General Manager Performance Review
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<th>Policy title</th>
<th>General Manager Performance Review</th>
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<tr>
<td>Policy owner</td>
<td>Director City Engagement</td>
</tr>
<tr>
<td>Prepared by</td>
<td>Human Resource Services</td>
</tr>
<tr>
<td>Approved by</td>
<td>Council</td>
</tr>
<tr>
<td>Date approved</td>
<td>04 December 2012</td>
</tr>
<tr>
<td>Commencement Date</td>
<td>04 December 2012</td>
</tr>
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<td>Version</td>
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<tr>
<td>Revision date</td>
<td>August 2016 or the appointment of a new General Manager</td>
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<td>Amendments</td>
<td>Nil</td>
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<td>Relevant strategic direction</td>
<td>Select one strategic direction: Open and Collaborative Leadership</td>
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<td>Relevant legislation/codes</td>
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| Related policies/documents | General Managers Contract of Employment  
                              | CCL18/10/2011 - Performance Agreement & review framework for General Manager Performance Review |
| Related forms          | Nil                               |
# Table of Contents

## Part A Preliminary

1. Purpose .................................................................................................................. 1
2. Scope ....................................................................................................................... 1
3. Principles ................................................................................................................ 1
4. Definitions .............................................................................................................. 1

## Part B Performance Management Framework

5. Delegation to the Review Panel ............................................................................. 2
6. Review Panel members .......................................................................................... 2
7. Training .................................................................................................................... 2
8. Appointment of Facilitator .................................................................................... 2

## Part C Performance Agreement

9. Development of the Performance Agreement ....................................................... 3
10. Link to Director’s Performance Agreements ....................................................... 3

## Part D Performance Review Process

11. Quarterly Performance Update ........................................................................... 4
12. Mid Year Performance Review .......................................................................... 4
13. Annual Performance Review .............................................................................. 4
14. Reporting ............................................................................................................... 5
15. Statutory and Other Officers Remuneration Tribunal Increases ....................... 6
16. Discretionary Remuneration Increases ................................................................ 6

## Part F Timeline of Annual General Manager Performance Review Process ....... 7

## Part H Roles & Responsibilities

17. The Review Panel .................................................................................................. 8
18. The General Manager .......................................................................................... 8
19. The Lord Mayor .................................................................................................... 8
20. The elected Council .............................................................................................. 8
21. The Facilitator ...................................................................................................... 9
22. The Manager Human Resource Services ............................................................ 9
Part A Preliminary

1 Purpose
1.1 The purpose of the policy is to articulate the framework, delegation and responsibilities for the review of the General Manager’s performance by the Council-appointed Review Panel.

2 Scope
2.1 The policy applies to the General Manager, Lord Mayor, Councillors, Directors and Manager Human Resource Services.

3 Principles
3.1 Council commits itself to the following principles:

3.1.1 Accountability and transparency – The policy provides a framework for transparency and a system of accountability.

3.1.2 Fairness and equity – The policy provides a framework to ensure the interests of both the elected Council and the General Manager are protected.

4 Definitions
4.1 Act means the Local Government Act 1993 (NSW).

4.2 Agreed Projects means projects the General Manager and Review Panel agree to in the Performance Agreement.

4.3 Annual Performance Review Due Date means on or as close as practicable to 1 July each year.

4.4 Annual Performance Review Period means the twelve month period from 1 July to 30 June each year.

4.5 Council means The City of Newcastle.

4.6 Facilitator means a suitably qualified and experienced person appointed by the Review Panel (with the General Manager’s agreement) to assist in the preparation for, conduct of and reporting on the General Manager’s Performance Review.

4.7 Performance Agreement means the document outlining the performance criteria agreed between the General Manager and Review Panel referred to in section 9.

4.8 Performance Review means a review of the employee performance conducted in accordance with these procedures and clause 7 of the employment contract.

4.9 Performance Review Process means the end to end annual process of reviewing the General Manager’s performance and is inclusive of the quarterly, mid year and annual review process provided for in Part D.

4.10 Review Panel means the Councillors appointed by the Council to conduct the Performance Review Process.

4.11 Self Assessment means the General Manager’s rating and commentary regarding his/her own performance against the Performance Agreement.

4.12 Standard Contract means the Standard Contract of Employment for General Managers of Local Councils in New South Wales approved by Order under section 338(4) of the Local Government Act by the Director General in force from 1 July 2006.

