

CEO Employment and Remuneration Policy



Approval Body:	Council
Endorsement Date:	18 October 2022
Council Plan Reference:	3.2
Current Version:	3.0 <i>Council policy documents change from time to time and it is recommended that you consult the electronic reference copy on Casey Council's Website to ensure that you have the current version. Alternatively, you may contact Customer Service on 9705 5200.</i>
Compulsory Review Cycle:	Four years
Review Date:	18 October 2026 <i>It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this document, such a change may be made administratively.</i> <i>Examples include a change to the name of a Council department, a change to the name of a Federal or State Government department, and a minor update to legislation which does not have a material impact. However, any change or update which materially alters this document must be by resolution of Council.</i>
Responsible Department:	Corporate Governance
Relevant Legislation:	<i>Local Government Act 2020</i> <i>Local Government (Casey City Council) Act 2020</i>
Breaches:	N/A
ECM ID:	13704872

1. Purpose and Intent

This policy is a requirement of the *Local Government Act 2020* and outlines the way in which Council will manage the recruitment, appointment, and management of its Chief Executive Officer. It also provides for mandatory contract inclusions, performance monitoring and annual review requirements.

2. Scope

This policy applies to activity undertaken by the elected Council and candidates or incumbents of the Chief Executive Officer position.



3. Definitions

Key term	Definition
Act	means the <i>Local Government Act 2020</i> .
Council	means Casey City Council, being a body corporate constituted as a municipal Council under the <i>Local Government Act 2020</i> .
CEO	means the Chief Executive Officer of Council.
Committee	means the CEO Employment and Remuneration Committee established under this Policy.
Contract of Employment	means the contract of employment between Council and the CEO, including any schedules.
Councillors	means the individuals holding the office of a member of Casey City Council.
Council officer	means the Chief Executive Officer and staff of Council appointed by the Chief Executive Officer.
Independent Member	means an appropriately qualified person, capable of providing independent professional advice in relation to matters in this Policy in accordance with section 45(2)(a) of the Act, who is not a Councillor or a Council officer.
Mayor	means the Mayor of Council.
Public Sector Wages Determination	means any Determination that is currently in effect under section 21 of the <i>Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019</i> in relation to remuneration bands for executives employed in public service bodies.
Regulations	means the Regulations made under Division 7 of Part 2 of the Act.
Resolution	means a resolution of Council made at a properly constituted Council meeting.

4. Policy

The employment cycle of a CEO is a core responsibility of the elected Council. This policy outlines the mechanisms which will support the Council in fulfilling its obligations regarding CEO employment and remuneration.

4.1. CEO Employment and Remuneration Committee

4.1.1. Establishment

The Council must establish the Committee in accordance with s. 45(2) of the Act.

The Committee is to be chaired by an Independent Member, entitled to be remunerated for their work.

The purposes of the Committee are to consider, and make recommendations to Council with respect to the:

- selection and appointment of the Independent Member

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- independent advice received from time to time including from the Independent Member
- performance monitoring of the CEO
- annual review of the CEO's performance
- CEO's remuneration
- recruitment and appointment of a CEO, if required
- provisions to be included in the Contract of Employment from time to time

4.1.2. Secretariat Support

The Manager Corporate Governance/Manager People & Culture will provide secretariat support to the Committee, namely:

- coordinating meetings of the Committee
- preparing relevant documentation including reports to Council and contractual documents
- maintaining appropriate records regarding performance reviews for the CEO

4.1.3. Terms of Reference

The Council will agree to Terms of Reference for the Committee, which will be reviewed every four years, or earlier, if required.

The Terms of Reference will set out:

- the purpose of the Committee
- the duties and functions of the Committee
- the composition of the Committee
- Committee members
- frequency of meetings
- quorum
- voting
- reporting
- the role of the Independent Member
- key activities of the Committee.

4.2. Recruitment and Appointment of CEO

Council will engage an independent and suitably qualified recruitment firm to support it in recruitment and appointment of a CEO. The Committee will make recommendations to the Council when appointing a recruitment firm, determining the CEO selection criteria, and developing the Contract of Employment.

The appointment of the CEO must be made by Resolution.

