



**CHIEF EXECUTIVE OFFICER ATTACHMENTS  
ORDINARY MEETING OF COUNCIL  
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REPORT NUMBER	REPORT TITLE AND ATTACHMENT DESCRIPTION	PAGE NUMBER(S)
<b>9.4.1</b>	<p><b>Consultation on Proposed Code of Conduct and CEO Standards</b></p> <p><b>Attachments</b></p> <p>1. 'draft' Code of Conduct and accompanying guidelines</p> <p>2. 'draft' CEO Standards and accompanying guidelines</p>	<p>1 – 39</p> <p>40 – 69</p>
<b>9.4.2</b>	<p><b>Review of Chief Executive Officer Performance Criteria</b></p> <p><b>Attachments</b></p> <p>1. Performance Criteria as per CEO Contract</p> <p>2. Draft Performance Criteria</p>	<p>70 – 71</p> <p>72 – 73</p>



LOCAL GOVERNMENT ACT REVIEW ►► DELIVERING FOR THE COMMUNITY

# Mandatory Code of Conduct for Council Members, Committee Members and Candidates

## Draft for Consultation

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## Preface

As part of the McGowan Government's commitment to transforming local government in WA, the *Local Government Legislation Amendment Act 2019* introduces a mandatory code of conduct for council members, committee members and candidates. These reforms are intended to ensure that standards of behaviour are consistent between local governments and address community expectations.

This document outlines the proposed Code which will inform the drafting of regulations. This is contained in the grey boxes. The accompanying guidelines provide clarification and guidance in relation to compliance and enforcement of the Code and would be available on the Department's website.

The proposed Code and guidelines have been developed by the Department of Local Government, Sport and Cultural Industries in consultation with representatives from the Public Sector Commission, the Ombudsman, the Western Australian Local Government Association (WALGA) and Local Government Professionals WA (LG Pro). The Department gratefully acknowledges the participation of these representatives.

The Department notes that the content of the Code does not necessarily reflect the views or policies of the organisations or individuals that have been consulted.

Feedback is sought on the proposed Code and guidelines and associated matters.

A survey is available at [www.dlgsc.wa.gov.au/lgareview](http://www.dlgsc.wa.gov.au/lgareview) or you can provide your feedback to [actreview@dlgsc.wa.gov.au](mailto:actreview@dlgsc.wa.gov.au) by **22 November 2019**.

# Mandatory Code of Conduct

## **Preamble**

The purpose of this Code of Conduct (Code) is to guide the decisions, actions and behaviours of council members, committee members and candidates running for election.

As an elected representative, council members govern the affairs and are responsible for the performance of their local government. To do this, council members must demonstrate professional and ethical behaviour to build and strengthen trust in their communities.

A person who has nominated to be a council member is also required to demonstrate professional and ethical behaviour during the election campaign.

In addition to carrying out the duties outlined in the *Local Government Act 1995*, council members and committee members must comply with the provisions in this Code of Conduct in carrying out their functions as public officials. It is the responsibility of council members, committee members and candidates to ensure that they are familiar with, and comply with, this Code at all times.

## Guidelines

The Local Government Act requires that local governments adopt the Code within three months of the amendments taking effect. Until the Code is adopted, the model Code applies.

While local governments are not able to amend Part A or Part C, additional behaviours can be included in Part B that are not inconsistent with the Code.

In considering additional behaviours, the council may give consideration to behaviours that are not currently represented in the Code that it considers are important. This may include introducing a dress standard for members or use of technology, for example.

To adopt the Code, a resolution passed by an absolute majority is required. Once the Code is adopted, it must be published on the local government's official website.

## Part A – Principles

Council members and candidates are expected to adhere to and promote and support the following principles by example. Adhering to these principles will ensure that council members and candidates can comply with the behaviours outlined in Part B or conduct as outlined in Part C. All behaviour should be considered against these principles, whether or not it is covered specifically in Part B or Part C.

### **Personal integrity**

- 1.1** Act with care and diligence and participate in decision making in an honest, fair, impartial and timely manner, considering all relevant information.
- 1.2** Act with honesty, integrity and uphold the concept of natural justice.

- 1.3 Identify, declare and appropriately manage any conflicts of interest in the public interest and the interests of the Council including not accepting gifts that may give the appearance of a conflict of interest or an attempt to corruptly influence behaviour.
- 1.4 Uphold the law, and, on all occasions, act in accordance with the trust placed in council members.
- 1.5 Avoid damage to the reputation of the local government.
- 1.6 Not be impaired by mind affecting substances while performing official duties.

### **Relationships with others**

- 1.7 Treat others with respect, courtesy and fairness.
- 1.8 Maintain and contribute to a harmonious, safe and productive work environment for all.
- 1.9 Respect and value diversity in the workplace and in the community.

### **Accountability**

- 1.10 Base decisions on relevant and factually correct information and make decisions on merit and in accordance with statutory obligations and good governance.
- 1.11 Be open and accountable to the public, represent all constituents and make decisions in the public interest.

## Guidelines

The principles outlined in Part A are overarching behaviours that council members, committee members and candidates must take into consideration in their role as public representatives, or potential public representatives.

All council members, committee members and candidates must familiarise themselves with the Code and Guidelines and any relevant policies the local governments have in place.

Council members are generally very active in their communities which may lead to conflicts of interests. To comply with this Code, those conflicts, or perceived conflicts, need to be managed appropriately. While a member may be confident of the integrity of their actions, how the relationship and actions may appear to others must be thought through.

There are many situations that council members, committee members and candidates might find themselves in that could lead to a breach of the Code. Members should seek further guidance and advice on specific situations whenever necessary.

## Part B – Behaviour

Part B sets out the standards of behaviour which enable and empower council members to meet the principles outlined in Part A. Behaviour is expected to be managed at the local level by the local government, so Part B also deals with how complaints are to be managed.

Failure to comply with this Part may give rise to a complaint against a council member's conduct, followed by a subsequent investigation and possible corrective action by the local government. The emphasis should be on an educative role to establish sound working relationships and avoid repeated breaches, rather than punishment.

### Personal integrity

- 2.1 Act in line with the principles outlined in this Code when performing official duties.
- 2.2 Attend and participate constructively in council meetings, briefings, relevant workshops and training opportunities.
- 2.3 Respect and comply with all council policies, procedures and resolutions.
- 2.4 Ensure professional behaviour is not compromised by the use of alcohol or drugs.
- 2.5 Use all forms of media, including social media, in a way that complies with this Code.

### Relationships with others

- 2.6 Treat other council members, council employees and members of the public with courtesy, respect, honesty and fairness.
- 2.7 Do not bully or harass council staff, other council members or members of the public in any form, including social media.
- 2.8 Deal with the media in a positive, informative and appropriate manner in accordance with the Local Government Act 1995 and relevant local government policies.
- 2.9 While acting as a council member, do not:
  - i. use offensive or pejorative language in reference to another council member, council employee or member of the public; or
  - ii. disparage the character of any council member or employee, or impute dishonest or unethical motives to them in the performance of their duties.
- 2.10 When attending a council or committee meeting, do not:
  - i. behave in an abusive or threatening manner towards another council member or other person attending the meeting;
  - ii. make statements that the person knows, or could be reasonably expected to know, that are false or misleading; or
  - iii. repeatedly disrupt the meeting.
- 2.11 When attending a council or committee meeting:
  - i. comply with the local law that relates to conduct of people at council or committee meetings;

- ii. promptly comply with any direction given by the presiding member at that meeting; and
- iii. immediately cease any conduct that has been ruled out of order by the presiding member in accordance with the local government's local law.

**2.12** Direct all requests for work or actions by council staff to the CEO or the CEO's nominated delegate.

### **Accountability**

**2.13** Make decisions honestly and impartially, considering all available information, legislation, policies and procedures.

**2.14** Take responsibility for decisions and actions.

**2.15** Abide by the decisions of council and publicly support the decisions even if of an alternative view.

**2.16** Adhere to the principles in the:

- i. Occupational Safety and Health Act 1984 (WA);
- ii. Equal Opportunity Act 1984 (WA);
- iii. Racial Discrimination Act 1975 (Cth); and
- iv. Sex Discrimination Act 1984 (Cth).

### **Complaint management**

**2.17** Any person may make a complaint about a council member under this Part within three months of the alleged breach occurring.

**2.18** A breach of this part does not include a matter:

- i. that is resolved by the Presiding Member during a meeting, or
- ii. where a council member complies with a request for remedial action in accordance with the relevant local law.

**2.19** Complaints about an alleged breach should be made to the Mayor or President or the CEO of the local government or nominated delegate.

**2.20** Complaints about an alleged breach by the Mayor or President should be made to the Deputy Mayor or President or a nominated delegate.

**2.21** A complaint may be handled or managed in any manner that council deems appropriate for handling an alleged breach of this section. This includes investigation or dismissal of the complaint. This must be laid out in a council endorsed policy.

**2.22** A complaint may be dismissed as trivial, vexatious or frivolous and accordingly not investigated.

### **Findings**

**2.23** Following an investigation in accordance with rule 2.21, the Council may, by resolution, make a finding of breach or no breach.

**2.24** In accordance with rule 2.23, if a breach is found, the Council may, by resolution:

- i. take no action, or
- ii. prepare an action plan, developed in conjunction with the council member, to address future behaviour.

<b>2.25</b>	An action plan may include the requirement for the council member to undertake training, mediation or counselling or any other actions deemed appropriate by the Council.
<b>2.26</b>	The Council to which the member is elected, may decide, via resolution, to make an allegation of a rule of conduct breach under Part C: <ol style="list-style-type: none"> <li>i. after the third finding of a breach of this Part by the same council member, or</li> <li>ii. where the council member fails to comply with the action plan in accordance with sub-rule 2.24(ii).</li> </ol>
<b>2.27</b>	A matter under sub-rule 2.26(i) cannot be alleged as a Part C breach unless an action plan has been developed in accordance with sub-rule 2.24(ii) for the previous two breaches.
<b>2.28</b>	Written notification of the outcome of an alleged breach under this section must be given to the council member and complainant.
<b>2.29</b>	A written record must be kept of all complaints made under this Part and how they were dealt with.

## Guidelines

Local governments are responsible for taking action against alleged breaches under Part B.

Local governments are to have a policy on how complaints are going to be handled or managed.

Australian/New Zealand Standards for complaints resolution AS/NZs 10002:2018 provides a tool and framework to assist local governments with developing a policy.

Whether or not local governments choose to adopt the Standard is optional, however, the policy must provide a clear outline of the steps that will be taken once a complaint is submitted. The complaint process must also uphold the principles of natural justice.

There are a number of resources for effective complaints handling available on the Ombudsman WA's website [www.ombudsman.wa.gov.au](http://www.ombudsman.wa.gov.au)

In developing a policy, the following key matters should be considered.