Unless stated otherwise, a reference to a clause is a reference to a clause of the policy.
Part B  Performance Management Framework

5  Delegation to the Review Panel

5.1 By adopting this policy, the Council of the City of Newcastle delegates to the Performance Review Panel the authority to undertake performance assessments of the General Manager annually between October 2012 to September 2016 in accordance with this policy.

5.2 This delegation is to be exercised in accordance with:

5.2.1 the requirements of the Act and the Local Government Regulations 1995 (NSW);

5.2.2 the requirements of any other relevant act, law or regulation; and

5.2.3 any relevant resolution or policy of Council.

5.3 This delegation is effective from the date of the Council resolution adopting this policy to the completion of the delegated performance management tasks at the end of this term of Council.

6  Review Panel members

6.1 The Review Panel will comprise:

6.1.1 The Lord Mayor;

6.1.2 The Deputy Lord Mayor; and

6.1.3 One Councillor elected by the elected Council

7  Training

7.1 Review Panel members will receive training in conducting a performance review of the General Manager prior to being required to conduct a Performance Review.

8  Appointment of Facilitator

8.1 The Review Panel and General Manager will appoint a Facilitator to facilitate the Performance Review Process.
Part C  Performance Agreement

9  Development of the Performance Agreement

9.1 The Performance Agreement will be developed at the commencement of the Annual Performance Review Period in consultation with the Review Panel and the General Manager.

9.2 The Performance Agreement will include clearly defined and measurable performance indicators against which the General Manager’s performance will be measured.

9.3 The Performance Agreement will include key indicators that measure how well the General Manager has met the Council’s expectations with respect to:

9.3.1 Strategic items;
9.3.2 Operational items; and
9.3.3 Behaviours including leadership.

9.4 The Performance Agreement will be presented to Council in a closed meeting together with the outcomes of the previous Performance Review Period.

9.5 The Performance Agreement may be varied from time to time during the term of the Performance Agreement by agreement between the employee and the Review Panel, such agreement not to be unreasonably withheld.

10  Link to Director’s Performance Agreements

10.1 The General Manager will ensure that the Performance and Development Plans of Directors:

10.1.1 Align with the Performance Agreement;
10.1.2 Support the achievement of the Council’s expectations of the General Manager; and
10.1.3 Ensure the General Manager’s strategic, operational and behavioural expectations of the Director are clearly articulated.
Part D Performance Review Process

11 Quarterly Performance Update
11.1 During October and March each year, the General Manager will provide a quarterly report on the progress of Agreed Projects.
11.2 The quarterly report will be provided to the Councillors for their information.

12 Mid Year Performance Review
12.1 During December/January, the General Manager will submit a Self Assessment regarding achievement of managerial, project and behavioural requirements for the six month period ending December to the Review Panel.
12.2 The Review Panel will:
   12.2.1 Meet to consider the Self Assessment; and
   12.2.2 Provide feedback to the General Manager on any issues requiring attention during the remainder of the Annual Performance Review Period.
12.3 The Performance Agreement will be amended to reflect any agreed changes.
12.4 A Lord Mayoral Minute on the progress of the Performance Agreement will be presented to a closed session of the next available Council Meeting.

13 Annual Performance Review
13.1 Notification by General Manager
   At least 21 days prior to the Annual Performance Review due date, the General Manager will:
   13.1.1 Submit a Self Assessment to the Facilitator; and
   13.1.2 Notify the Elected Council that the Annual Performance Review is due.
13.2 Assessment by elected Council
   13.2.1 The General Manager’s Self Assessment and a questionnaire relating to performance against the Performance Agreement will be distributed to Councillors and the Lord Mayor by the Facilitator.
   13.2.2 Councillors and Lord Mayor will individually and independently, rate the performance of the General Manager against the Performance Agreement using the assessment scale outlined in it.
   13.2.3 Any extreme scores will be discussed with the relevant Councillor and the Facilitator prior to inclusion in the Performance Review meeting.
   13.2.4 The Facilitator will receive and collate the assessments of the elected Council in preparation for the formal Performance Review meeting.
13.3 Review panel meeting
   The Review Panel will meet to:
   13.3.1 Assess the responses received from Councillors and the Lord Mayor; and
   13.3.2 Assign a draft rating for each part of the Performance Agreement.
13.4 Review Panel meeting with General Manager
   13.4.1 Council will provide the General Manager at least 10 days’ notice that a Performance Review meeting is to be conducted.
13.4.2 A meeting between the General Manager and the Review Panel will be held to discuss the ratings and opportunities for future development of the General Manager. The meeting will:

(a) Concentrate on constructive dialogue about the General Manager’s performance against all sections of the agreed performance plan;

(b) Identify any areas of concern and agreed actions to address those concerns; and

(c) Ensure fairness, natural justice and the laws and principles of anti-discrimination are complied with.

