

## Deputy CEO Arrangements

|                            |  |
|----------------------------|--|
| <b>Originating Officer</b> | Manager People and Culture - Steph Roberts |
| <b>Corporate Manager</b>   | Manager People and Culture - Steph Roberts |
| <b>General Manager</b>     | Chief Executive Officer - Adrian Skull     |
| <b>Report Reference</b>    | RSC200804F01                               |

### Confidential



### Confidential Motion

**That pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the Council orders that all persons present, with the exception of the following persons: Adrian Skull, Steph Roberts, be excluded from the meeting as the Council receives and considers information relating to Council employees, 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 relates to Council employees.**

### REPORT OBJECTIVE

To provide the committee with Local Government sector research regarding the benefits and disadvantages of having a Deputy Chief Executive Officer as a basis for discussion.

### EXECUTIVE SUMMARY

The Local Government Act 1999 (the Act) provides for the Chief Executive Officer to appoint a Deputy CEO or a person to act in their absence. The Act requires that this is done in consultation with the Council. Council has not had in recent years a Deputy CEO, electing instead to have a General Manager act in their absence in line with section 102(b) of the Act. Council endorsed the continuation of this approach at the 27 November 2018 General Council meeting (GC181127R15).

### RECOMMENDATION

**That:**

- 1. The Review and Selection Committee notes the report**
- 2. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that this report, Acting Arrangements and the minutes 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 2020.**

### GENERAL ANALYSIS

Section 99 of the Act details of the functions of a Council CEO. The role of CEO requires that the policies and lawful decisions of the council are implemented in a timely and efficient manner and the day-to-day operations and affairs of the council are undertaken appropriately.

Section 100 of the Act provides:

Council may have a Deputy Chief Executive Officer

(1) The Chief Executive Officer must, in determining the organisational structure for the council, in consultation with the council, decide whether to have a Deputy to the Chief Executive Officer.

(2) The Chief Executive Officer is responsible for appointing a person to an office created under subsection (1).

(3) However, the Chief Executive Officer must obtain the concurrence of the council before the Chief Executive Officer makes an appointment to, or removes a person from, the position of deputy.

(4) The title of the office under subsection (1) is at the discretion of the chief executive officer after consultation with the council.

Section 102 of the Act provides: "In the absence of the Chief Executive Officer, the following provisions apply:

a) if there is a Deputy to the Chief Executive Officer—the Deputy must act in the office of the Chief Executive Officer;

b) if there is no Deputy or the Deputy is absent—a suitable person appointed by the Chief Executive Officer after consultation with the council must act in the office;

c) if a person is not appointed under paragraph (b)—a suitable person must be appointed by the principal member of the council to act in the office (after taking into account the organisational structure of the council);

d) if a person is not appointed under paragraph (c)—a suitable person must be appointed by any three or more members of the council to act in the office (after taking into account the organisational structure of the council)."

## DISCUSSION

Research has been conducted across the Local Government sector to understand which Councils have a Deputy CEO. Refer Appendix 1 for a summary of Councils who responded to the research, including views regarding the benefits and disadvantages of this approach (where provided).

The benefit in having a Deputy CEO, as indicated by those Councils with one in place, was for the succession planning it enables. There were a number of disadvantages indicated by some Councils, such as reducing the opportunities and development across the entire executive group.

In the event Council elect to change the current acting arrangement in consultation with the CEO, the previous decision GC181127R15 would need to be rescinded.

## Attachment

| # | Attachment  | Type     |
|---|---|----------|
| 1 | Appendix 1 RSC200804 Acting Arrangements RS Committee | PDF File |

## Appendix 1: Sector Research Deputy CEO

| Council                                  | Deputy CEO in place | Benefits of having a Deputy CEO in place   | Disadvantages / Reasons for not having Deputy CEO in place  |
|--|---------------------|--|---|
|  |                     | <i>Where Provided</i>  |   |
| <b>Metro Councils</b>                    |                     |  |   |
| City of Port Adelaide Enfield            | No                  |  | No need with 3 executives all capable of performing "acting" functions when required  |
| City of Charles Sturt                    | No                  |  | Better to develop all General Managers and have broad capability  |
| City of Onkaparinga                      | No                  |  |   |
| City of Mitcham                          | No                  |  |   |
| City of Marion                           | No                  |  |   |
| City of Holdfast Bay                     | No                  |  |   |
| <b>City of Tea tree Gully</b>            | <b>Yes</b>          | <b>Succession planning and ease of transition for periods of leave etc.</b>                          | <b>Lack of ability to provide other aspiring CEOs in the organisation with growth opportunities.</b>  |
| City of Unley                            | No                  |  | <i>Provided by an ex-CEO Unley (had deputy in place when CEO):</i><br><ul style="list-style-type: none"> <li>- Lack of opportunities for other GM development</li> <li>- Enable broad balance across the executive team to spread acting opportunities</li> </ul> |
| <b>Mt Barker District Council</b>        | <b>Yes</b>          |  |   |
| City of West Torrens                     | No                  |  |   |
| City of Marion                           | No                  |  |   |
| <b>Regional Councils</b>                 |                     |  |   |
| The Barossa Council                      | No                  |  |   |
| Town of Gawler                           | No                  |  | We do not have a designated Deputy CEO, when the CEO takes leave an acting CEO is put in place by sharing this task amongst Executive Managers  |
| <b>Wattle Range Council</b>              | <b>Yes</b>          | <b>Succession planning and to allow business to run as "usual" (or as close to) when CEO is away</b> |   |
| Copper Coast Council                     | No                  |  |   |
| District Council of Franklin Harbour     | No                  |  |   |
| <b>Tumby Bay Council</b>                 | <b>Yes</b>          |  |   |
| Clare & Gilbert Valleys Council          | No                  |  | When the CEO takes leave one of the Directors is appointed acting CEO for the period.   |
| District Council of Lower Eyre Peninsula | No                  |  | A member of the Executive team is appointed to act as CEO in planned absences   |