



**NORTHERN AREAS
COUNCIL**

CEO PERFORMANCE MANAGEMENT PANEL MEETING

16th March 2020

Members of Panel

Mayor DV Clark


Councillors:

BJ Browne, LJ Pollard, SV Scarman (proxy).

Notice of Meeting

A Panel Meeting will be held in the Jamestown Council Office
94 Ayr Street Jamestown, on 16th March 2020 at 10.00am.

The business to be considered at the above mentioned meeting
is set out on the attached Agenda.


Mr Colin Byles
Chief Executive Officer
12/03/20

Northern Areas Council

AGENDA FOR CEO PERFORMANCE MANAGEMENT PANEL TO BE HELD AT
JAMESTOWN COUNCIL OFFICE ON MONDAY 16 MARCH 2020 AT 10.00AM

PRESENT:

APOLOGIES:

ABSENT:

MEETING COMMENCED:

1. BUSINESS

1.1 CEO ANNUAL PERFORMANCE REVIEW

MOVED Cr.

SECONDED Cr.

That pursuant to section 90 (2) of the Local Government Act 1999, the Council orders that all members of the public, except Colin Byles (Chief Executive Officer) and Paula Duncan - Tiver (Executive Assistant) be excluded from attendance at the meeting for Agenda Item 1.1 – Confidential Item CEO Annual Performance Review.

That Council is satisfied that pursuant to section 90 (9) (b) of the Act, the information to be received, discussed or considered in relation to this Agenda item is related to the employment performance of the staff member.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because of the item is related to the employment performance of a staff member.

MOVED Cr.

SECONDED Cr.

That having considered Agenda Item 1.1 Confidential Item –CEO Performance Review in confidence under Section 90 (9) (b) of the Local Government Act 1999, the Council pursuant to section 91(7) of the Act orders that the confidential report, documents and minutes relevant to Agenda Item 1.1 be retained in confidence until reviewed by Council.

MOVED Cr.

SECONDED Cr.

That the meeting now resume in open session.

3. DATE OF NEXT MEETING

4. MEETING CLOSED



**Chief Executive Officer
Annual Performance Review
Colin Byles
March 2020**

CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW

BACKGROUND

As part of my contract of employment with Council as the Chief Executive Officer (CEO) with the Northern Areas Council, I am required to prepare a report based on the Performance Indicators set by Council and any other issues directed by Council to report on to the Chief Executive Officer Performance Review Panel.

Also on an annual basis (this meeting will be the annual meeting) the Total Employment Package (TEC) as referred in my employment contract clause 17.2 also needs to be reviewed within one month of the performance review. I look forward to these discussions when the performance review is complete.

Council completed a Performance Review of the Chief Executive Officer last year with the aid of a consultant who specialises in CEO Performance Reviews. The consultant conducted a survey of all reports to the CEO plus a few additional staff who had interaction with the Chief Executive Officer. There is general agreement in place that the CEO Performance Review would be conducted by a consultant every 2 years.

This year's CEO Performance Review in line with previous reviews, would, I assume be conducted by the CEO Performance Review Panel.

As last year was the final year of the CEO contract, a new contract was offered with a new list of Key Performance Indicators.

The CEO Performance Review Panel has not met since the Performance Review carried out in March 2019.

The Key Performance Indicators that were set at the 2019 CEO Performance Review and had a date to be reported or were organized to be presented to Council were reported direct to Council rather than the CEO Performance Review.

The minutes listed below are from the 16 April 2019 Council Meeting - Chief Executive Officer Performance Review. Council carried the recommendation from the CEO Performance Review Panel that set 2019/20 Key Performance Indicators for the CEO. Six (6) Key Performance Indicators were set.

MOVED Cr. Pollard

SECONDED Cr. Browne

Draft Key Performance Indicator's as listed below be presented to the Council subject to agreement with the Chief Executive Officer.

- 1. Develop processes that ensure all capital projects/purchases that are presented to council for inclusion in the annual budget are in a full cost benefit analysis format.**

Timeframe: To be fully implemented for the preparation of the 2021 budget.