### The complaints process

- The role of the council in the process.
- The extent to which independent persons are involved and their role in the process (complaint lodgement, investigation, findings). Local governments may decide to establish a regional or shared committee to deal with these complaints, for example.
- What types of remedial action are appropriate.
- The form of the action plan.

### Process for making a complaint

- The process for a person to make a complaint needs to be clearly outlined in the policy, including whether complaints are required to be in a specific form.
- Complaints should be submitted in writing, with consideration given to a variety of methods, including email, letter or fax.
- The policy should also outline how the complaint is lodged, whether this is via a specific code of conduct complaint email address or a letter addressed to the Mayor or President (or alternative).
- The process should be simple and not act as a barrier to the raising of concerns about elected member behaviour.

### **Acknowledgement of the complaint**

- The policy should include that complaints will be acknowledged and the timeframe for this.
- Complaints should be acknowledged in a timely manner. As part of the acknowledgement process, consideration may be given to providing information on how the complaint will be progressed. This may include providing the complainant with a copy of the complaint handling policy.

### **Responsiveness**

- The policy should outline whether complaints are going to be addressed based on seriousness or impact of the allegation or on order of submission.
- Inclusion of an expected timeframe for the matter to be reviewed is also encouraged.

### **Action**

- Complaints must be dealt with in an equitable, objective, timely and unbiased manner. The principle of natural justice should be applied.
- The policy needs to outline who will make the initial assessment of the complaint. This includes who will make the determination that the complaint is trivial, vexatious or frivolous or worthy of further investigation.
- The policy also needs to address the process for the investigation including:
  - giving adequate opportunity for a right of reply from both parties
  - if a breach is found, what are the actions that could be imposed by council.
- Attachment 1 provides further guidance on possible actions for breaches found against Part B.

### **Action plans**

- Action plans are designed to provide council members with the opportunity to remedy their behaviour.
- The measures to stop the behaviour from continuing are not intended to be a punishment, rather a mechanism to prevent the behaviour from reoccurring.
- The Code requires that the action plan is prepared in conjunction with the relevant council member. This is designed to provide the council member with

the opportunity to be involved in matters such as the timing of meetings or training.

- While Council is required to give the council members the opportunity, not all council members will actively participate in the process.

#### **What happens if agreement cannot be reached**

- Circumstances may arise when a Council cannot agree on the outcome of an investigation, or whether an investigation is required to an alleged breach.
- In these situations, Council may decide to engage an independent person to:
  - review the complaint
  - investigate the complaint, or
  - make recommendations on appropriate actions
- The policy should address who will be engaged as an independent person. Local governments may consider sharing the services of an independent person.

## Attachment 1 – possible actions for Part B breaches

<b>Personal integrity</b>		<b>Possible actions</b>
<b>2.1</b>	Act in line with the principles outlined in this Code when performing official duties.	Training
<b>2.2</b>	Attend and participate constructively in council meetings, briefings, relevant workshops and training opportunities.	Training Mediation
<b>2.3</b>	Respect and comply with all council policies, procedures and resolutions.	Training
<b>2.4</b>	Ensure professional behaviour is not compromised by the use of alcohol or drugs.	Counselling
<b>2.5</b>	Use all forms of media, including social media, in a way that complies with this Code.	Training
<b>Relationships with others</b>		
<b>2.6</b>	Treat other council members, council employees and members of the public with courtesy, respect, honesty and fairness.	Training Mediation Apology
<b>2.7</b>	Do not bully or harass council staff, other council members or members of the public in any form, including social media	Training Mediation Apology
<b>2.8</b>	Deal with the media in a positive, informative and appropriate manner in accordance with the <i>Local Government Act 1995</i> and relevant local government policies.	Training
<b>2.9</b>	While acting as a council member, do not: <ul style="list-style-type: none"> <li>i. use offensive or pejorative language in reference to another council member, council employee or member of the public; or</li> <li>ii. disparage the character of any council member or impute dishonest or unethical motives to them in the performance of their duties.</li> </ul>	Training Mediation Counselling Apology
<b>2.10</b>	When attending a council or committee meeting, do not: <ul style="list-style-type: none"> <li>i. behave in an abusive or threatening manner towards another council member or other person attending the meeting;</li> <li>ii. make statements that the person knows, or could be reasonably expected to know, that are false or misleading; or</li> </ul>	Training Mediation Counselling Apology

	iii. repeatedly disrupt the meeting.	
2.11	When attending a council or committee meeting: i. comply with the local law that relates to conduct of people at council or committee meetings; ii. promptly comply with any direction given by the presiding member at that meeting; and iii. immediately cease any conduct that has been ruled out of order by the presiding member in accordance with the local government's local law.	Training Mediation Counselling
2.12	Direct all requests for work or actions by council staff to the CEO or the CEO's nominated delegate.	Training
<b>Accountability</b>		
2.13	Make decisions honestly and impartially, considering all available information, legislation, policies and procedures.	Training
2.14	Take responsibility for decisions and actions.	Training Counselling
2.15	Abide by the decisions of council and publicly support the decisions even if of an alternative view.	Training
2.16	Adhere to the principles in the: i. <i>Occupational Safety and Health Act 1984 (WA)</i> ; ii. <i>Equal Opportunity Act 1984 (WA)</i> ; iii. <i>Racial Discrimination Act 1975 (Cth)</i> ; and iv. <i>Sex Discrimination Act 1984 (Cth)</i> .	Training Mediation

## Part C – Rules of Conduct

Rules of conduct breaches are matters that:

- negatively affect the honest or impartial performance of a council member;
- involve a breach of trust placed in the council member; or
- involve the misuse of information or material.

Alleged breaches of this part can be referred to the Local Government Standards Panel (Standards Panel) in accordance with the *Local Government Act 1995* (the Act). A breach of this Part is a “minor breach”. In the event the Standards Panel makes a finding of breach against a council member, sanctions will be imposed in accordance with the Part 5 Division 9 of the Act.

Nothing in this part removes the obligations placed upon council members and employees (including the CEO) of the local government under the *Corruption, Crime and Misconduct Act 2003*.

### Guidelines

A breach of Part C is considered by the Standards Panel in accordance with the Act. The Standards Panel, which was established in 2007, has the authority to make binding decisions to resolve allegations of minor misconduct. The Standards Panel is independent of the Minister for Local Government and the department.

The process for complaints under Part C is outlined in the Act. Complaints in the first instance are directed to the complaints officer at the local government. The Act provides that the complaints officer is the CEO or another officer with delegated responsibility.

As the Panel does not have investigative powers, findings and decisions are made on the basis of the information it receives. To assist with understanding each Part C rule of conduct, the elements are outlined alongside each. For a finding of breach, the Standards Panel needs to be satisfied that it is more likely than not, (on the balance of probabilities) that a breach of each element has occurred.

## Personal Integrity

<i>Misuse of local government resources</i>	Elements of Rule of Conduct
<p>a. <b>resource</b> is defined to mean tangible and intangible assets, services or other means of supporting the functions of local government, which are owned or paid for by the local government from public money.</p> <p>b. A person who is a council member must not either directly or indirectly use the resources of a local government —</p> <p>i. for the purpose of persuading electors to vote in a particular way at an election, referendum or other poll held under the Act, the <i>Electoral Act 1907</i> or the <i>Commonwealth Electoral Act 1918</i>; or</p> <p>ii. for any purpose other than fulfilling the legal obligations and duties of the council member's office,</p> <p>unless authorised under the Act, by the council or the CEO to use the resources for that purpose.</p>	<p>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</p> <p>(b) the council member directly or indirectly used;</p> <p>(c) resources that belonged to the local government;</p> <p>(d) for the identified electoral purpose or any other purpose other than in their legal role as a council member;</p> <p>(e) without such purpose being authorised under the Act, by the council or the local government's CEO.</p>

<i>Securing personal advantage or disadvantaging others</i>	Elements of Rule of Conduct
<p>c. A person who is a council member must not make improper use of the person's office as a council member —</p> <p>i. to gain directly or indirectly an advantage for the person or any other person; or</p>	<p>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</p> <p>(b) by engaging in the conduct, the person the subject of the complaint made use of the office of a council member (in</p>

<p>ii. to cause detriment to the local government or any other person.</p> <p>d. Rule 3.3 does not apply to conduct that contravenes section 5.93 of the Act or <i>The Criminal Code</i> section 83.</p>	<p>the sense that he or she acted in their capacity as a council member, rather than in some other capacity);</p> <p>(c) when viewed objectively, such use was an improper use of the person's office as council member in that it:</p> <ul style="list-style-type: none"> <li>i. involved a breach of the standards of conduct that would be expected of a person in the position of a council member by reasonable persons with knowledge of the duties, powers and authority of the councillor and the circumstances of the case (by for example, an abuse of power or the doing of an act which the councillor knows or ought to have known that he or she had no authority to do); and</li> <li>ii. was so wrongful and inappropriate in the circumstances that it calls for the imposition of a penalty; and</li> </ul> <p>(d) the person engaged in the conduct in the belief that:</p> <ul style="list-style-type: none"> <li>i. <i>[in the case of rule 3.3(i)]</i> an advantage (pecuniary or otherwise) would be gained directly or indirectly for the person or any other person; <u>or</u></li> <li>ii. <i>[in the case of rule 3.3(ii)]</i> detriment (pecuniary or otherwise) would be suffered by the local government or another person;</li> </ul> <p>(e) It is irrelevant whether advantage was actually gained or detriment suffered;</p> <p>(f) The conduct does not fall under section 5.93 of the Act: improper use of information (which would be a serious breach), or section 83 of the Criminal Code (which would be a crime).</p>
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<b>Repeated breaches of Part B</b>	<b>Elements of Rule of Conduct</b>
<p>e. A breach of Part B of the Code of Conduct is a minor breach if:</p> <ul style="list-style-type: none"> <li>i. it occurs after the council member has been found to have committed 3 or more other breaches of Part B; or</li> <li>ii. the council member fails to comply with the action plan developed after a finding of inappropriate behaviour under Part B;</li> </ul> <p>and</p> <ul style="list-style-type: none"> <li>iii. the Council to which the member is elected, decides, via resolution, to make an allegation of a rule of conduct breach under this Part.</li> </ul>	<ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member or candidate both at the time of the conduct and the time when the Standards Panel makes its determination;</li> <li>(b) the council has passed a resolution referring the matter to the Standards Panel;</li> <li>(c) in the case of (i) –               <ul style="list-style-type: none"> <li>i. the person has been found to have breached Part B of the code of conduct on at least three occasions;</li> <li>ii. the behaviour the subject of this complaint occurred after a finding of inappropriate behaviour;</li> <li>iii. the person has engaged in behaviour that is a breach of Part B of the code of conduct;</li> <li>iv. an action plan is in place; or</li> </ul> </li> <li>(d) In the case of (ii) –               <ul style="list-style-type: none"> <li>i. there was an action plan in place;</li> <li>ii. the action plan resulted from a previous finding of a breach of Part B;</li> <li>iii. the person has not complied with the action plan.</li> </ul> </li> </ul>

