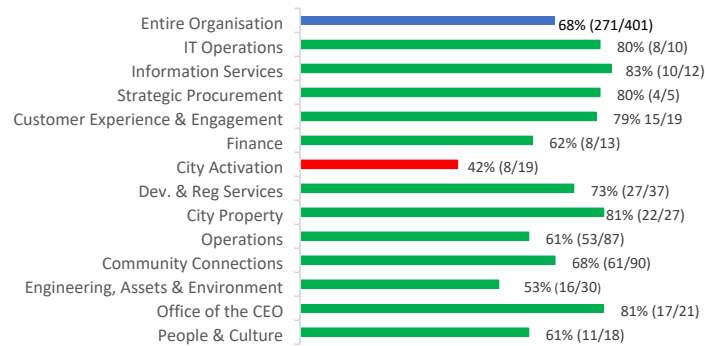
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### Staff Engagement

**Core target:** Achievement of an overall employee engagement survey result of 75% with at least 50% employee participation per SLT department  
**Stretch target:** Achievement of an overall employee survey result of 80% with at least 50% participation per SLT department  
**Measure:** Staff Teamgage survey results.  
**Q4 Result:** Achieved 70% combined engagement results. All but 1 SLT Departments achieved at least a 50% participation rate.



SLT participation by department



8

### Community Engagement / Communications

**Core target:** Project specific communications to the public should be timely and accurate  
**Stretch target:** 100%  
**Measure:** Based on feedback received on project specific distributed communications. This KPI is marked as 'met' or 'not met'.  
**Result:** Q4 result = Met (have not been made aware of any inaccurate or untimely information provided to the public)



90%.....95%.....100%

9

### Carbon Neutrality

**Core target:** Actual annual emissions less than the plan's annual target emissions (3,800 tCO<sub>2</sub>e)  
**Stretch target:** Actual annual emissions 5% less than the plan's annual target emissions (3,610 tCO<sub>2</sub>e)  
**Measure:** Carbon emissions footprint, measured against Council's endorsed Carbon Neutral Plan.  
**Q3 Comment:** This figure is reported every six months ((Q4 reported in Oct, Q2 reported in April). At the end of the Q2 period, the result was 1,376(tCO<sub>2</sub>e). This is reporting on track and less than the stretch target. A final figure for Q4 will be provided in October.



1000!.....2000!.....3000!.....4000!

10

### Asset Utilisation of Sports and Community Venues

**Core target:** 50% utilisation across venues  
**Stretch target:** Nil  
**Measure:** Monthly data as at 30 June 2023 based on the average utilization rate (Peak and off-peak)  
**Result:** Q4 = 42% average utilisation rate for venue utilisation across community and sporting clubs.  
 Peak Utilisaiton = 48.04%  
 Off-Peak Utilisation = 31.96%



20!.....30!.....40!.....50!

## ATTACHMENT 1a – Supporting Information

As at 30 June 2023 - 90% (18 projects) are on-track, including 13 that have been completed this financial year. 10% (2 projects) are considered off-track.

The on-track includes projects that were started or completed in the fourth-year targets of the 2022/23 financial year and also includes those projects that are deferred.

**Table 1: Year 4 Projects by exception (all other projects are considered on-track or completed)**

Project Name	Q4 Supporting Comments
PROGRAM - Business Enterprise Systems Enhancement (DTP)	11 of the 12 projects that make up the program have been implemented. Unified Communications (Teams calling and Amazon connect) is yet to be completed - anticipate completions by October 2023.
Implement Reconciliation Action Plan 2019 - 2023 & Develop the 2023-2027	Finalisation on hold pending discussion at Member Forum on 8th August.

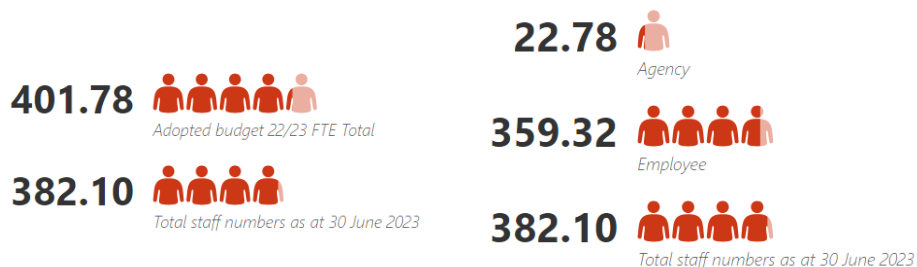
CEO and COUNCIL KPI Report Quarter Four 2022/23 – ATTACHMENT 2