- 2. A comprehensive review of all Council financial delegations to the Chief Executive Officer (and staff):**

Timeframe: November 2019

3. Conduct a Staff Culture Survey

Timeframe: Within 4 months (by 16 August 2019)

4. To provide a plan that outlines efficiencies that can be delivered over the term of Council

Timeframe: None given

5. Develop a comprehensive work plan to support/underpin the Council Asset Management plans for the asset class – Council owned buildings

Timeframe: Ongoing

6. Ensure the Capital Works Program for the budgeted year is complete.

Timeframe: 30 June 2020

CARRIED

Key Performance Indicator - 1

Develop processes that ensure all capital projects/purchases that are presented to council for inclusion in the annual budget are in a full cost benefit analysis format.

Timeframe: To be fully implemented for the preparation of the 2021 budget.

Management is currently preparing the 2020/21 Budget. The requirement for the budget capital projects/purchases to be in a full cost benefit analysis format will be carried out as the projects are identified and recommended for budget inclusion.

Key Performance Indicator - 2

“A comprehensive review of all financial delegations to the Chief Executive Officer (and staff).

The review of all financial delegations to the Chief Executive Officer (and staff) was presented to the December 2019 Council meeting and the following motion was moved;

Financial Delegations Review

MOVED Cr. Robinson

SECONDED Cr. Higgins

That the current financial delegations as listed in the Procurement Policy and the Procurement Thresholds and Delegations remain as stated.

CARRIED 9875

Key Performance Indicator – 3

Conduct a Staff Culture Survey

Timeframe: Within 4 months (by 16 August 2019)

A Staff Culture Survey was conducted by McArthur consultants in July/August 2019 where a voluntary survey was undertaken by staff on line, with all of their responses confidential and anonymous.

The results of this survey were presented to Elected Members at a workshop on the 1st October 2019.

The results of the survey have been presented to the Administrative staff and the Outside staff at separate meetings.

The next process from these results was to address the Priorities for Action – High Importance that were identified in the survey.

The Priorities Areas for action from the survey were;

- Ensuring all staff are treated equally and fairly
- Staff are appropriately informed about matters affecting my division
- The organisation fosters a culture built on trust and respect
- The Northern Areas Council values its staff
- That all Council departments cooperate effectively across the organisation
- That Senior Management is open and honest in communicating with employees

Running in conjunction with these actions were other activities that addressed issues of concern from staff.

One activity that has been implemented is recognising long serving staff with **Service Awards**. At the Christmas function in December 2019 staff who had been with Council greater than 10 years were presented with Service Awards. The Service Awards were broken into 5 year Categories after the first 10 years. The longest serving employee with 41 years of service is Graham Cowin. Graham was not at the Christmas function but I presented the Service Award to Graham at a toolbox meeting recently.

The Service Awards were very positively received and created some lively conversation amongst staff. These Service Awards will be continued every year at the Christmas function.

The Senior Management Team (SMT) has commenced unpacking the Priorities for Action areas. The area we have spent the most work on currently has been the action area – “**That Senior Management is open and honest in communicating with employees**”.

SMT has identified that we need to communicate with staff in a different manner than we have been doing and provide more swift communication with the importance on keeping the communication simple and to the point (KISS statement – Keep it Simple Stupid). SMT has in the past passed on information from our SMT meetings at our monthly meetings after the Council meeting. This monthly meeting has been identified as being too far apart from SMT meetings and more regular email communication will take place.

Also in the action area – **Staff are appropriately informed about matters affecting my division**, work has commenced in the Operational Services Department where weekly emails are sent to all departments on what works are happening in the Council area. This is of value to other departments as it allows front counter customer staff to handle any queries that come from ratepayers on wanting to know what is happening when ratepayers see Council staff in the community.

At the last Administration staff meeting, management went through an exercise, with the intent to engage staff on a couple of questions, (a follow up on the Staff Culture Survey) on;

- What gives you satisfaction at work?
- What are you proud of at work?
- What do you enjoy at work?

In answering all the questions, which in the end all evolved into one discussion of all the questions, staff became very interactive and warmed to being involved in the discussion.