### Relationships with employees

<b>Prohibition against involvement in administration</b>	<b>Elements of Rule of Conduct</b>
<p>3.7 A person who is a council member must not undertake a task that contributes to the administration of the local government unless authorised by the CEO to undertake that task.</p>	<ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) the council member took on or was involved or participated in the performance, attempted performance, or part-performance, of a function or responsibility which under the</li> </ul>

<p>3.8 Rule 3.7 does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.</p>	<p>Act or by delegation it is for the local government’s CEO to perform or direct; and</p> <p>(c) such taking on, involvement or participation:</p> <ul style="list-style-type: none"> <li>i. contributed (for example, played a part in achieving) something; and</li> <li>ii. did not occur as anything the council member did as part of the deliberations at a council or committee meeting (which may include something the member did as part of their preparation for any such deliberation); and</li> </ul> <p>(d) the local government’s CEO did not authorise such taking on, involvement or participation.</p>
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<p><b>Relations with local government employees</b></p>	<p><b>Elements of Rule of Conduct</b></p>
<p>3.9 In this rule —</p> <p><b>employee</b> means a person as defined in section 5.36 of the Act and any person contracted to provide a service to the local government.</p> <p>3.10 A person who is a council member or candidate must not —</p> <ul style="list-style-type: none"> <li>i. direct or attempt to direct a person who is a local government employee to do or not to do anything in the person’s capacity as a local government employee; or</li> <li>ii. attempt to influence, by means of a threat or the promise of a reward, the conduct of a person who is a local government employee in the person’s capacity as a local government employee; or</li> </ul>	<p><b>Rule 3.10(i)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member or candidate both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) the council member or candidate gave or tried or made an effort to give a direction or an order or command;</li> <li>(c) to another person, who is an employee of the relevant local government;</li> <li>(d) to do or not to do something in the other person’s capacity as a local government employee; and</li> <li>(e) the direction or attempted direction was not part of anything that the person did as part of the deliberations at a council or committee meeting (which may include something he or she did as part of their preparation for any such deliberation).</li> </ul>

<p>iii. behave in an abusive or threatening manner towards any local government employee.</p> <p>3.11 Rule 3.10(i) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.</p> <p>3.12 If a person, in their capacity as a council member, is attending a council meeting, committee meeting or other organised event, other than at a meeting or part of a meeting that is closed to the public, the person must not, either orally, in writing or by any other means —</p> <ul style="list-style-type: none"> <li>i. make a statement that a local government employee is incompetent or dishonest; or</li> <li>ii. use offensive or objectionable expressions in reference to a local government employee.</li> </ul> <p>3.13 Rule 3.12(i) does not apply to conduct that is unlawful under <i>The Criminal Code</i> Chapter XXXV.</p>	<p><b>Rule 3.10(ii)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member or candidate both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) a council member or candidate tried or made an effort to affect, sway or produce an effect on;</li> <li>(c) the conduct of another person, who is an employee of the relevant local government, in that person's capacity as a local government employee; and</li> <li>(d) the council member or candidate's effort to affect, sway or produce an effect was carried out by means of —             <ul style="list-style-type: none"> <li>(i) a threat by the person (for example, the council member's declaration of an intention to inflict punishment, pain or loss on, or to take any action detrimental or unpleasant to, the employee — or on someone, or to something, that the employee cares about — in retaliation for, or conditionally upon, some action or course), or</li> <li>(ii) a promise or undertaking by the person to give the employee something having a value, or to do or not do something where the act or omission concerned has some value or advantage for or to the employee.</li> </ul> </li> </ul> <p><b>Rule 3.10(iii)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member or candidate both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) the person behaved in a manner which was:             <ul style="list-style-type: none"> <li>(i) abusive (for example, the council member uses insulting, disparaging belittling or derogatory language about or to the employee); or</li> </ul> </li> </ul>
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	<p>(ii) threatening (for example, the council member's declaration of an intention to inflict punishment, pain or loss on, or to take any action detrimental or unpleasant to, the employee — or on someone, or to something, that the employee cares about — in retaliation for, or conditionally upon, some action or course);</p> <p>(c) the behaviour is directed towards a local government employee.</p> <p><b>Rule 3.12(i)</b></p> <p>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</p> <p>(b) the council member attended a council meeting, committee meeting or other organised event in their capacity as a council member;</p> <p>(c) the council member either verbally, in writing or by some other means, made a statement (for example, a communication or declaration in speech or writing setting forth facts, particulars; etc.); and</p> <p>(d) viewed objectively, the council member's statement (or a sufficiently clear inference from the words used) was that an employee of the council member's local government was incompetent or dishonest.</p> <p>(e) Chapter XXXV of <i>The Criminal Code</i> does not apply.</p> <p><b>Rule 3.12(ii)</b></p> <p>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</p>
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	<ul style="list-style-type: none"> <li>(b) the council member attended a council meeting, committee meeting or other organised event in their capacity as a council member;</li> <li>(b) the council member either verbally, in writing or by some other means, used an expression (for example, any word, phrase or form of speech) which it is more likely than not that a member or members of the public present heard or otherwise became aware of;</li> <li>(c) the expression was an offensive or objectionable expression (for example, an expression that is likely to cause offence or displeasure and is insulting); and</li> <li>(d) the expression was an offensive or objectionable expression in reference to an identified employee of the council member’s local government.</li> </ul>
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**Accountability**

<i>Unauthorised disclosure of information</i>	<b>Elements of Rule of Conduct</b>
<p>3.14 In this rule —</p> <p><b>closed meeting</b> means a council or committee meeting, or a part of a council or committee meeting, that is closed to members of the public under section 5.23(2) of the Act;</p> <p><b>confidential document</b> means a document, or that part of a document, marked by the CEO or a nominated delegate to clearly show that the information is not to be disclosed;</p>	<p><b>Rule 3.15(i)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) the council member disclosed information to someone who at the time was not also a council member of the same local government; and</li> <li>(c) the disclosed information was information the disclosing council member derived from a document that was marked by the relevant local government’s CEO, or at the CEO’s direction, to clearly show that the information in the document was not to be disclosed; and</li> </ul>

<p><b>non-confidential document</b> means a document that is not a confidential document or is not marked confidential.</p> <p>3.15 A person who is a council member must not disclose —</p> <ul style="list-style-type: none"> <li>i. information that the council member derived from a confidential document; or</li> <li>ii. information that the council member acquired at a closed meeting other than information derived from a non-confidential document; or</li> <li>iii. personal information as defined in the <i>Freedom of Information Act 1992</i>.</li> </ul> <p>3.16 Sub-rule (3.15) does not prevent a person who is a council member from disclosing information —</p> <ul style="list-style-type: none"> <li>i. at a closed meeting; or</li> <li>ii. to the extent specified by the council and subject to such other conditions as the council determines; or</li> <li>iii. that is already in the public domain; or</li> <li>iv. to an officer of the Department; or</li> <li>v. to the Minister; or</li> <li>vi. to a legal practitioner for the purpose of obtaining legal advice; or</li> <li>vii. if the disclosure is required or permitted by law.</li> </ul>	<ul style="list-style-type: none"> <li>(d) the disclosed information was not information already in the public domain (for example, it was not generally available to all persons) at the time of the disclosure by the disclosing council member, and the disclosure did not occur in any of the ways identified in rule 3.16.</li> </ul> <p><b>Rule 3.15(ii)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) a council member disclosed information to someone who at the time was not also a council member of the same local government; and</li> <li>(c) the disclosed information was information the disclosing council member acquired at a council or committee meeting, or a part of a council or committee meeting, that was closed to members of the public under section 5.23(2) of the Act; and</li> <li>(d) the disclosing council member did not derive the disclosed information from a non-confidential document (that is, a document that was <i>not</i> marked by the local government’s CEO, or at the CEO’s direction, to clearly show that the information in it was not to be disclosed); and</li> <li>(e) the disclosed information was not information already in the public domain (for example, it was not generally available to all persons) at the time of the disclosure by the disclosing council member, and the disclosure did not occur in any of the ways identified in rule 3.16.</li> </ul>
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	<p><b>Rule 3.15(iii)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) the council member disclosed information to someone who at the time was not also a council member of the same local government; and</li> <li>(c) the disclosed information was personal information as defined in the <i>Freedom of Information Act 1992</i> (for example, name, date of birth, address, or a reference to an identification number or other identifying particular such as a fingerprint or body sample).</li> <li>(d) the disclosed information was not information already in the public domain (for example, it was not generally available to all persons) at the time of the disclosure by the disclosing council member, and the disclosure did not occur in any of the ways identified in rule 3.16.</li> </ul> <p><i>Freedom of Information Act 1992</i> defines personal information as: information or an opinion, whether true or not, and whether recorded in a material form or not, about an individual, whether living or dead —</p> <ul style="list-style-type: none"> <li>(a) whose identity is apparent or can reasonably be ascertained from the information or opinion; or</li> <li>(b) who can be identified by reference to an identification number or other identifying particular such as a fingerprint, retina print or body sample.</li> </ul>
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<b>Disclosure of interest</b>	<b>Elements of Rule of Conduct</b>
<p>3.17 In this rule —</p> <p><b>interest</b> means a material interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest.</p> <p>3.18 A person who is a council member and who has an interest in any matter to be discussed at a council or committee meeting attended by the member must disclose the nature of the interest —</p> <ul style="list-style-type: none"> <li>i. in a written notice given to the CEO before the meeting; or</li> <li>ii. at the meeting immediately before the matter is discussed.</li> </ul> <p>3.19 Rule 3.18 does not apply to an interest referred to in section 5.60 of the Act.</p> <p>3.20 Rule 3.18 does not apply if —</p> <ul style="list-style-type: none"> <li>i. a person who is a council member fails to disclose an interest because the person did not know he or she had an interest in the matter; or</li> <li>ii. a person who is a council member fails to disclose an interest because the person did not know the matter in which he or she had an interest would be discussed at the meeting and the person disclosed the interest as soon as possible after the discussion began.</li> </ul> <p>3.21 If, under sub-rule (3.18)(i), a person who is a council member discloses an interest in a written notice given to the CEO before a meeting then —</p>	<ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) subject to rule 3.19, the person had a private or personal interest in a matter that is more likely than not a conflict of interest or a bias (apparent or real) that does adversely affect, or might adversely affect the council member’s impartiality in considering the matter, and includes an interest arising from kinship, friendship, membership of an association, or another circumstance;</li> <li>(c) the member attended the council or committee meeting concerned and was present when the matter under consideration came before the meeting and was discussed;</li> <li>(d) the member did not disclose the nature of the relevant interest in the matter in either of the two ways required by Rule 3.18(i) or 3.18(ii);</li> <li>(e) Rule 3.20 does not apply.</li> </ul>

<p>i. before the meeting the CEO is to cause the notice to be given to the person who is to preside at the meeting; and</p> <p>ii. at the meeting the person presiding is to bring the notice and its contents to the attention of the persons present immediately before a matter to which the disclosure relates is discussed.</p> <p>3.22 If —</p> <p>i. under sub-rule (3.18)(ii) or (3.20)(ii) a person's interest in a matter is disclosed at a meeting; or</p> <p>ii. under sub-rule (3.21)(ii) notice of a person's interest in a matter is brought to the attention of the persons present at a meeting,</p> <p>the nature of the interest is to be recorded in the minutes of the meeting.</p>	
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## Code of Conduct survey

As part of the McGowan Government's commitment to transforming local government in WA, the *Local Government Legislation Amendment Act 2019* introduces a mandatory code of conduct (Code) for all council members, committee members and candidates in local government elections.

