

TEMORA SHIRE COUNCIL



TEMORA

The Friendly Shire

General Manager Performance Review Policy

ACTIVE

Review Details

ABOUT THIS RELEASE

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REVIEW

Revision Date	Revision Description		Date approved by Council	General Managers Endorsement
January 2024	New Policy	1	15 February 2024	MKB

PLANNED REVIEW

Planned Review Date	Revision Description	Review by
January 2027	Review	

1 INTRODUCTION

The Local Government Act 1993 (The Act) requires councils to appoint a person to be the council's General Manager (section 334).

One of the prescribed functions of the governing body of a council is to determine the process for the appointment of the General Manager and to monitor their performance (section 223).

This policy has been developed using the *Guidelines for the Appointment and Oversight of General Managers* 2022 issued by the Office of Local Government, Department of Planning & Environment.

2 PURPOSE

The policy gives guidance to the performance management of the General Manager.

3 PROCEDURES

The General Manager is made accountable to the Council for their performance principally through the contract of employment.

The role of the Council is to monitor the General Manager's performance in accordance with their contract of employment.

The performance of the General Manager must be reviewed at least annually against the agreed performance criteria for the position. Council may also choose to undertake more frequent interim reviews of the General Manager's performance.

The agreed performance criteria must be set out in an agreement that is signed within three months of the commencement of the contract.

The Council must establish a performance review panel led by the Mayor and delegate the task of undertaking the general manager's performance reviews to the panel.

It is recommended by the OLG (Guidelines) that full responsibility for performance management be delegated to the performance review panel, including discussions about performance, any actions that should be taken and the determination of the new performance agreement.

Performance review panels should comprise of the Mayor, the Deputy Mayor and another Councillor nominated by Council and a Councillor nominated by the General Manager. Should the General Manager decline the opportunity to nominate a Councillor to the panel, that the Council nominate that Councillor.

Wherever possible and in accordance with Equal Employment Opportunity (EEO) principles, the performance review panel will have gender equality.

The Council may also consider including an independent observer on the panel.

Panel membership should be trained in the performance management of General Managers. Opportunities for training of panel members in the performance management of General Managers will be provided as required.

The role of the Performance Review Panel includes:

- Conducting performance reviews
- Reporting the findings and recommendations of those appraisals to council
- Development of the performance agreement
- Negotiating any performance-based increase in the General Manager's total remuneration package.

Councillors who are not members of the performance review panel may be invited to contribute to the performance review process by providing feedback to the Mayor.

The Council and the General Manager may agree on the involvement of a suitably qualified external facilitator such as a human resource professional to assist with the performance review process and the development of a new performance agreement. That person may be selected by the performance review panel, subject to Council endorsement.

All Councillors should be notified of relevant dates in the performance review cycle and be kept advised of the panel's findings and recommendations. The panel should report back to the governing body of the council in a closed session on the findings and recommendations of performance reviews as soon as practicable following any performance review.

4 PERFORMANCE REVIEW PROCESS

The approved standard contract requires that the performance of the General Manager must be formally reviewed at least annually. The Council may also undertake interim performance reviews as appropriate.

The assessment should include:

- A self-assessment by the General Manager, and
- An assessment by the review panel of the General Manager's performance against the performance agreement.

The performance review meeting should be scheduled with sufficient notice to all parties. The meeting should concentrate on constructive dialogue about the General Manager's performance against all sections of the performance agreement. The meeting should identify any areas of concern and agreed actions to address those concerns.

The Council must advise the General Manager, in writing, in clear terms, the outcome of any performance review.

The new performance agreement for the next period should be prepared as soon as possible after the completion of the previous period. The agreement should be presented to the governing body of the council for discussion in a closed meeting together with the outcomes of the previous review period.

5 RUMUNERATION AND REWARD

Under the approved standard contract, General Managers are entitled to an annual increase in their salary package on each anniversary of the contract, equivalent to the latest percentage increase in remuneration for the NSW public sector senior executive office holders as determined by the Statutory and Other Offices Remuneration Tribunal.

