# CEO Employment and Remuneration Policy

**Document Information**

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| Type | Council Policy |
| Mayor | <br>Cr Rochelle Halstead |
| Date Adopted | Council Meeting 15 April 2026 |
| Responsible Officer | Manager Governance & Communications |
| Review Period | At least once every 4 years |
| Version Number | 2 |

## 1. Purpose

This Policy sets out the way in which Council will manage the recruitment and appointment of its CEO and establishes a fair, transparent and consistent framework for all matters relating to employment, performance planning and management, professional development and remuneration of the CEO in accordance with the requirements of section 45 of the *Local Government Act 2020* (the Act).

## 2. Policy Statement

This Policy provides for the following matters:

- Establishment of the CEO Employment Matters Committee
- The recruitment and appointment of the CEO
- Monitoring of the CEOs performance and professional development
- Expiry of the CEO contract
- Appointment of an Acting or Interim CEO

## 3. Establishment of the CEO Employment Matters Committee

Council will establish a CEO Employment Matters Committee (Committee). The Committee will be an advisory committee to Council. Its Terms of Reference are set out in the CEO Employment Matters Committee Charter.

The Committee is to be chaired by the independent member who is a full member of the Committee and is entitled to be remunerated for their advisory role.

The Committee may obtain additional independent professional advice to help it discharge its obligations in respect of any matter dealt with in this Policy.

Support to the Committee will be provided by the Chief Executive Office's delegate and include:

- Coordinating meetings of the Committee
- Preparing relevant documentation including reports to Council and contractual documents
- Seeking expressions of interest from suitably qualitied persons to undertake the role of independent Chair for the Committee's consideration
- Procuring independent legal advice on contractual or employment matters at the request of the Committee
- Maintaining appropriate records regarding performance reviews

## 4. Recruitment and Appointment of the Chief Executive Officer

Council will engage an independent and suitably qualified recruitment firm to support it in the 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 CEO contract.

The appointment of the CEO must be made by Council resolution.

### 4.1. Contract of Employment

The Contract of Employment will, at a minimum, outline the following:

- The employment term which must not exceed 5 years under Section 44(2) of the Act;
- The responsibilities and duties of the position including compliance with the Act and the Code of Conduct;
- The conflict of interest management requirements;
- The CEO's remuneration package and other entitlements;
- Any legislative and contractual obligations, including those during and continuing after appointment;
- The CEO's leave entitlements;
- Dispute resolution procedures;
- Processes for managing unsatisfactory performance;
- Processes for early termination, including notice of termination provisions, with notice of termination by the Council being a period of six (6) months;
- Any other matters required to be contained in the Contract of Employment by the Regulations.

The Contract of Employment may only be varied by a resolution of the Council and if accepted by the CEO, recorded in a deed of variation.

### 4.2. Remuneration and Expenses

#### Remuneration

The total remuneration package provided to the CEO will be subject to the review of the Committee. The remuneration package will be consistent with the principles of the Victorian Government Public Entity Executive Remuneration Policy, which stipulate that remuneration should:

- Be fair and reasonable;
- Consider entity performance as well as Victorian fiscal and economic conditions;
- Be set at a competitive level for the relevant market and sector, to attract and retain talented people;
- Reflect the non-financial benefits of local government employment; and
- Be based on decisions that are robust, transparent, consistent and understandable to both the CEO and the public.

The total remuneration package will be inclusive of salary, superannuation and other employment benefits, including associated Fringe Benefits Tax.

No performance bonus arrangements will apply.

The CEO Employment Matters Committee will review remuneration annually in accordance with the terms of the contract.

#### Expenses

Council will meet reasonable expenses incurred by the CEO including:

- Membership and subscription fees payable to professional associations which are reasonably necessary or desirable in the performance of duties.
- Reasonable costs incurred where attending conferences, seminars or undertaking study.
- Reasonable costs incurred in performance of duties.

The CEO may be provided a corporate credit card to use in transactions related to their role. Corporate credit card expenditure will be reviewed and approved by the Mayor and the Manager Financial Services.

The independent Audit & Risk Committee can, at any time, ask to receive a report on all CEO corporate credit card transactions.

## 5. Monitoring of the CEOs performance and professional development

The Council will adopt an annual performance plan for the CEO. The performance plan will be developed in conjunction with the CEO and the CEO Employment Matters Committee.

The performance plan will document agreed objectives and outcomes to be delivered over a twelve-month period, including any agreed professional development.

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

Following the initial three months of a new CEO's term, a workshop with Councillors, the CEO and the independent chair of the Committee should be coordinated so that:

- The CEO can prepare and present an overview of findings during the early months, and highlight any projections or forecasts of relevance to the Council during their tenure;
- The Councillors can provide feedback to the CEO on their perspective of the CEO's performance during the initial period; and
- The Council and CEO can agree to projects and priorities for inclusion in the CEO's Performance Plan and KPIs.

## 6. Contract Expiry

Six months prior to the expiry of the current CEO's Contract of Employment, the Committee will provide a recommendation to Council on whether to reappoint the CEO under a new contract of employment or cease the employment of the CEO due to the expiry of the contract.

If the Committee recommendation is to reappoint the CEO, the recommendation should also include the proposed provisions of the further Contract of Employment.

Any reappointment of the current CEO must be made by a resolution of the Council.

## 7. Acting or Interim CEO Appointment

The Council must appoint an Acting CEO when there is a vacancy in the office of the CEO of greater than 28 days or the CEO is unable to perform the duties of the office of Chief Executive Officer.

The appointment of the Acting CEO must be made by a resolution of the Council unless the Acting CEO is appointed for a period not exceeding 28 days, in which case the CEO may appoint an Acting CEO under delegation from Council in accordance with Section 11(3) of the Act.

The Committee must advise the Council on the selection and appointment of an Acting CEO for periods exceeding 28 days.

## 8. Integrity Processes

All information relating to the recruitment, selection and review processes in the Chief Executive Officer must be kept confidential.

Councillors, the Independent Chair and advisors and staff involved in the recruitment and selection processes will be required to declare any conflicts of interest to Council and take all reasonable steps to maintain confidentiality and respect the privacy of all persons involved.

Any failure to keep information relating to recruitment, selection or review processes may constitute a breach of the Act, the Model Councillor Code of Conduct and/or the Employee Code of Conduct.

## Related Legislation, Associated Information and Resources

*Local Government Act 2020*

*Local Government (Governance and Integrity) Regulations 2020.*

Model Councillor Code of Conduct

## Review process

Council will review this Policy every four years within a period of 12 months following the general election.

## Revision History

| Date | Version | Revision Description | Administered |
|---|---|---|---|
| 15 December 2021 | 1 | Adopted | Council |
| 11 December 2024 | 1.1 | No substantive changes.<br>Administrative update of Council positions to the new organisation structure. | Council Officers |
| 15 April 2026 | 2 | Administrative updates of Council positions to reflect new organisation structure.<br>Addition of Section 8, Integrity Processes | Council |