These reforms are intended to ensure that standards of behaviour are consistent between local governments and address community expectations.

The proposed Code will inform the drafting of regulations. This will be accompanied by guidelines that provides clarification and guidance in relation to compliance and enforcement with the Code.

This survey is intended to provide the Government with feedback regarding the proposed the content of the Code.

Thank you for taking the time to complete this survey.

1. Who are you completing this survey on behalf of?
  - a. Yourself
  - b. An organisation, including a local government, peak body, community organisation or a business
2. What is the name of that organisation?
3. What is your name?
4. What best describes your relationship to local government?
  - a. Resident or ratepayer
  - b. Staff member
  - c. Council member (includes Mayor or President)
  - d. Survey responses are provided on behalf of a local government (council endorsed)
  - e. Peak body
  - f. State Government agency
  - g. Community body
  - h. Other (please specify)
5. What best describes your gender?
  - a. Male
  - b. Female
  - c. Other
  - d. Not applicable/the survey responses are provided on behalf of an organisation
6. What is your age?
  - a. Under 18
  - b. 18-24
  - c. 25-34
  - d. 35-44
  - e. 45-54
  - f. 55-64
  - g. 65+
  - h. Not applicable/the survey responses are provided on behalf of an organisation
7. Which local government do you interact with most?

- 8. Do you wish for your response to this survey to be confidential?
  - a. Yes
  - b. No
- 9. What is your email address?
- 10. Have you previously completed a survey or provided a submission regarding the review of the *Local Government Act 1995*?
  - a. Yes
  - b. No
  - c. Unsure
- 11. If no, what were your reasons for not previously providing your views to inform the Local Government Act review?
  - a. I was not aware of the Local Government Act review
  - b. I was not interested in providing my views
  - c. I did not have time to provide my views
  - d. Other (please specify)

## Part A - Principles

Council members, committee members and candidates are expected to adhere to and promote and support the following principles by example.

Adhering to these principles will ensure that council members and candidates can comply with the behaviours outlined in Part B or conduct as outlined in Part C. all behaviour should be considered against these principles, whether or not it is covered specifically in Part B or Part C.

12. Please indicate your support of the following ***Personal Integrity Principles***

1.1 Act with care and diligence and participate in decision making in an honest, fair, impartial and timely manner, considering all relevant information.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

1.2 Act with honesty, integrity and uphold the concept of natural justice.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

1.3 Identify, declare and appropriately manage any conflicts of interest in the public interest and interests of the Council including not accepting gifts that may give the appearance of a conflict of interest or an attempt to corruptly influence behaviour.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

1.4 Uphold the law, and, on all occasions, act in accordance with the trust placed in council members.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

1.5 Avoid damage to the reputation of the local government.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

1.6 Not be impaired by mind effecting substances while performing official duties.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these principles?

13. Please indicate your support of the following **Relationships With Others Principles**

1.7 Treat others with respect, courtesy and fairness.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

1.8 Maintain and contribute to a harmonious, safe and productive work environment for all.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

1.9 Respect and value diversity in the workplace and in the community.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these principles?

14. Please indicate your support of the following **Accountability Principles**

1.10 Base decisions on relevant and factually correct information and make decisions on merit and in accordance with statutory obligations and good governance.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

1.11 Be open and accountable to the public, represent all constituents and make decisions in the public.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these principles?

15. Should any additional principles be incorporated in Part A?

### Part B – Behaviour

**Part B sets out the standards of behaviour which enable and empower council members to meet the principles outlined in Part A. Behaviour is expected to be managed at the local level by the local government, so Part B also deals with how complaints are to be managed.**

**Failure to comply with this Part may give rise to a complaint against a council member’s conduct, followed by a subsequent investigation and possible corrective action by the local government. The emphasis should be on an educative role to establish sound working relationships and avoid repeated breaches, rather than punishment.**

16. Please indicate your support for the following *Personal Integrity Behaviours*.

2.1 Act in line with the principles outlined in this Code when performing official duties.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.2 Attend and participate constructively in council meetings, briefings, relevant workshops and training opportunities.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.3 Respect and comply with all council policies, procedures and resolutions.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.4 Ensure professional behaviour is not compromised by the use of alcohol or drugs.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.5 Use all forms of media, including social media, in a way that complies with this Code.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these behaviours?

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17. Please indicate your support for the following ***Relationships with Others Behaviours***.

2.6 Treat other council members, council employees and members of the public with courtesy, respect, honesty and fairness.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.7 Do not bully or harass council staff, other council members or members of the public in any form, including social media.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.8 Deal with the media in a positive, informative and appropriate manner in accordance with the Local Government Act 1995 and relevant local government policies.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.9 While acting as a council member, do not:

- (i) Use offensive or pejorative language in reference to another council member, council employee or member of the public; or
- (ii) Disparage the character of any council member or council employee or impute dishonest or unethical motives to them in the performance of their duties.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.10 When attending a council or committee meeting, do not:

- (i) Behave in an abusive or threatening manner towards another council member or other person attending the meeting;

- (ii) Make statements that the person knows, or could be reasonably expected to know, that are false or misleading;  
Or
- (iii) Repeatedly disrupt the meeting

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.11 When attending a council or committee meeting:

- (i) Comply with the local law that relates to conduct of people at council or committee meetings;
- (ii) Promptly comply with any direction given by the presiding member at that meeting; and
- (iii) Immediately cease any conduct that has been ruled out of order by the presiding member in accordance with the local government's local law.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.12 Direct all requests for work or actions by council staff to the CEO or the CEO's nominated delegate.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these behaviours?

18. Please indicate your support for the following **Accountability Behaviours**.

2.13 Make decisions honestly and impartially, considering all available information, legislation, policies and procedures.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.14 Take responsibility for decisions and actions.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.15 Abide by the decisions of council and publicly support the decisions even if of an alternative view.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.16 Adhere to the principles in the:

- (i) *Occupational Safety and Health Act 1984(WA)*;
- (ii) *Equal Opportunity Act 1984(WA)*;
- (iii) *Racial Discrimination Act 1975(Cth)*; and
- (iv) *Sex Discrimination Act 1984 (Cth)*.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these behaviours?

19. Should any additional behaviours be incorporated in Part B?

20. Part B of the Code includes a complaint management process. Should this part include a time period in which complaints must be lodged after the alleged breach occurred?

- No time period
- 1 month
- 3 months
- 6 months
- Other (please specify)

21. Who is the best person for Part B complaints to be directed to?

- Mayor or President
- Deputy Mayor or President
- Presiding member
- Chief Executive Officer
- Nominated local government employee

- Other (please specify)

22. What actions are appropriate for councils to impose if a Part B breach is found?

- Apology
- Training
- Mediation
- Counselling
- Other (please specify)

23. Do you have any suggestions for specific actions that could be incorporated into the guidelines?

24. Should recurrent breaches of behaviour be referred to the Local Government Standards Panel?

- Yes
- No

Please provide a reason(s) for your answer

25. Should Council be required to develop an action plan and give the council member an opportunity to resolve their behaviour before a third complaint is referred to the Standards Panel under Part C?

- Yes
- No
- Other (please specify)

26. How beneficial would it be for local governments to engage an independent person to assist with the review of complaints?

- Extremely useful
- Very useful
- Somewhat useful
- Not so useful
- Not at all useful
- Other (please specify)

27. What should happen if a council cannot agree on an investigation or course of action following an alleged breach of Part B?

- An independent person should be engaged to conduct a review
- The complaint should be dismissed
- The Mayor or President makes the decision
- The CEO makes the decision
- Other (please specify)

### Part C – Rules of Conduct

**Rules of conduct breaches are matters that:**

- **Negatively affect the honest or impartial performance of a council member;**
- **Involve a breach of trust placed in the council member; or**
- **Involve the misuse of information or material.**

**Alleged breaches of this part can be referred to the Local Government Standards Panel (Standards Panel) in accordance with the *Local Government Act 1995* (the Act). A breach of this Part is a “minor breach”.**

36. Do you have any comments or feedback on Part C?

## Guidelines

**Guidelines have been prepared to accompany the Code the Conduct. The guidelines are intended to provide clarification and guidance in relation to complain and enforcement.**

37.Are the guidelines a useful tool to accompany the Code?

- Extremely useful
- Very useful
- Somewhat useful
- Not so useful
- Not at all useful

Please specify why

38.Do you have any suggestions for additional inclusions in the guidelines?



LOCAL GOVERNMENT ACT REVIEW ►► DELIVERING FOR THE COMMUNITY

# Standards and Guidelines For Local Government CEO Recruitment and Selection, Performance Review and Termination

Draft for Consultation

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## Preface

As part of the McGowan Government's commitment to transforming local government in WA, the *Local Government Legislation Amendment Act 2019* includes a requirement for model standards covering the recruitment and selection, performance review and early termination of local government Chief Executive Officers (CEOs). These reforms are intended to ensure best practice and greater consistency in these processes among local governments.

This document outlines proposed mandatory minimum standards, shown in boxes. These standards will inform the drafting of regulations.

The accompanying guidelines outline the recommended practice for local governments in undertaking these processes. The guidelines will assist local governments in meeting the proposed standards and will not form part of the legislative framework.

The standards and guidelines have been developed by the Department of Local Government, Sport and Cultural Industries (Department) in consultation with representatives from the Public Sector Commission, the Ombudsman, the Western Australian Local Government Association (WALGA) and Local Government Professionals WA (LGPro). The Department gratefully acknowledges the participation and contribution of these representatives.

The Department notes that the content of these does not necessarily reflect the views or policies of the organisations or individuals that have been consulted.

Feedback is sought on the proposed standards and guidelines. A survey is available at [www.dlgsc.wa.gov.au/lgareview](http://www.dlgsc.wa.gov.au/lgareview) or you can provide your feedback to [actreview@dlgsc.wa.gov.au](mailto:actreview@dlgsc.wa.gov.au) by 8 November 2019.

## Part 1 – Recruitment and Selection

One of the fundamental roles of the council is the employment of the local government's CEO. The CEO is responsible for implementing the council's strategic vision and leading the local government administration.

### Principles

A local government must select a CEO in accordance with the principles of merit, equity and transparency. A local government must not exercise nepotism, bias or patronage in exercising its powers. Additionally, a local government must not unlawfully discriminate against applicants. Section 5.40 of the *Local Government Act 1995* (Act) lists a number of general principles of employment that apply to local governments.