13.4.3 The Review Panel will decide on a final assessment for each part of the Performance Agreement using the assessment scale (Part F).

14 Reporting

14.1 To General Manager

Within six weeks from the conclusion of the Performance Review, the Lord Mayor will prepare and send to the General Manager a written statement that sets out:

14.1.1 Council’s conclusions about the General Manager’s performance during the performance review period;

14.1.2 Any proposal by Council to vary the performance criteria as a consequence of a performance review, and

14.1.3 Any directions or recommendations made by Council to the General Manager in relation to the General Manager’s future performance of the duties of the position.

14.2 To Council

The Review Panel will report the findings and recommendations of the Performance Review to a closed meeting of the elected Council as soon as practicable following the annual Performance Review. This is not an opportunity to debate the results or re-enact the review. The General Manager should not be present when the matter is considered.
Part E Reward and Remuneration

15 Statutory and Other Officers Remuneration Tribunal Increases

15.1 An annual increase in the Total Remuneration Package (TRP) equivalent to the latest percentage increase in remuneration for senior executive officer holders as determined by the Statutory and Other Officers Remuneration Tribunal (SOORT) is available to the General Manager on each anniversary of the employment contract.

16 Discretionary Remuneration Increases

16.1 The Review Panel will determine by consensus any changes to the General Manager’s employment conditions, including remuneration adjustments (exclusive of SOORT increases).

16.2 Discretionary increases to the General Manager’s TRP will be:

16.2.1 Conditional on performance being assessed by the Review Panel as being of better than satisfactory standard (refer to Part F);

16.2.2 Modest and in line with community expectations;

16.2.3 Endorsed by resolution of the elected Council together with the reasons for the increase, reported to an open meeting of Council; and

16.2.4 in line with the Standard Contract.
### Part F  Timeline of Annual General Manager Performance Review Process

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<thead>
<tr>
<th>Month</th>
<th>Activity</th>
<th>Clause</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>Annual Performance Review&lt;br&gt;Discretionary Remuneration Increases</td>
<td>12, 15</td>
</tr>
<tr>
<td>August</td>
<td>Development of the Performance Agreement</td>
<td>8</td>
</tr>
<tr>
<td>September</td>
<td>Director’s participate in Council’s Performance Management Framework</td>
<td>9</td>
</tr>
<tr>
<td>October</td>
<td>Appointment of Facilitator&lt;br&gt;Quarterly Performance Update</td>
<td>7.1, 10</td>
</tr>
<tr>
<td>November</td>
<td>Training of Review Panel Members</td>
<td>6.1</td>
</tr>
<tr>
<td>December/January</td>
<td>Mid Year Performance Review</td>
<td>11</td>
</tr>
<tr>
<td>March</td>
<td>Quarterly Performance Update</td>
<td>10</td>
</tr>
</tbody>
</table>
Part H  Roles & Responsibilities

17  The Review Panel

17.1  The Review Panel is responsible for:

17.1.1  Developing a Performance Agreement in consultation with the General Manager.

17.1.2  Undertaking a performance assessment of the General Manager in December/January and July/August each year.

17.1.3  Appointing a suitably qualified Facilitator in consultation with the General Manager.

17.1.4  Determining the following in relation to the Performance Agreement:

(a) A final list of projects to be included in the Performance Agreement; and

(b) Any managerial or behavioural actions that they would like the General Manager to address during the review year.

17.1.5  Recommending any discretionary increase to the General Manager’s total remuneration package as provided in clause 15.2.

18  The General Manager

18.1  The General Manager is responsible for:

18.1.1  Submitting a list of projects (maximum of six) that they consider are of sufficient importance to warrant their personal attention in the year to the Review Panel.

18.1.2  Preparing a Self Assessment of their performance and providing it to the Facilitator at least 21 days prior to the mid year and annual Review Panel meetings.

18.1.3  Providing a quarterly progress report on Agreed Projects to Council as provided in clause 10.1.

19  The Lord Mayor

19.1  The Lord Mayor is responsible for:

19.1.1  Being a member of the Review Panel.

19.1.2  Preparing and presenting a Lord Mayoral Minute on progress of the Performance Agreement to Council following the mid year review.

19.1.3  Presenting a report on the Review Panel’s assessment to the elected Council and the General Manager following the annual review.