Councils may also approve discretionary increases to the General Manager's total remuneration package under the approved standard contract as a reward for good performance. Discretionary increases may only be approved after a formal review of the general manager's performance has been undertaken and the General Manager's performance has been assessed as being better than satisfactory. Any discretionary increases should be modest and in line with community expectations and only apply for one year unless the council determines that it is to apply for the balance of the contract. All discretionary increases in remuneration, together with the reasons for the increase, must be reported to an open meeting of the council.

The Council may also on one occasion during the term of the contract approve the payment of a retention bonus to the General Manager as an incentive for them to serve out their contract. If approved, the retention bonus is to be accrued on an annual, pro-rata basis for the remainder of the contract and is to be paid at the end of the contract period.

APPENDIX 1 – PERFORMANCE MANAGEMENT TIMELINES

Timeline	Activity	Responsibility
At commencement of each new council	Provide induction training on performance management of the General Manager	Council
Within 3 months of the commencement date of the contract	A performance agreement setting out agreed performance criteria must be signed between the General Manager and the council	Performance Review Panel General Manager
Within 2 months of the signing of the performance agreement	The General Manager must prepare and submit to the council an action plan which sets out how the performance criteria are to be met	General Manager
21 days' notice (before annual review)	The General Manager gives the council written notice that an annual performance review is due	General Manager
At least 10 days' notice	The council must give the General Manager written notice that the performance review is to be conducted	Performance Review Panel
After 6 months	The council may also decide, with the agreement of the General Manager, to provide interim feedback to the General Manager midway through the annual review period	Performance Review Panel General Manager
Prior to the annual review	Ensure all Councillors on the review panel have been trained in performance management of General Managers	Council
Prior to the annual performance review	The General Manager may submit to council a self-assessment of their performance	General Manager
Annually	The General Manager's performance must be reviewed having regard to the performance criteria in the agreement	Performance Review Panel General Manager
Annually	The performance agreement must be reviewed and varied by agreement	Performance Review Panel General Manager
Within 6 weeks of the conclusion of the performance review	Council will prepare and send to the General Manager a written statement with council's conclusions on the General Manager's performance during the performance review period	Performance Review Panel
As soon as possible after receipt of the statement	The General Manager and the council will agree on any variation to the performance agreement for the next period of review	Performance Review Panel General Manager

APPENDIX 2 – STAGES OF PERFORMANCE MANAGEMENT

Stage	Action	Process
1. Developing performance agreement	<ul style="list-style-type: none"> ▪ Examine the position description and contract ▪ List all position responsibilities from the position description ▪ Identify stakeholder expectations ▪ List the key strategic objectives from the delivery program and operational plans ▪ Develop performance measures (identify indicators - set standards) 	<ul style="list-style-type: none"> ▪ Good planning ▪ Direct and effective communication ▪ Open negotiation ▪ Joint goal setting
2. Action planning	<ul style="list-style-type: none"> ▪ Develop specific strategies to meet strategic objectives ▪ Identify resources ▪ Delegate tasks (e.g., put these delegated tasks into the performance agreements for other senior staff) 	<ul style="list-style-type: none"> ▪ Detailed analysis ▪ Two-way communication ▪ Detailed documentation
3. Monitoring progress (feedback halfway through the review period)	<ul style="list-style-type: none"> ▪ Assess performance ▪ Give constructive feedback ▪ Adjust priorities and reset performance measures if appropriate 	<ul style="list-style-type: none"> ▪ Communication ▪ Avoid bias ▪ Counselling ▪ Coaching ▪ Joint problem solving
4. Annual	<ul style="list-style-type: none"> ▪ Assess performance against measures ▪ Give constructive feedback ▪ Identify poor performance and necessary corrective action ▪ Identify outstanding performance and show appreciation 	<ul style="list-style-type: none"> ▪ Evaluation of the reasons behind performance being as assessed ▪ Open, straightforward communication (as bias free as possible) ▪ negotiation ▪ Counselling, support, training ▪ Documenting ▪ Decision making
5. Developing revised agreement	See stage 1	See Stage 1