#### Recruitment and Selection Standard

The minimum standard for recruitment and selection will be met if:

- S1.1** The council has identified and agreed to the qualifications and selection criteria necessary to effectively undertake the role and duties of the CEO within that particular local government context.
- S1.2** The council has approved, by absolute majority, the Job Description Form which clearly outlines the qualifications, selection criteria and responsibilities of the position, and which is made available to all applicants.
- S1.3** The local government has established a selection panel to conduct the recruitment and selection process. The panel must include at least one independent person who is not a current elected member or staff member of the local government.
- S1.4** The local government attracts applicants through a transparent, open and competitive process (this is not necessary for vacancies of less than one year).
- S1.5** The local government has assessed the knowledge, experience, qualifications and skills of all applicants against the selection criteria.
- S1.6** The local government has thoroughly verified the recommended applicant's work history, qualifications, referees and claims made in his or her job application.
- S1.7** The appointment is merit-based, with the successful applicant assessed as clearly demonstrating how his or her knowledge, skills and experience meet the selection criteria.

## Recruitment and Selection Standard cont.

- S1.8** The appointment is made impartially and free from nepotism, bias or unlawful discrimination.
- S1.9** The council has endorsed by absolute majority the final appointment.
- S1.10** The council has approved the employment contract by absolute majority.
- S1.11** The local government must re-advertise the CEO position after each instance where a person has occupied the CEO position for ten (10) consecutive years.

## Guidelines

### Recruitment and selection process

Regulation 18C of the *Local Government (Administration) Regulations 1996* (Administration Regulations) requires a local government to approve a process to be used for the selection and appointment of a CEO for the local government before the position of CEO of the local government is advertised.

The council of the local government should act collectively throughout the recruitment and selection process. To uphold the integrity of the process, the council must resist any attempt to influence the outcome through canvassing or lobbying.

The local government should carefully consider the role of the CEO. This includes the CEO's legislated powers and functions and their role as the head of the administrative arm of the local government. In determining the selection criteria for the position of CEO, it will be important for a local government to consider the needs of the district and the specific skills and experience that will be required of the CEO in that particular local government. The competencies the council looks for in its CEO should reflect the council's strategic community plan.

Once the essential skills and experience which form the selection criteria for the position have been identified, the local government must set out the selection criteria (essential and desirable) and the responsibilities of the position in a Job Description Form (JDF). If emphasis is placed on certain selection criteria, this should be highlighted in the JDF so that applicants are aware of this. For example, some level of project management experience will usually be an important criterion, but if the local government is undertaking a major development such as a new recreation centre, added emphasis may need to be given to this criterion.

The JDF must be approved by an absolute majority of the council.

## Advertising

The local government should ensure that applicants are clearly informed about the application process, such as the application requirements, the closing date for applications and how applications are to be submitted. It is essential that this process is transparent and that each step in the process is documented and the records kept in a manner consistent with the *State Records Act 2000 (WA)*.

In order to attract the best possible pool of applicants for the CEO position, it is recommended that local governments use a diverse range of advertising methods, mediums and platforms (in addition to the advertising requirement under section 5.36(4) of the Act). For example:

- advertising on the local government's website;
- posting on online jobs boards (e.g. SEEK);
- sharing the advertisement via professional networks; and
- undertaking an executive search (also known as headhunting).

A local government must publicly advertise the CEO position if one person has remained in the job for 10 consecutive years. This does not prevent the incumbent individual from being employed as CEO for another term, provided they are selected following a transparent selection and recruitment process.

## Selection panel and independent person

Local governments are to appoint a selection panel to conduct and facilitate the recruitment and selection process. The selection panel should be made up of elected members (the number to be determined by the council) and must include at least one independent person. The independent person cannot be a current elected member or staff member of the local government. Examples of who the independent person could be include:

- former elected members or staff members of the local government;
- former or current elected members (such as a Mayor or Shire President) or staff members of *another* local government;
- a prominent or highly regarded member of the community; or
- a person with experience in the recruitment and selection of CEOs and senior executives.

The independent person would be on the committee on an unpaid basis (except for reasonable travel and accommodation costs which should be covered by the local government) to provide objectivity to the selection and recruitment process.

The independent person and elected members on the panel are responsible for assessing applicants and making a recommendation to council regarding the most suitable applicant.

## Independent human resources consultant

A local government should seek independent advice from a human resources consultant where the council lacks the capacity or expertise to facilitate the recruitment

and selection process (or any aspect of it). A member of the human resources team within a local government should not be involved in the recruitment of a new CEO because if the CEO is employed, he or she would be their employer.

The consultant should not be associated with the local government or any of its council members and can be an independent human resources professional, recruitment consultant, or recruitment agency.

An independent human resources consultant can provide advice to the selection panel on how to conduct the recruitment process or a local government may engage a consultant to support it in undertaking certain aspects of the recruitment process, such as one or more of the following:

- development or review of the JDF;
- development of selection criteria;
- sourcing and development of assessment methods in relation to the selection criteria;
- drafting of the advertisement;
- executive search;
- preliminary assessment of the applications;
- final shortlisting;
- drafting of the questions for interview;
- coordinating interviews;
- writing the selection report;
- arranging for an integrity check and/or police clearance; and
- assisting the council in preparing the employment contract.

The consultant is not to be directly involved in determining which applicant should be recommended for the position.

It is recommended that rigorous checks be conducted on any independent consultants before they are engaged to ensure they have the necessary skills and experience to effectively assist the council. Local government recruitment experience may be beneficial but is not necessary.

The independent human resources consultant must be able to validate their experience in senior executive recruitment and appointments. It is important to note that if the local government uses a consultant or agency to assist in finding applicants, that consultant or agency will require an employment agent licence under the *Employment Agents Act 1976 (WA)*.

A good independent human resources consultant will bring expertise, an objective perspective and additional human resources to what is a complex and time-consuming process. Given the time and effort involved in finding a competent CEO, and the cost of recruiting an unsuitable CEO, there can be a good business case for spending money on an independent consultant.

There is no requirement for local governments to engage an independent human resources consultant to assist with the recruitment of a CEO. If a decision is made to outsource the recruitment process, it is imperative that the council maintains a high

level of involvement in the process and enters into a formal agreement (contract) with the consultant. In order to manage the contract efficiently, and ensure an effective outcome, regular contact with the consultant is required during the recruitment process. As with any contractor engagement, the local government must ensure their procurement and tender processes comply with the Act and the procurement policy of the local government.

### **Council's responsibilities**

A human resources consultant cannot undertake the tasks for which the council is solely responsible. An independent consultant cannot and should not be asked to:

- Conduct interviews with short-listed applicants: This should be done by the council (this may involve the establishment of a committee consisting of only council members under section 5.8 of the Act). A council may decide that a human resources consultant undertakes the initial shortlisting of candidates, for example, conducting initial interviews and compiling a short-list of applicants for the council to review. Following shortlisting, a consultant can participate by sitting in on the interviews, providing advice on the recruitment and selection process and writing up the recommendations. The consultant may also arrange the written referee reports of applicants.
- Make the decision about who to recruit: Only the council can make this decision, drawing upon advice from the selection panel.
- Negotiate the terms and conditions of employment: The council should conduct the final negotiations (noting that the consultant should be able to provide advice on remuneration constraints and other terms and conditions).

### Creating Diversity

In order to ensure all applicants are given an equal opportunity for success, selection methods need to be consistent and objective. In a structured interview, each applicant should have the opportunity to answer the same primary questions with follow-up questions used to illicit further detail or clarification. Behavioural-based interview questions are objective and gauge the applicants' hard and soft skills, reducing biases in assessment (see examples below).

Basing a selection decision on the results of a number of selection methods can help to reduce procedural shortcomings and ensure the best applicant is chosen. Psychometric, ability and aptitude testing are considered to be valid, reliable and objective. While applicants with extensive experience and reputable education may appear to be more qualified, an objective assessment of each person's ability and personal traits can provide a clearer picture of the applicant.

Where possible, it is recommended that local governments ensure diversity on the selection panel. This may be achieved by ensuring gender, ethnic, age and experiential diversity on the panel. Diversity is also a consideration when selecting an independent person for the selection panel, particularly where there is a lack of diversity on the council. A diverse selection panel will aid in making quality decisions regarding suitable applicants.

Individuals are often unaware of biases they may have. For this reason, it is helpful for the selection panel to undertake training about unconscious biases. Awareness of unconscious biases assists individuals in preventing those biases from interfering in their decision making. For example, if there are considerable discrepancies in the assessment scores between two panel members, discussion will be required to ensure bias has not influenced these scores. Allowing team members to acknowledge and recognise prejudices is essential to managing those biases. The following biases should be addressed:

- “Similar-to-me” effect - if interviewers share the same characteristics with the applicants or view those characteristics positively, they are more likely to score them highly;
- “Halo” effect – interviewers may let one quality (such as race, gender, looks, accent, experience, etc.) positively or negatively affect the assessment of the applicant’s other characteristics.

### Due Diligence

It is essential that the local government ensures that the necessary due diligence is undertaken to verify an applicant’s qualifications, experience and demonstrated performance. This includes:

- verifying an applicant’s qualifications such as university degrees and training courses;
- verifying the applicant’s claims (in relation to the applicant’s character, details of work experience, skills and performance) by contacting the applicant’s referees. Referee reports should be in writing in the form of a written report or recorded and verified by the referee;
- requesting that an applicant obtains a national police clearance as part of the application process; and
- ensuring no conflicts of interests arise by looking to outside interests such as board membership and secondary employment.

A council may wish to contact a person who is not listed as an applicant’s referee, such as a previous employer. This may be useful in obtaining further information regarding an applicant’s character and work experience, and verifying related claims. The applicant should be advised of this and be able to provide written comments to the council.

A search of a media material and whether an applicant has an online presence may also assist in identifying potential issues. For example, an applicant may have expressed views which are in conflict with the local government’s values. This should be made clear in the application information.

To ensure the integrity of the recruitment process, a council must act collectively when performing due diligence.

## Selection

Once the application period closes, the council, selection panel or consultant assesses each application and identifies a shortlist of applicants to be interviewed.

In shortlisting applicants for the interview phase, the selection panel should consider the transferable skills of applicants and how these would be of value in the role of CEO. The selection panel should not overlook applicants who do not have experience working in the local government sector.

It is important that the assessment process is consistent for all applicants. For example, each applicant being asked the same interview questions which are related to the selection criteria and being provided with the same information and completing the same assessments.

Elected members should declare any previous association with an applicant or any potential conflict of interest at the time of shortlisting if they are part of the selection panel. Similarly, if the interviews involve the full council, the elected member should make an appropriate declaration before the interviews commence. If the potential conflict of interest is significant or a member's relationship with an applicant may result in claims of nepotism, patronage or bias, the council may need to consider whether to exclude the elected member from the process. The decision should be documented and recorded for future reference.

