

Standards for Termination of the Employment of CEOs

Policy Owner:	Governance
Distribution:	All Elected Members and Staff
Person Responsible:	All Executive Managers
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Division 1 — Preliminary provisions

Citation

These are the Shire of Chittering's *Standards for CEO Recruitment, Performance and Termination*.

Terms used

- (1) In these standards —

Act means the *Local Government Act 1995*;

additional performance criteria means performance criteria agreed by the local government and the CEO under clause 16(1)(b);

applicant means a person who submits an application to the local government for the position of CEO;

contract of employment means the written contract, as referred to in section 5.39 of the Act, that governs the employment of the CEO;

contractual performance criteria means the performance criteria specified in the CEO's contract of employment as referred to in section 5.39(3)(b) of the Act;

job description form means the job description form for the position of CEO approved by the local government under clause 5(2);

local government means the *[insert name of local government]*;

selection criteria means the selection criteria for the position of CEO determined by the local government under clause 5(1) and set out in the job description form;

selection panel means the selection panel established by the local government under clause 8 for the employment of a person in the position of CEO.

- (2) Other terms used in these standards that are also used in the Act have the same meaning as they have in the Act, unless the contrary intention appears.

Division 4 — Standards for termination of employment of CEOs

3. Overview of Division

This Division sets out standards to be observed by the local government in relation to the termination of the employment of CEOs.

4. General principles applying to any termination

- (1) The local government must make decisions relating to the termination of the employment of a CEO in an impartial and transparent manner.
- (2) The local government must accord a CEO procedural fairness in relation to the process for the termination of the CEO's employment, including —
 - (a) informing the CEO of the CEO's rights, entitlements and responsibilities in relation to the termination process; and
 - (b) notifying the CEO of any allegations against the CEO; and
 - (c) giving the CEO a reasonable opportunity to respond to the allegations; and
 - (d) genuinely considering any response given by the CEO in response to the allegations.

5. Additional principles applying to termination for performance-related reasons

- (1) This clause applies if the local government proposes to terminate the employment of a CEO for reasons related to the CEO's performance.
- (2) The local government must not terminate the CEO's employment unless the local government has —
 - (a) in the course of carrying out the review of the CEO's performance referred to in subclause (3) or any other review of the CEO's performance, identified any issues (the **performance issues**) related to the performance of the CEO; and
 - (b) informed the CEO of the performance issues; and
 - (c) given the CEO a reasonable opportunity to address, and implement a plan to remedy, the performance issues; and
 - (d) determined that the CEO has not remedied the performance issues to the satisfaction of the local government.
- (3) The local government must not terminate the CEO's employment unless the local government has, within the preceding 12-month period, reviewed the performance of the CEO under section 5.38(1) of the Act.

6. Decision to terminate

Any decision by the local government to terminate the employment of a CEO must be made by resolution of an absolute majority of the council.

1. Notice of termination of employment

- (1) If the local government terminates the employment of a CEO, the local government must give the CEO notice in writing of the termination.

- (2) The notice must set out the local government's reasons for terminating the employment of the CEO.

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Section 18FC requires:-

18FC. Certification of compliance with adopted standards for CEO termination (Act s. 5.39B(7))

- (1) In this regulation —
adopted standards has the meaning given in regulation 18FB(1).
- (2) This regulation applies if a local government terminates the employment of the CEO of the local government.
- (3) As soon as practicable after the CEO's employment is terminated, the local government must, by resolution*, certify that the CEO's employment was terminated in accordance with the local government's adopted standards in relation to the termination of the employment of CEOs.

* Absolute majority required.
- (4) The local government must give a copy of the resolution to the Departmental CEO within 14 days after the resolution is passed by the local government.
