

POLICY:-	
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PROCEDURES/GUIDELINES:-	
Date procedure/guideline was developed:	N/A
Procedure/guideline reference number:	N/A

RESPONSIBILITY:-	
Draft Policy Developed by:	Mayor
Committee/s (if any) consulted in the development of this policy:	Performance Review Committee – General Manager
Responsibility for implementation:	Mayor
Responsibility for review of Policy:	General Manager

1. PURPOSE

This policy outlines Council's intention in preparing and reviewing the Performance Management Plan for the General Manager of the organisation.

The guiding principle for developing this policy is to provide a consistent approach to preparing and reviewing the Performance Management Plan that forms the basis of Contract of Employment between Council and the General Manager.

2. BACKGROUND

Council delegates to the Mayor the role of day-to-day oversight of, and liaison with, the General Manager.

This policy has been developed to provide clarity for Councillors and the General Manager in describing the process whereby expectations and evaluation of the performance of the General Manager can be agreed.

Guidelines for the Appointment and Oversight of General Managers were released on 8 July 2011 in the Director General's Guidelines, Division of Local Government, Circular 11-14. The Guidelines were issued under section 23A of the Local Government Act 1993 to assist Councillors to be aware of their obligations under the Local Government Act 1993, the Local Government (General) Regulation 2005 and the Standard Contract of Employment for General Managers when recruiting, appointing, reappointing and managing the performance of General Managers.

3. SCOPE

This policy will apply to all elected Councillors and the General Manager.

4. REFERENCES

- Local Government Act 1993;
- Local Government (General) Regulation 2005; and
- Guidelines for the Appointment and Oversight of General Managers - Division of Local Government Circular 11-14.

5. DEFINITIONS

GM	General Manager
Council	Elected body of the Upper Lachlan Shire Council
DLG	Division of Local Government
LGNSW	Local Government NSW
LGPA	Local Government Professionals Australia

6. COUNCIL POLICY

6.1 Roles and responsibilities

The Council has responsibility for the General Manager's performance management. It is a requirement of the General Manager's Employment Contract that the General Manager has an annual performance review.

The General Manager has responsibility for the performance management policies, procedures and systems of the organisation as they apply to their staff. Performance Management is an essential part of good management practice as it provides a means to monitor organisational performance by linking and aligning individual and organisational objectives and results and will therefore be undertaken at least annually.

At the General Manager level, performance management is the means by which a Council and General Manager can reach a mutual understanding of expectations. It is a process through which an assessment can be made as to whether the expectations have been met, exceeded, or remain unmet.

As one of the General Manager's key responsibilities is to oversee the implementation of Council's strategic direction, it is important to align the General Manager's performance criteria to the goals contained in the Council's Community Strategic Plan, Resourcing Strategy, Delivery Program and Operational Plan. The General Manager has overall accountability for the leadership and effective management of the Council's human, non-financial and financial resources.

In addition, the General Manager should ensure as far as possible, the highest levels of probity and corporate governance are adhered to across the organisation. The Mayor is accountable for two aspects inherent in their responsibilities, firstly, overall performance of the organisation and secondly, the individual performance of the General Manager.

6.2 Principles of Performance Management:

- Allows a Council to monitor and respond as to how a General Manager delivers against the goals and the outcomes required by the Council.
- Engenders a mutual understanding of what is expected of a General Manager by the Council.

- Links a General Manager's personal performance objectives with the Council's organisational goals as identified in Council's strategic and management plans.
- Should reflect organisational values as well as measurable outcomes.
- Should be a constructive and collaborative process between the parties.
- Promotes communication and provides feedback on performance between the General Manager and the Council.
- Addresses the leadership qualities of the General Manager that are set out in the agreement.

6.3 Establishing the framework for performance management

The Council is to establish, by resolution, a GM Performance Review Panel and delegate the task of performance reviews of the General Manager to this panel. The whole process of performance management is delegated to the Performance Review Panel, including discussions about performance, any actions that should be taken and the determination of any new performance agreement.

The Performance Review Panel comprises the Mayor, the Deputy Mayor, a Councillor nominated by Council and a Councillor nominated by the General Manager. Panel members must be trained in the performance management of General Managers.