KPI	Details	Core Target	Stretch Target	Qtr 1	Qtr 2	Qtr 3	Qtr 4
1	Financial sustainability.	Council maintains, on average a break even or better funding (cash) position over the Long-Term Financial Plan	Council maintains a break-even or positive cash funding position in delivering its Annual Budget	\$0.023m (forecast)	\$0.084m (forecast)	\$0.026m (forecast)	\$0.414m (forecast)
				Both the core and stretch targets are forecast to be met with a \$0.414m surplus forecast in 2022-23 and a forecast surplus of \$0.774m over the ten years of the LTFP. Final surplus for 2022-23 will be reported following completion of audited 2022-23 Annual Financial Statements.			
2	Delivery of agreed projects identified in the <i>Annual Business Plan</i> and the fourth-year targets in the four-year plan.	Greater than or equal to 95%	No Stretch Target	85%	70%	80%	90%
				Q4 Result: 90% (18) projects are identified as being on track. 10% (2) projects are considered off-track. The Core target has not been met.			
3	Total employee costs (inc agency).	Less than or equal to 4.5% increase in actual employee costs (including agency staff) against prior year's actual costs – adjusted for Council endorsed changes to meet resourcing requirements	Less than or equal to 4% increase in actual employee costs (including agency staff) against prior year's actual costs – adjusted for Council endorsed changes to meet resourcing requirements	3.62% (forecast)	3.41% (forecast)	3.41% (forecast)	3.41% (forecast)
				The 2022/23 forecast is \$41.826m which is a 3.41% increase over the 2021/22 audited result after adjusting for council endorsed changes and additional grant funded positions			
4	Overall Satisfaction with Council's performance	Greater than or equal to 75% rated as satisfied or above	Greater than or equal to 85% rated as satisfied or above	Annual Measure	Annual Measure	Annual Measure	N/A
				This is an annual measure. Council decided not to run the community survey this year. Therefore no result is available.			
5	Asset Renewal Funding Ratio	Asset Renewal Funding Ratio between 90 and 110%	Asset Renewal Funding Ratio greater than or equal to 100%	100% (Budgeted)	100% (Budgeted)	100% (Budgeted)	80%-90% (Forecast)
				This is an annual measure currently forecast to be between 80 and 90%. This ratio has been impacted by supply chain issues particularly in relation to the renewal program for fleet. The final Asset Renewal Funding Ratio for 2022-23 will be reported following completion of audited 2022-23 Annual Financial Statements.			
6	Delivery of Council's capital works program.	Greater than or equal to 85% delivery of Council's planned capital works program (adjusted for extraordinary items)	Greater than or equal to 90% delivery of Council's planned capital works program (adjusted for extraordinary items)	Annual Measure	Annual Measure	Annual Measure	88% (Forecast)
				This is an annual measure currently forecast to achieve the core target with a forecast result of 88%. Final confirmation on this target will be reported following completion of audited 2022-23 Annual Financial Statements.			
7	Staff Engagement	Achievement of an overall employee pulse survey result of 75% based on 9 metrics with at least 50% employee participation per SLT department.	Achievement of an overall employee pulse survey result of 80% with at least 50% participation per SLT department.	69%	69%	69%	70%
				Q4 Result: Achieved 70% combined engagement results. The Core Target has not been met. All except one SLT Departments achieved at least a 50% participation rate.			
8	Community engagement / communications	100%	NA	Met	Met	Met	Met
				There was no information identified in the Q4 reporting period that was identified as inaccurate or untimely when distributed to the Community. This KPI is currently met.			
9	Carbon Neutrality – carbon emissions footprint, measured against Council's endorsed Carbon Neutral Plan (applicable 2021/22 onwards)	Actual annual emissions less than the plan's annual target emissions (reported every six months)	Actual annual emissions 5% less than the plan's annual target emissions	NA (reported bi-annually)	1,376(tCo <sub>2</sub> e)	NA (reported bi-annually)	To be provided in Oct.
				This figure is reported every six months ((Q4 reported in Oct, Q2 reported in April). At the end of the Q2 period, the result was <b>1,376(tCO<sub>2</sub>e)</b> . This is reporting on track and less than the stretch target. A final figure for Q4 will be provided in October			
10	Asset utilisation of Sports and Community venues	50% utilisation across venues (through the booking system)	No stretch target	30.27%	33.08%	29.99%	42%
				Q4 Result: 42% average utilisation rate for venue utilisation across community and sporting clubs. Peak Utilisaion = 48.04% Off-Peak Utilisation = 31.96%			

ATTACHMENT 3

**FULLTIME EQUIVALENT (FTE) EMPLOYEE AGENCY**

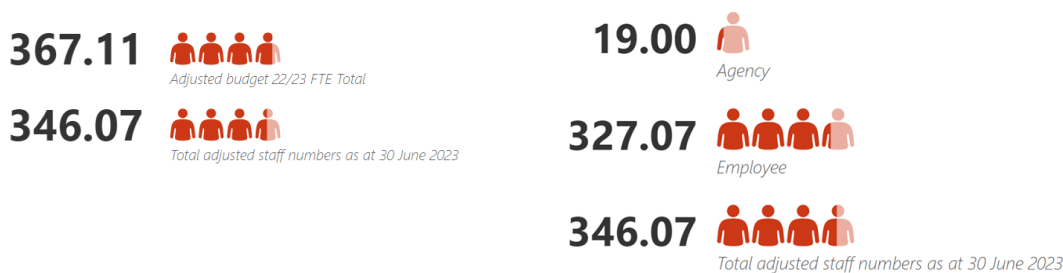
The number of FTE employees (staff and agency) employed across the organisation as at 30 June 2023.



There are currently 19 temporary vacant positions comprised of:

- Recruitment in progress (required position) 14
- Currently under review 1
- Vacant required position 4

The following tables provide comparative FTE data with the Gap Year Team Members, Pool Staff, and Grant Funded positions being excluded.



## ATTACHMENT 4

## LABOUR AND FTE MOVEMENT SUMMARY

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	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Total Employee Costs (including Agency)</b>	41,826	40,134	38,238	36,487	34,861	33,274	32,221	31,783	31,757
<b>% Movement on Prior Year</b>	4.25%	4.96%	4.79%	4.66%	4.77%	3.27%	1.40%	0.10%	0.70%
<b>Total Number of Employees (FTE as at 30 June)</b>	382	387	370	358	365	360	344	342	348
<b>% Movement on Prior Year</b>	-1.29%	4.59%	3.35%	-1.9%	1.38%	4.80%	0.60%	-1.70%	-0.90%
<b>5-Year average FTE to June 2023</b>	372								

**8 Workshop / Presentation Items - Nil****9 Other Business****10 Meeting Closure**

The meeting shall conclude on or before 8.00pm unless there is a specific motion adopted at the meeting to continue beyond that time.