The responses that staff gave us were generally one word answers that addressed the questions and listed below;

- Assistance
- Planning
- On the ground solutions
- Achieving
- Implementing
- Meeting needs
- Solving
- Helping
- Graphs
- Outcomes
- Variety
- Targets
- Helping people
- Serve
- Thanks
- Positive relationships
- Problem solving
- People
- Long term
- Developing
- Privilege
- Planning
- Cake

What this group exercise showed was that staff are engaged and enjoyed working for Council.

There is more work to do on the Priorities for Action areas, where the next activity is to form a focus group from staff to engage in what they understand and want action on from the Priorities for Action areas.

An issue I need to explore further is how to engage the outside staff in a manner that will encourage their involvement and foster honesty. Currently at their toolbox meetings it is hard to get a discussion going.

I am of the belief that there has been some positive improvement in the culture of the organisation.

Key Performance Indicator – 4

To provide a plan that outlines efficiencies that can be delivered over the term of Council

Timeframe: None given

A report on Productivity Improvements was presented to the Council Meeting held on the 17 December 2019. Council asked questions and explanations were provided on the list of productivity improvements and then moved the following motion;

Productivity Improvements;

**MOVED Cr. Higgins
That the report be noted.**

SECONDED Cr. Pomeranke

CARRIED 9876

The Productivity Improvements are now repeated here for the CEO Performance Review Panel

In reality productivity improvements are already occurring in the workplace due to staff being wanting to create productivity improvements in their area of work.

The following productivity improvements have already been set in place or about ready to be implemented.

- **Road Train Implementation.**

Delivery of Road construction materials saving: Potential reductions in prime mover costs and labour to cart up to a quarter of Council's road construction materials for the re-sheeting program. It is possible that the productivity gained from this initiative will have a value in the order of \$80 - \$100,000 per year, reducing the construction program by around that value for the same production quantity.

This process is currently being trialled.

- **Fuel Process Distribution – Technology to improve allocation and recording**

Currently all fuel processes are done manually from dipstick measurements to advising when tanks need re-filling to processing usage. Other Councils use an electronic system to record usage at the pumps which can then be uploaded into the financial system almost automatically and reduce mis-recording, errors, etc

The present fuel distribution methodology requires a significant redistribution of un-allocated fuel at year end. This has an impact on operational accounts and has contributed to operating account over-runs in past years due to post year end re-

distribution of costs. Efficiencies will result from improved budget management and control of costs.

It is this time we are seeking to eliminate. The process will minimise risk and eliminate the potential for fuel theft.

In addition the technology at the tanks could be improved (e.g. use of SIM cards so supplier knows when to fill tanks).

Investigations have commenced by visiting other Councils who are using an electronic system and discussing the benefits of the system and what savings are being achieved.

- **Polymer Trial**

Polymer trials on selected unsealed roads are being progressed to measure potential savings in road maintenance. Savings are not able to be projected at this time. Measurement of trial performance will be evaluated from time to time.

- **Fire Prevention Officer – Technology**

Through the implementation of a software app and \$1600 in software development, Council's fire prevention officer has been able to reduce the time in administration of inspections and letters by more than two weeks. This will be an annual saving, the process having been successfully implemented this season. This provides a reduction in cost to the fire prevention role in the order of \$3500.

- **Tablet for Road Inspections**

Road inspections for unsealed roads are being carried out by tablet through the grader operator. A range of pre-programmed elements are evaluated by the driver following grading at the location. Each inspection is logged into GIS Cloud and provides data into a central repository. The work being done as roads are attended will save an annual inspection of the road network by a dedicated resource and be more accurate. The saving is in the order of \$4000 per year.

- **Electronic Timesheets**

Council has received demonstrations and is now committed to an online timesheet (timeline has now been set for implementation early in January 2019) and leave platform that will integrate back into the financial system. Other councils in SA are already using the software and the feedback is very good. Such a system will lead to reduction in time manually processing timesheets (including plant usage) and the paper trail of leave applications.

Benefits of electronic timesheets

Outside staff can record their times for each job as they do them throughout the day. They can also use the timer for start/finish times and the hours will automatically populate for that job.