In undertaking any performance review, care must be taken to ensure that the review is conducted fairly and in accordance with the principles of natural justice and that the laws and principles of anti-discrimination are complied with. The appointment by Council, in agreement with the General Manager, of an External Facilitator (see above) to advise on the process should assist Council in complying with these laws and principles.

The Council and the General Manager may agree on the involvement of an External Facilitator to assist with the process of performance appraisal and the development of new performance plans. This person should be selected by the Performance Review Panel. The LGNSW and the LGPA can be contacted for assistance to identify suitable independent facilitators to assist in the performance management process.

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

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

All Councillors not on the Performance Review Panel can contribute to the process by providing feedback to the Mayor on the General Manager's performance. All Councillors should be notified by the Mayor of relevant dates in the performance

review cycle and be kept advised of the Performance Review Panel's findings and recommendations.

The Performance Review Panel should report back Council in a closed session the findings and recommendations of its performance review as soon as practicable following any performance review. This should not be an opportunity to debate the results or re-enact the performance review of the General Manager. The General Manager should not be present when the matter is considered.

The performance management report of the General Manager will not be released to the public and will be retained on the appropriate confidential Council employment file. Release of such personal information to other than the Performance Review Panel, the General Manager and the Councillors in confidence will be a breach of privacy legislation.

6.4 Performance Management Timelines

Timeline	Activity	Responsibility
At commencement of each new Council	Provide induction training on performance management of the General Manager	Council
Within 3 months of the commencement date of the contract	A performance agreement setting out agreed performance criteria must be signed between the General Manager and the Council	Council Panel and General Manager
Within 2 months of the signing of the performance agreement	The General Manager must prepare and submit to Council an action plan which sets out how the performance criteria are to be met	General Manager
21 days notice (before annual review)	The General Manager gives the Council written notice that an annual performance review is due	General Manager
At least 10 days notice	The Council must give the General Manager written notice that any performance review is to be conducted	Council Panel
After 6 months	The Council may also decide, with the agreement of the General Manager, to provide interim feedback to the General Manager midway through the annual review period	Council Panel and General Manager
Prior to the annual review	Ensure all Councillors on the Review Panel have been trained in Performance Management of General Managers	Council
Prior to the annual performance review	The General Manager may submit to Council a self-assessment of his/her performance	General Manager

Annually	The General Manager's performance must be reviewed having regard to the performance criteria in the agreement	Council Panel and General Manager
Annually	The performance agreement and performance criteria must be reviewed and varied by agreement	Council Panel and General Manager
Within 6 weeks of the conclusion of the performance review	Council will prepare and send to the General Manager a written statement with Council's conclusions on the General Manager's performance during the performance review period	Council Panel
As soon as possible after receipt of the statement	The General Manager and the Council will agree on any variation to the performance agreement for the next period of review	Council Panel and General Manager

6.5 Function of the Performance Review Committee - General Manager

The functions of the Performance Review Committee - General Manager are:

- To assess the performance of the General Manager against agreed objectives and performance criteria.
- Ensure Council is in compliance with Circular 11-14 from the Director General of the Division of Local Government directing that the whole process of performance management be delegated to a Performance Review Panel, including decisions about performance, any actions that should be taken, and the determination of the new performance agreement.
- Be aware that whilst the Council can undertake the performance management of its General Manager, it delegates the task to the Performance Review Panel.
- Note that it is Council practice to enable Councillors not on the Performance Review Panel to provide feedback to the Mayor in the week prior to each performance review.
- The Performance Review Panel provides a superior forum for constructive discussion and feedback.
- The result of the Performance Review will be reported to a closed meeting of Council.
- As per the Division of Local Government Circular 11-14 direction, the report in the closed meeting of Council is not to be an opportunity to debate the results or re-enact the performance management of the General Manager.

7. RELATED DOCUMENTS

The panel is to utilise the:

- Local Government Act 1993;
- Local Government (General) Regulation 2005; and

- Guidelines for the Appointment and Oversight of General Managers - Division of Local Government Circular 11-14.

as the basis of structuring the process of establishing and reviewing the Performance Management Plan of the General Manager.

8. VARIATION

Council reserves the right to vary or revoke this policy.