4.2.1. Contract of Employment Requirements

The CEO contract will at a minimum outline:

- the employment term, which must not exceed 5 years in accordance with section 44(2) of the Act
- the responsibilities and duties of the position, including compliance with the Act and the Code of Conduct for Council staff
- conflict of interest management requirements
- remuneration package and other entitlements leave entitlements
- legislative obligations including those continuing after appointment
- processes for managing unsatisfactory performance or early termination (or payment

- in lieu)
• any other matters required to be contained in the Contract of Employment by the Regulations.

4.2.2. Contract Expiry

The Committee must make a recommendation to Council within 6 months and no less than 3 months immediately before the expiry of the Contract of Employment to:

- reappoint under a new Contract of Employment, the terms and conditions of which must be agreed upon before the Expiry Date; or
- cease the employment of the CEO due to the expiry of the Contract of Employment; and/or
- advertise for recruitment to the role of CEO.

4.3. Remuneration and Expenses

4.3.1. Remuneration

The remuneration package provided to the CEO will be subject to the review of the Committee, having regard to (in accordance with section 45(3) of the Act):

- any statement of policy issued by the Government of Victoria which is in force with respect to its wages policy (or equivalent);¹
- any Public Sector Wages Determination;² and
- independent remuneration benchmarking (if required)

Remuneration will be reviewed annually in accordance with the CEO's Performance review and contractual requirements.

4.3.2. Expenses

The CEO may be provided a Corporate Card to use in transactions related to the role of CEO.

If Council issues a credit or charge card to the CEO, then the card may only be used for expenses incurred in the performance of the Duties and in accordance with Council's policy from time to time.

If the card is lost or stolen, the CEO must immediately inform the card provider and Council.

The CEO must return the card to Council on request.

The Council will meet expenses incurred by the CEO including:

- Membership and subscription fees payable to professional associations which are reasonably necessary or desirable in performance of duties

¹ Section 45(3)(a) of the Act requires Council to have regard to any statement of policy issued by Government of Victoria which is in force with respect to its wages policy (or equivalent). The current Victorian Government Wages Policy applies in the public sector from 1 January 2022. See: <https://www.vic.gov.au/moving-new-wages-policy-2022>

² Section 45(3)(b) of the Act requires Council to have regard to the published remuneration bands for executives employed in public service bodies. See: <https://www.vic.gov.au/tribunals-determination-vps-executive-remuneration-bands>

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- Reasonable costs incurred where attending conferences, seminars or undertaking study
- Reasonable costs incurred in performance of duties.

4.4. CEO Performance Plan

The Council will adopt a set of annual performance objectives for the CEO (the Performance Plan). The Performance Plan will be developed by the Committee (in consultation with the CEO).

The Performance Plan will document agreed objectives and outcomes to be delivered over a twelve-month period.

A formal review of the CEO's performance, benchmarked against the Performance Plan, will be held annually by the Committee.

The CEO will provide progress reports to the Committee at each review.

4.5. CEO Leave

The CEO is eligible for annual leave, long service leave and personal leave (including carer's leave, sick leave and compassionate leave) as provided for in the Contract of Employment.

4.5.1 The CEO will advise the Mayor's approval of proposed leave as soon as practicable. An Acting CEO will be appointed by the CEO under delegation from Council pursuant to section 11.3 of the Act.

4.5.2 For periods of leave greater than 28 days, the CEO will consult the Mayor and prepare a report to Council recommending an Acting CEO. An Acting CEO will be appointed by the Council.

4.6. Responsibilities

Who	What
Manager Corporate Governance	Secretariat support to Council which facilitates the reports and documentation required under this Policy.
Manager People & Culture	Support to Council which facilitates the reports and documentation required under this policy. Approval of leave requests.
Council	Appoint Independent Member to Chair the Committee
Council	Conducting CEO performance reviews in line with the Policy.
Audit & Risk Committee	Oversee adherence to the Policy. Oversee adherence to the Corporate Cards Policy for expenses incurred by the CEO.

5. Relevant Forms

N/A

6. **Interaction with Act and Regulations**

This Policy applies subject to any inconsistent obligations in the Act or the Regulations.

7. **Confidentiality**

Council is not required to disclose any personal information, being information which if released would result in the unreasonable disclosure of information about any person or their personal affairs.

8. **Document History**

Date approved	Change Type	Version	Next Review Date
18 October 2022	Policy Update and administrative amendments	3.0	18 October 2026
14 December 2021	Re-endorsement – no change to document	2.0	3 April 2024
7 April 2020	Document Initiation	1.0	3 April 2024