Selecting an applicant should be based on merit; that is, choosing an applicant that is best suited to the requirements of the position and the needs of the local government. This involves the consideration and assessment of applicants' skills, knowledge, qualifications and experience against the selection criteria required for the role. As part of the selection process, a council may consider it appropriate for each of the preferred candidates to do a presentation to council.

The appointment decision by the council should be based on the assessment of all measures used, including:

- assessment technique(s) used (e.g. interview performance);
- quality of application;
- referee reports;
- verification and sighting of formal qualifications and other claims provided by the applicant; and
- other vetting assessments used (e.g. police checks, integrity checks, etc.).

## Employment contract

In preparing the CEO's employment contract, the council must ensure the contract includes the necessary provisions required under section 5.39 of the Act and associated regulations, that it meets the requirements set out in relevant employment law and that it is legally binding and valid.

Section 5.39 of the Act provides that a CEO's employment contract must not be for a term exceeding five years. The term of a contract for an acting or temporary position cannot exceed one year.

Further, the employment contract is of no effect unless it contains:

- the expiry date of the contract;
- the performance review criteria; and
- as prescribed under regulation 18B of the Administration Regulations, the maximum amount of money (or a method of calculating such an amount) to which the CEO is to be entitled if the contract is terminated before the expiry date, which amount is not to exceed whichever is the lesser of:
  - the value of one year's remuneration under the contract; or
  - the value of the remuneration that the CEO would have been entitled to had the contract not been terminated.

It is recommended that the council seeks independent legal advice to ensure that the contract is lawful and able to be enforced. In particular, advice should be sought if there is any (even slight) doubt as to the meaning of the provisions of the contract.

Councils should be aware that CEO remuneration is determined by the Salaries and Allowances Tribunal and the remuneration package may not fall outside the band applicable to the particular local government.

The CEO's employment contract should clearly outline grounds for termination and the termination process (refer to the termination guidelines in this document for information on the process of termination). The notice periods outlined in the employment contract should be consistent with Australian employment law.

The council of the local government must approve, by absolute majority, the employment contract and the person they appoint as CEO.

#### Appointment

Following the decision of council to approve an offer to appoint, with the contract negotiations finalised and the preferred applicant accepting the offer of appointment, council is required to make the formal and final appointment of the CEO. The council is required to endorse the appointment and approve the CEO's employment contract by absolute majority. The employment contract must be signed by both parties.

The council should notify both the successful individual and the remaining unsuccessful applicants as soon as possible before publicly announcing the CEO appointment.

The successful applicant should not commence duties with the local government as CEO until the employment contract has been signed.

The unsuccessful applicants (including those not interviewed) should be notified of the outcome of their application. It is recommended that the local government creates a template letter for unsuccessful applicants that can be easily personalised with the applicants' details and sent out quickly.

The council should keep a record of their assessment of the unsuccessful applicant(s) and provide the unsuccessful applicant(s) with the opportunity to receive feedback on their application, or interview performance if they were granted an interview. Should

an unsuccessful applicant request feedback, it is recommended that a member of the selection panel provides this. If a recruitment consultant is used, they may undertake this task.

#### Confidentiality

The local government should ensure that all information produced or obtained during the recruitment and selection process is kept confidential. This includes applicants and their personal details, assessment, the selection report and outcome of the process. This ensures privacy requirements are met and maintains the integrity of the process.

#### CEO induction

Local governments should ensure that they provide the CEO with all of the necessary information on the local government's processes, policies, procedures and systems at the commencement of the CEO's employment.

New CEOs are eligible to participate in the Local Government CEO Support Program which is a joint initiative of the Department and LGPro to provide mentoring and general support to those appointed to the position of CEO in a local government for the first time. The program runs for six to nine months from the time a CEO is appointed and involves the CEO being matched with a mentor that best meets the needs of the CEO.

The program provides the CEO with an opportunity (through meetings and on-going regular communications) to discuss a wide range of issues with their appointed mentor in the strictest confidence. The program is aimed at addressing the individual needs of the CEO. Examples of issues that may be covered include the following:

- Role of the CEO
- Governance
- Strategic and long-term planning
- Legislative framework
- Relationships and dealing with council members
- Risk management
- Resource management
- Managing the business of Council
- Family considerations

## Part 2 – Performance Review

### Principles

The standards regarding CEO performance review are based on the principles of fairness, integrity and impartiality.

#### Performance Review Standard

The minimum standard for performance review will be met if:

- S2.1** Key result areas are specific, relevant, measurable, achievable and time-based.
- S2.2** The key result areas and the performance process are recorded in a written document, negotiated with and agreed upon by the CEO and council.
- S2.3** The CEO is informed about how their performance will be managed and the results of their performance assessment.
- S2.4** The collection of evidence regarding key result areas is thorough and comprehensive.
- S2.5** Assessment is made free from bias and based on the CEO's achievement against key result areas and decisions and actions are impartial, transparent and capable of review.
- S2.6** The council has endorsed the performance review assessment by absolute majority.

### Guidelines

Section 5.38 of the Act provides that, for a CEO who is employed for a term of more than one year, the performance of a CEO is to be reviewed formally at least once in every year of their employment.

In addition to this minimum requirement, it is recommended that the council engages in regular discussions with the CEO regarding their performance about key result areas, progress and ways that the CEO can be supported. Any changes to the CEO's performance agreement such as changes to key result areas should also be discussed, and agreed to, between the council and the CEO, as the matter arises.

#### Employment contract and performance agreement

Section 5.39, of the Act requires the employment contract to specify the performance criteria for the purpose of reviewing the CEO's performance. This will include ongoing permanent performance criteria. A local government may wish to have a separate additional document called a "performance agreement" which includes the

performance review criteria in the employment contract, additional criteria (e.g. the performance indicators in relation to specific projects) and how the criteria will be assessed. The performance agreement should be negotiated and agreed upon by the CEO and the council. The performance agreement may also set out the CEO's professional development goals and outline a plan to achieve these goals.

Key result areas, performance indicators and goals

Setting the performance criteria is an important step. As one of the CEO's key responsibilities is to oversee the implementation of council's strategic direction, it is important to align the CEO's performance criteria to the goals contained in the council's Strategic Community Plan and Corporate Business Plan. Accordingly, as these plans are updated, the CEO's performance criteria should be updated to reflect the changes.

In leading the administrative arm of a local government, the CEO is responsible for undertaking core tasks, the achievement of which will contribute to the effectiveness of the council. These tasks are called key result areas. Key result areas should be set for each critical aspect of the CEO's role. It is important that each key result area is measurable and clearly defined. These could be in relation to:

- service delivery targets from the council's Strategic Community Plan;
- budget compliance;
- organisational capability;
- operational and project management;
- financial performance and asset management;
- timeliness and accuracy of information and advice to councillors;
- implementation of council resolutions;
- management of organisational risks;
- leadership (including conduct and behaviour) and human resource management; and
- stakeholder management and satisfaction.

Key result areas should focus on the priorities of the council and, if appropriate, could be assigned priority weighting in percentages. The council and CEO should set goals as to the target outcome for future achievement in the key result areas. Goals should be specific, measurable, achievable, relevant and time-based.

Following the determination of the key result areas and goals, the council will need to determine how to measure the outcomes in each key result area. Key performance indicators measure the achievement of the key result areas. It is important to relate performance indicators to the selection criteria used in selecting the CEO. For example, if the CEO has been selected due to their financial experience and ability to improve the local government's finances, indicators regarding improved revenue and reduced expenses are obvious starting points.

Considering the context within which the local government is operating is important. For example, if a significant financial event occurs, such a downturn in the economy, financial performance indicators will likely need to be adjusted. It is important that

such contextual factors are given weight and that goals are flexible to allow regular adjustment. Adjustments may be initiated by either the CEO or the council.

Councils need to be realistic in terms of their expectations of a CEO's performance and provide appropriate resources and support to facilitate the achievement of performance criteria.

#### Performance review panel

It is recommended that the council delegates the CEO performance review to a panel (e.g. comprising certain council members and an independent observer). The panel has a duty to gather as much evidence as possible upon which to base their assessments. The role of the review panel includes developing the performance agreement in the first instance, conducting the performance review and reporting on the findings and recommendations of the review to council.

#### Independent consultant

If a council lacks the resources and expertise to meet the expected standard of performance review, the council should engage an external facilitator to assist with the process of performance appraisal and the development of the performance agreement. The local government should ensure that the consultant has experience in performance management and, if possible, experience in local government or dealing with the performance management of senior executives. The consultant should not have any interest in, or relationship with, the council or the CEO.

With guidance from the performance review panel, a consultant can facilitate the following tasks:

- setting performance goals;
- setting key result areas;
- preparing the performance agreement;
- collecting performance evidence;
- writing the performance appraisal report;
- facilitating meetings between the performance review panel;
- assisting with the provision of feedback to the CEO;
- formulating plans to support improvement (if necessary); and
- providing an objective view regarding any performance management-related matters between the concerned parties.

#### Assessing performance

The process of assessing performance should be agreed to by both parties and documented in the employment contract or performance agreement.

It is essential that CEO performance is measured in an objective manner against the performance criteria alone. It is important that reviews are impartial and not skewed by personal relationships between the review panel and the CEO. Close personal relationships between the panel members and the CEO can be just as problematic as extremely poor relationships.

The council should consider any evidence of CEO performance from two perspectives, namely, current CEO performance and future performance if the CEO's current behaviours continue. Evidence of CEO performance may come from an array of sources, many of which the CEO themselves can and should provide to the council as part of regular reporting. These sources include:

- achievement of key business outcomes;
- interactions with the council and progress that has been made towards implementing the council's strategic vision;
- audit and risk committee reports;
- workforce metrics (e.g. the average time to fill vacancies, retention rate, information about why people leave the organisation and staff absence rate);
- incident reports (e.g. results of occupational health and safety assessments, the number and nature of occupational health and safety incident reports, and the number and nature of staff grievances);
- organisational survey results;
- relationships (e.g. with relevant organisations, stakeholder groups, professional networks and the relevant unions); and
- insights from key stakeholders (this could be done by way of a survey to obtain stakeholder input).

It is important that, in addition to looking at the achievement of KPIs, the council considers the following:

- How the CEO has achieved the outcomes. In particular, whether or not their methods are acceptable and sustainable.
- The extent to which current performance is contingent upon current circumstances. Has the CEO demonstrated skills and behaviours to address and manage changes in circumstances which have affected his or her performance?
- What the CEO has done to ensure the wellbeing of staff and to maintain trust in the local government.

The council should consider the attention the CEO has given to ensuring equal employment opportunity, occupational health and safety, privacy, managing potential conflicts of interest, and complying with procurement process requirements.

#### Addressing performance issues

Once the CEO's performance has been assessed, it is essential that any areas requiring attention or improvement are identified, discussed with the CEO and a plan is agreed and put in place to address these. The plan should outline the actions to be taken, who is responsible for the actions and an agreed timeframe.