19.1.4  Formally advising the General Manager, Facilitator and Review Panel of any decisions of Council.

20  The elected Council

20.1  The elected Council is responsible for:

20.1.1  Holding an election at the beginning of each term to elect one Councillor to participate in the Review Panel in accordance with clause 5.1. If there is more than one nominee, Council elects the position from the nominees by open voting (show of hands) in accordance with clause 251 of the Local Government (General) Regulation 2005 (NSW).
20.1.2 Completing a questionnaire relating to General Manager’s performance against the agreed criteria and returning it confidentially to the Facilitator within timeframes nominated by the Facilitator.

20.1.3 Justifying any extreme scores to the Facilitator.

21 The Facilitator

21.1 The Facilitator is responsible for:

21.1.1 Ensuring that the interests of both the General Manager and Council are adequately protected throughout the Performance Review Process, including ensuring reviews are conducted fairly and in accordance with principles of natural justice.

21.1.2 Preparing and distributing a questionnaire relating to performance against the Performance Agreement for all Councillors and the General Manager four weeks prior to the Performance Review Due Date.

21.1.3 Receiving the confidential completed questionnaires and compiling a summary report for the annual Review Panel meeting.

21.1.4 Conducting the annual Review Panel meeting.

21.1.5 Updating the Performance Agreement to reflect any changes agreed at the mid year Performance Review including obtaining required signatures, assisting in drafting a Lord Mayoral Minute and/or formally providing any feedback to the General Manager.

22 The Manager Human Resource Services

22.1 The Manager Human Resource Services is responsible for:

22.1.1 Coordinating the Performance Review Process including scheduling of all required meetings, sourcing an appropriate options for appointment of a Facilitator, formal recording of all documentation and implementation of any changes required to the General Manager’s Total Remuneration Package.

22.1.2 Ensuring the Review Panel members receive appropriate Performance Management training, including:

(a) The provision of written information regarding performance management;

(b) An outline of the Performance Review Process; and

(c) Guidelines for both Review Panel members and the General Manager on how to manage the Performance Review Process from their perspectives.
Part I Assessment Scale

23 The Rating Scale

23.1 The following rating scale will be used to assess the General Manager’s performance:

<table>
<thead>
<tr>
<th>Score</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Significant Strength</td>
</tr>
<tr>
<td></td>
<td>An outstanding display that brings credit to the General Manager and the organization.</td>
</tr>
<tr>
<td></td>
<td>Best practice - a model for others</td>
</tr>
<tr>
<td></td>
<td>Significantly exceeds expectations</td>
</tr>
<tr>
<td>8</td>
<td>Area of Strength</td>
</tr>
<tr>
<td></td>
<td>Has a reputation for achieving in that area.</td>
</tr>
<tr>
<td></td>
<td>Displays a consistent approach to performance</td>
</tr>
<tr>
<td></td>
<td>Recognised as an expert in that area</td>
</tr>
<tr>
<td>6</td>
<td>Area of Ability</td>
</tr>
<tr>
<td></td>
<td>Good performance</td>
</tr>
<tr>
<td></td>
<td>Standards are constantly met and at times exceeded throughout the year.</td>
</tr>
<tr>
<td></td>
<td>A valued, commendable achievement.</td>
</tr>
<tr>
<td></td>
<td>What is expected of the General Manager on a consistent basis</td>
</tr>
<tr>
<td>4</td>
<td>Development Need</td>
</tr>
<tr>
<td></td>
<td>Development needed in this area to consistently reach the standard expected.</td>
</tr>
<tr>
<td></td>
<td>Often meets standards but not on a consistent basis.</td>
</tr>
<tr>
<td></td>
<td>Attention is required to achieve objectives</td>
</tr>
<tr>
<td>2</td>
<td>Significant Development Need</td>
</tr>
<tr>
<td></td>
<td>Performance has an adverse impact on the performance of the organization.</td>
</tr>
<tr>
<td></td>
<td>Urgent attention is required and rapid improvement essential</td>
</tr>
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</table>

23.2 For the purpose of calculating an increase in TRP (exclusive of SOORT) the General Manager’s Performance Assessment from the Review Panel must be greater than satisfactory, that is greater than 6 on the rating scale as follows:

- 23.2.1 Overall rating of 7 – 3% increase in TRP
- 23.2.2 Overall rating of 8 – 4% increase in TRP
- 23.2.3 Overall rating of 9 – 5% increase in TRP
- 23.2.4 Overall rating of 10 – 6% increase in TRP