The performance review panel must decide on an appropriate course of action that will address the performance issue. This may include professional development courses, training, counselling, mediation, mentoring or developing new work routines to ensure specific areas are not neglected. The performance review panel should then arrange for regular discussion and ongoing feedback on the identified performance issues, ensuring improvements are being made.

It is important to keep in mind that a local government falling short of its goals is not always attributable to the CEO. External factors may have resulted in initial performance expectations becoming unrealistic. Failure to meet key result areas does not necessarily mean the CEO has performed poorly and, for this reason, performance and outcome should be considered separately. Where ongoing issues have been identified, the council will need to take a constructive approach and seek to develop the CEO's competency in that area (for example, through an agreed improvement plan).

#### Confidentiality

The council should ensure that accurate and comprehensive records of the performance management process are created. Any information produced should be kept confidential.

## Part 3 – Termination

### Principles

The standards for the termination of a local government CEO (other than for reasons such as voluntary resignation or retirement) are based on the principles of fairness and clarity. Procedural fairness is a principle of common law regarding the proper and fair procedure that should apply when a decision is made that may adversely impact upon a person's rights or interests.

#### Termination Standard

The minimum standard for the early termination of a CEO's contract will be met if:

- S3.1** Decisions are based on the assessment of the local government's requirements (such as the documented key result areas) and the CEO's performance is measured against these.
- S3.2** Performance issues have been identified and the CEO informed. The council has given the CEO a reasonable opportunity to improve and implement a plan to remedy the performance issues, but the CEO has not subsequently remedied these issues.
- S3.3** Procedural fairness and the principles of natural justice are applied. The CEO is informed of their rights, entitlements and responsibilities in the termination process. This includes the CEO being provided with notice of any allegations against them, given a reasonable opportunity to respond to those allegations or decision affecting them, and their response is genuinely considered.
- S3.4** Decisions are impartial, transparent and capable of review.
- S3.5** The council of the local government has endorsed the termination by absolute majority.
- S3.6** The required notice of termination (which outlines the reason for termination) is provided in writing.

### Guidelines

#### Reason for termination

The early termination of a CEO's employment may end due to:

- poor performance;
- misconduct; or
- non-performance or repudiation of contract terms.

There is a difference between poor performance and serious misconduct. Poor performance is defined as an employee not meeting the required performance criteria or demonstrating unacceptable conduct and behaviour at work. It includes:

- not carrying out their work to the required standard or not doing their job at all;
- not following workplace policies, rules or procedures;
- unacceptable conduct and behaviour at work, e.g. speaking to people in a disrespectful manner, not attending required work meetings and telling inappropriate jokes;
- disruptive or negative behaviour at work, e.g. constantly speaking negatively about the organisation;
- not meeting the performance criteria set in the employment contract and/or performance agreement unless these are outside the CEO's control;
- not complying with an agreed plan to address performance issues (a plan for improvement);
- failing to comply with the provisions of the *Local Government Act 1995* and other relevant legislation;
- failing to follow council endorsed policies.

Serious misconduct can include when an employee:

- causes serious and imminent risk to the health and safety of another person or to the reputation or revenue of the local government; or
- behaving unlawfully or corruptly; or
- deliberately behaves in a way that's inconsistent with continuing their employment.

Examples of serious misconduct can include:

- matters arising under section 4(a), (b) and (c) of the *Corruption, Crime and Misconduct Act 2003*;
- theft;
- fraud;
- assault;
- falsification of records;
- being under the influence of drugs or alcohol at work; or
- refusing to carry out appropriate and lawful resolutions of council.

Misconduct is also defined in section 4 of the *Corruption, Crime and Misconduct Act 2003* (WA). Under this Act, misconduct can be either serious or minor and the obligation to notify the Public Sector Commission or the Corruption and Crime Commission is paramount.

Termination on the basis of misconduct is covered by employment law. A local government should take all reasonable steps to consider misconduct allegations including ensuring procedural fairness is applied. It should also seek independent legal, employment or industrial relations advice prior to a termination. A council should seek independent advice generally during the termination process including the relevant employment legislation affecting CEO employment and the application of that legislation in the circumstances. This will ensure that a council complies with employment law during the entire termination process.

To meet the termination standard, the local government is required to endorse the decision to terminate the CEO's employment by way of an absolute majority resolution.

### Opportunity to improve and mediation

If a CEO is deemed to have been performing poorly, the council must be transparent and inform the CEO of this. It is important that the CEO is given an opportunity to remedy the issues within a reasonable timeframe as agreed between the CEO and the council. The council should clearly outline the areas in need of improvement, and with the CEO's input, determine a plan to help the CEO improve. If a plan for improvement is put in place and the CEO's performance remains poor, then termination may be necessary.

Where the concerns or issues relate to problematic working relationships or dysfunctional behaviour, it is recommended that a council engages an independent accredited mediator to conduct a mediation between the parties. A mediation session may be useful in assisting parties to understand and address issues before the situation escalates to a breakdown in the working relationship (which affects the ability of the CEO to effectively perform his or her duties) and the subsequent termination of the CEO's employment.

### Independent review of termination report

The council should prepare a termination report which outlines the reasons for termination, the opportunities and assistance provided to the CEO to remedy the issues, and an explanation of the CEO's failure to remedy the issues. It is recommended that the council arranges for the termination report to be reviewed by an independent person (e.g. a person with legal expertise, local government experience or a human resources consultant) to ensure the council has complied with procedural fairness, and provided adequate opportunities and support to the CEO to assist him or her in remedying the issues which form the basis of the termination. In the interests of fairness, the review should take place promptly and before the termination of the CEO's employment.

### Confidentiality

Local governments should ensure that the termination process is kept confidential. The CEO is to be informed of the grounds for termination and avenues for review of the decision. Notice of termination of employment is required to be given in writing. In addition, where possible, the news of termination of employment should be delivered in person. The CEO should be provided with a letter outlining the reasons for, and date of, the termination of the employment.

Before making any public announcements on the termination of the CEO, a council should ensure that the entire termination process is complete, including that the CEO has been informed in person of the termination.

### Disclaimer

It is outside the scope of these guidelines to provide legal advice, and local governments should seek their own legal advice where necessary. Guidance as to legal requirements and compliance in relation to the termination of employment is provided by the Fair Work Commission at [www.fwc.gov.au](http://www.fwc.gov.au), the Fair Work

Ombudsman at [www.fairwork.gov.au](http://www.fairwork.gov.au) and the Western Australian Industrial Relations Commission at [www.wairc.wa.gov.au](http://www.wairc.wa.gov.au).

## Part 4 – Monitoring and enforcement

To ensure that councils are complying with the standards and to address any alleged non-compliance, a process will need to be established to monitor and enforce the standards.

Feedback is sought on potential models and processes for monitoring and enforcement.

One potential model is for the establishment of an independent Local Government Commissioner. This position would provide a quality assurance role over CEO recruitment and selection, performance review and terminations by ensuring that the minimum standards were met.

In relation to performance review, either the CEO or council could approach the Local Government Commissioner who would have the power to order that a third party be involved in the performance management process if the Commissioner deemed it necessary.

## CEO standards consultation survey

As part of the McGowan Government's commitment to transforming local government in WA, the *Local Government Legislation Amendment Act 2019* introduces model standards covering the recruitment and selection, performance review and early termination of local government Chief Executive Officers (CEOs). These reforms are intended to ensure best practice and greater consistency in these processes among local governments.

It is intended that the standards will be mandatory and inform the drafting of regulations. These will be accompanied by guidelines outlining the recommended practice for local governments undertaking these processes.

This survey is intended to provide the Government with feedback regarding the proposed content of the standards and the guidelines.

Thank you for taking the time to complete this survey.

1. Who are you completing this survey on behalf of?
  - a. Yourself
  - b. An organisation, including a local government, peak body, community organisation or a business
2. What is the name of that organisation?
3. What is your name?
4. What best describes your relationship to local government?
  - a. Resident or ratepayer
  - b. Staff member
  - c. Council member (includes Mayor or President)
  - d. Survey responses are provided on behalf of a local government (council endorsed)
  - e. Peak body
  - f. State Government agency
  - g. Community body
  - h. Other (please specify)
5. What best describes your gender?
  - a. Male
  - b. Female
  - c. Other
  - d. Not applicable/the survey responses are provided on behalf of an organisation
6. What is your age?
  - a. Under 18
  - b. 18-24
  - c. 25-34
  - d. 35-44
  - e. 45-54

- f. 55-64
  - g. 65+
  - h. Not applicable/the survey responses are provided on behalf of an organisation
7. Which local government do you interact with most?
  8. Do you wish for your response to this survey to be confidential?
    - a. Yes
    - b. No
  9. What is your email address?
  10. Have you previously completed a survey or provided a submission regarding the review of the *Local Government Act 1995*?
    - a. Yes
    - b. No
    - c. Unsure
  11. If no, what were your reasons for not previously providing your views to inform the Local Government Act review?
    - a. I was not aware of the Local Government Act review
    - b. I was not interested in providing my views
    - c. I did not have time to provide my views
    - d. Other (please specify)

**Recruitment and selection**

12. How frequently should a council be required to re-advertise the CEO position?
  - a. At the conclusion of the term of the CEO’s contract
  - b. Where a person has occupied the CEO position for two (2) consecutive terms
  - c. Where a person has occupied the CEO position for ten (10) consecutive years
  - d. When council determines
  - e. Unsure
  - f. Other (please specify)

13. To what extent do you support the following statement?

“A local government should be required to undertake ‘blind CV recruitment’ (i.e. redacting personal details and any diversity specific information from curriculum vitae) to avoid bias in the early stages of the recruitment process.”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

It is proposed that a council will be required to appoint a selection panel made up of council members to conduct and facilitate the CEO recruitment and selection process.

The selection panel would be responsible for assessing applicants and making a recommendation to council regarding the most suitable applicant.

14. To what extent do you support the following statement?

“The selection panel must include at least one person who is independent of the council to assist the council in selecting the CEO”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

15. If a council is required to have an independent person on the selection panel to assist them in selecting a CEO, who should the independent person be? (please choose one or more of the following options)

<input type="checkbox"/>	A recruitment/human resources consultant
<input type="checkbox"/>	A community member
<input type="checkbox"/>	A person with experience in local government
<input type="checkbox"/>	A person with experience in appointing senior executives
<input type="checkbox"/>	Unsure
<input type="checkbox"/>	Other (please specify)

16. To what extent do you support the following statement?

“If a council is required to have an independent person on the selection panel to assist them in selecting a CEO, the independent person must not be a current council member or staff member of any local government”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

17. Should there be any other restrictions on who the independent person on a selection panel should be?

- a. Yes
- b. No
- c. If yes, please specify

**Performance review**

The *Local Government Act 1995* currently requires a council to review the performance of the CEO annually.

18. How frequently should a council review the performance of the CEO?

- a. Annually
- b. Twice annually

- c. Quarterly
- d. Every two years
- e. When council determines a performance review is required

19. To what extent do you support the following statement?

“A local government should be required to establish a performance review panel, which must include at least one person who is independent of the council, to assist the council in assessing the performance of a CEO”

Very unresponsive	Unresponsive	Neutral	Responsive	Very responsive

20. If a council is required to have an independent person assist them in assessing the performance of a CEO as part of a performance review panel, who should the independent person be? (please choose one or more of the following options)

<input type="checkbox"/>	A recruitment/human resources consultant
<input type="checkbox"/>	A community member
<input type="checkbox"/>	A person with experience in local government
<input type="checkbox"/>	A person with experience in appointing senior executives
<input type="checkbox"/>	Unsure
<input type="checkbox"/>	Other (please specify)

21. Should there be any restrictions on who the independent person should be?

- a. Yes
- b. No
- c. If yes, please specify

**Termination**

22. To what extent do you support the following statement:

“The legislation should provide a minimum notice period that the council provides to the CEO if the council terminates the CEO’s employment before the expiry date of the employment contract”

Very unresponsive	Unresponsive	Neutral	Responsive	Very responsive

23. If the legislation required council to provide the CEO with a minimum notice period of the early termination of the CEO’s employment, what should the minimum notice period be?

- a. Two (2) weeks
- b. Four (4) weeks
- c. Other (please specify)

**Monitoring and enforcement**

To ensure that councils are complying with the standards and to address any alleged non-compliance, a process will need to be established to monitor and enforce the standards.

Feedback is sought on potential models and processes for monitoring and enforcement.

24. Who should be responsible for monitoring and enforcing the CEO standards?

- a. Public Sector Commission or other integrity agency
- b. Department of Local Government, Sport and Cultural Industries
- c. Independent office of Local Government Commissioner
- d. Joint Panel consisting of nominees from the WA Local Government Association (WALGA) and the Local Government Professionals WA (LGPro WA)
- e. Local Government Standards Panel (expanded role)
- f. Other (please specify)

25. To what extent do you support the following statement?

“If a Local Government Commissioner were to be established, local governments should be required to pay a levy to fund its establishment and operation”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

26. What powers should the body responsible for monitoring and enforcing the standards have? (please choose one or more of the following options)

<input type="checkbox"/>	To order a local government to restart a process (recruitment, selection, performance review or termination) or remedy a defect
<input type="checkbox"/>	To order that a third party be involved in the performance review process
<input type="checkbox"/>	To order that a local government engages in mediation or arbitration to resolve a dispute (this could be disputes between council members or between council members and the CEO)
<input type="checkbox"/>	To arbitrate or make a ruling on a matter
<input type="checkbox"/>	To prepare a report on contract termination (for potential referral for industrial relations action)
<input type="checkbox"/>	To provide a report to the Minister for Local Government or the Director General of the Department of Local Government, Sport and Cultural Industries for consideration in relation to powers to suspend, dismiss or order remedial action whether in regards to the entire council or individual council members

<input type="checkbox"/>	To order that a local government seeks professional advice or assistance from an independent person
<input type="checkbox"/>	Unsure
<input type="checkbox"/>	Other (please specify)

27. To what extent do you support the following statement?

“If the body responsible for monitoring and enforcing the CEO standards directed a local government to undertake mediation or arbitration to resolve a dispute, the costs of the dispute resolution should be borne by the local government.”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

28. To what extent do you support the following statement?

“If a council has not complied with the standard for a particular process, they should be required to recommence the process”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

29. To what extent do you support the following statement?

“Local governments should be subject to penalties if they do not comply with the CEO standards”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

30. Do you have any additional comments in relation to the CEO standards?

**Guidelines accompanying the CEO standards**

The mandatory CEO standards will be accompanied by guidelines outlining the recommended practice for local governments undertaking the processes of recruitment and selection, performance review and early termination of CEOs.

31. How useful are the proposed guidelines?

Extremely useful	Very useful	Moderately useful	Slightly useful	Not at all useful

Please specify why:

32. Do you have any suggestions regarding any changes that need to be made to the proposed guidelines or is there anything else you think should be included in the guidelines? (please specify)
33. Do you have any additional comments in relation to the guidelines?

<b>3. APPENDIX 2 – PERFORMANCE CRITERIA</b>
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The Performance Criteria referred hereunder will be reviewed by the parties within three (3) months of the commencement of employment by the Chief Executive Officer and then at the end of each performance review (Clause 5.4.1 refers)

<b>Performance Criteria 1 (Service Delivery)</b>	
<b>1.1</b>	Deliver the 2018/19 funded capital works program
<b>1.2</b>	Corporate Business Plan: <ul style="list-style-type: none"> <li>• Deliver the funded Corporate Business Plan actions;</li> <li>• Corporate Business Plan updated on an annual basis as part of the Budget process</li> <li>• Corporate Business Plan progress report provided to Council annually and as part of the Budget Review</li> <li>• Corporate Business Plan meets “achieving” standard against the DLGSC IPR framework<sup>1</sup></li> </ul>
<b>1.3</b>	Customer Service: <ul style="list-style-type: none"> <li>• Establish a baseline for the level of customer satisfaction with delivery of the Shire’s services, commencing with the complaints register and management process</li> <li>• Report to Council on customer interactions with the customer request system</li> </ul>
<b>1.4</b>	Undertake staff satisfaction / cultural survey within the organisation and report outcomes to Council.

<b>Performance Criteria 2 (Governance)</b>	
<b>2.1</b>	Council is provided with advice on relevant legislative and statutory requirements
<b>2.2</b>	The CEO contributes constructively to the Council meeting process
<b>2.3</b>	The decisions of Council are implemented in accordance with Council directions
<b>2.4</b>	Councillors have an appropriate level of access to the CEO and their concerns are effectively and professionally managed
<b>2.5</b>	Continued focus on Operational Efficiencies
<b>2.6</b>	Integrated Planning and Reporting Framework: <ul style="list-style-type: none"> <li>• Long Term Financial Plan – review and update</li> <li>• Asset Management Plan – review and update</li> <li>• Corporate Business Plan – review and update</li> <li>• Workforce Management Plan – review and update</li> </ul>

<sup>1</sup> Ref: Department of Local Government, Sport and Cultural Industries’ Integrated Planning and Reporting Framework. See Attached Notes.

	<b>Performance Criteria 3 (Stakeholder Relationships)</b>
3.1	Effective relationships are established with community groups and organisations
3.2	Effective relationships are established with State and Federal Government agencies, local State and Federal MP's and adjoining Shires
3.3	In conjunction with the Shire President and on behalf of Council, undertake lobbying and advocacy to achieve funding of major projects

	<b>Performance Criteria 4 (Significant Projects)</b>
4.1	Integrated Lifestyle Village / Caravan Park Development
4.2	Regional Sports and Recreation Facility in Lower Chittering
4.3	Tracks and Trails including: <ul style="list-style-type: none"> <li>• Bindoon and Brockman Centre Trail</li> <li>• Blackboy Ridge Trail</li> <li>• Proposed Mountain Bike Park</li> <li>• BMX / Skate Park in Muehea</li> </ul>
4.4	Disposal of surplus properties and purchase of Strategic Properties
4.5	Sporting Facilities <ul style="list-style-type: none"> <li>• New change-rooms at Muehea</li> <li>• Masterplan for Sport and Rec Facilities in Bindoon</li> <li>• Community Gymnasiums</li> </ul>
4.6	Muehea Industrial Park

<b>PERFORMANCE CRITERIA</b>
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Performance Criteria Area		Weighting
<b>Performance Criteria 1 (Governance)</b>		<b>30%</b>
1.1	Provision of a safe workplace, including satisfactory reporting processes and compliance with legislative requirements.	
1.2	Council is provided with advice on relevant legislative and statutory requirements	Deal-Breaker
1.3	The CEO contributes constructively to the Council meeting process	Deal-Breaker
1.4	The decisions of Council are implemented in accordance with Council directions	Deal-Breaker
1.5	Councillors have an appropriate level of access to the CEO and their concerns are effectively and professionally managed	
1.6	Continued focus on and reporting of Operational Efficiencies	
1.7	Integrated Planning and Reporting Framework: <ul style="list-style-type: none"> <li>a. Corporate Business Plan – review and update so that it meets the ‘achieving’ standard against the DLGSC IPR framework</li> <li>b. Long Term Financial Plan – review and update</li> <li>c. Asset Management Plan – review and update</li> <li>d. Corporate Business Plan – review and update</li> <li>e. Workforce Management Plan – review and update</li> </ul> Progress report on all plans to be presented to Council.	
<b>Performance Criteria 2 (Service Delivery)</b>		<b>30%</b>
2.1	Deliver the 2019/20 funded capital works program	
2.2	Deliver the funded Corporate Business Plan actions	
2.3	Customer Service: <ul style="list-style-type: none"> <li>a. Establish a baseline for the level of customer satisfaction with delivery of the Shire’s services, commencing with the complaints register and management process</li> <li>b. Report to Council on customer interactions with the customer request system</li> </ul>	
2.4	Undertake staff satisfaction / cultural survey within the organisation and report outcomes to Council.	
2.5	Effective relationships are established with community groups and organisations	
<b>Performance Criteria 3 (Stakeholder Relationships)</b>		<b>20%</b>
3.1	Effective relationships are established with State and Federal Government agencies, local State and Federal MP's and adjoining Shires	
3.2	In conjunction with the Shire President and on behalf of Council, undertake lobbying and advocacy to achieve funding of major projects; health services and aged services	
<b>Performance Criteria 4 (Significant Projects)</b>		<b>20%</b>
4.1	Masterplan for facilities in the Shire of Chittering including: <ul style="list-style-type: none"> <li>a. Integrated Lifestyle Village / Caravan Park Development</li> <li>b. Proposed Mountain Bike Park</li> <li>c. New changerooms at Muchea</li> <li>d. Community gymnasiums</li> </ul>	
4.2	Regional Sports and Recreation Facility in Lower Chittering	

<b>Performance Criteria 4 (Significant Projects)</b>		<b>20%</b>
<b>4.3</b>	Tracks and Trails including: a. Bindoon and Brockman Centre Trail b. Blackboy Ridge Trail c. BMX / Skate Park in Mueha	
<b>4.4</b>	Disposal of surplus properties and purchase of Strategic Properties	
<b>4.5</b>	Mueha Industrial Park	

**Notes on Performance Measurement:**

1. Deal-Breakers must be competently met for overall satisfactory performance to be met . Unsatisfactory performance in these measures may result in termination.
2. Satisfactory performance must be achieved in all four Performance Criteria Areas to achieve overall satisfactory performance.
3. Failure to achieve a satisfactory performance may result in termination.
4. If performance is deemed satisfactory, but not yet competent, then a Performance Improvement Program will be developed by Council and the CEO.
5. Competent performance will be assessed as a standard above satisfactory, with the standard still to be determined.