Job numbers can be set up for employees depending on what they are doing so they don't need to manually look them up. If they enter a job/plant number incorrectly it will come up as an error so they can fix it straight away – at the moment, a large amount of time is chasing up incorrectly filled out timesheets. This leads to inaccuracies in the processed information as well sometimes.

Once the daily timesheet is done it is sent straight to the manager for authorisation. Once authorised the information populates the payroll system.

Timesheets can be sent to manager's remotely.

Staff are reminded by text/email if they haven't submitted a timesheet for a particular day – this eliminates the need to chase up missing timesheets.

Leave applications are sent electronically directly to the manager/supervisor who has access to their staffs leave balances. Approval is sent directly from the manager/supervisor and the leave calendar is populated.

No need for paper timesheets – good for the environment and cuts out the cost of purchasing timesheets.

Easier to record and keep the electronic records generated in the payroll process

- **Solar Projects**

Currently Council has a range of building/sites using power that are not suitable for solar installations or have already reached solar capacity (eg. swimming pools) and still have considerable power bills (e.g. due to shading, roof suitability, etc).

By installing solar at suitable sites that have room and roof space (depots/halls) we can compensate for the non-suitable sites. A 30kw system budgeted at \$20K should produce approx. \$7,000 of annual feed-in income and help to offset other usage.

Energy is a constantly evolving sector. Opportunity now exists for Council to essentially sell power to itself. For example instead of consuming power at 35c at one site and feeding in surplus for 16c at another site there is now the ability to transfer the power for a small network charge of perhaps 2-3c reducing the gap between 35c and 16c.

Budget monies have been allowed in the 2019/20 for this project to occur. Installation of sites has commenced, further investigation of Council selling power to itself is occurring.

- **NBN fibre to the premise**

Currently Council has a fibre to the node connection and has received a quote for fibre to the premise. Such a connection would increase the speed that staff can perform work that involves using the internet (assuming higher speeds can be achieved with the connection – discussions are currently occurring with Councils new IT support provider) . This will include the new asset management software and a range of other cloud based or internet applications (e.g. DACO –online Dog rego system, SALIS – govt. mapping system)

- **Leases/Licences/Permits**

Council has integrated into our main corporate computer system (which is called “Synergy”) a Leases/Licences/Permits module that now “talks” to other modules in the corporate system. These “other” modules are Records, Rating and Mapping.

All this information was on a spreadsheet and had to be manually updated to ensure the information was up to date but the spreadsheet could not link into any of the corporate modules to find out other information relating to the leased/licenced/permit property.

All leases have been uploaded into the system, licences and permits are being prepared to be uploaded to the system.

Staff are continuously working on updating leases that are coming to an end of their term and leases that have expired many years back that have not been reviewed or released.

An example of leases that were renewed this year were the Laura and Gladstone Caravan Parks (which were 21 year leases) that Council own but are leased to the local community groups.

The Governance Officer has saved on an ongoing basis several hours a week by using this software

- **Delegations**

Council is required to annually review Delegations to the Chief Executive Officer who then can sub delegate to staff.

Reviewing Delegations to the Chief Executive Officer and Sub-delegations to staff is a very time consuming exercise for staff.

To improve our efficiencies in carrying out this task we have purchased governance based software program called Relian Systems. This program has a number of modules with Northern Areas Council using the Delegation and Monitor modules.

The delegation software program allows sub-delegations to be made to staff electronically and then signed off by staff so they can acknowledge their delegations.

This computer software program module Delegations, will, after the implementation phase, (we are now in full operational mode) advise by links to legislation, when any change is made to legislation and if an update to a delegation for a staff member is required.

Once again this change to an electronic software program has resulted in 20 - 30 hours per annum being saved.

- **Monitor Module**

The Monitor module (computer software) allows staff to “monitor” when Policies, Permits, Section 222 permits, Hanger/Land leases are due for renewal by sending an email to the Governance Officer as a reminder, the benefit of this process is that tasks now do not get overlooked.

The Monitor module also allows departmental plans to be loaded as tasks and then tracked to look at where the task is up to based on a timeline and then reported back as a dashboard item to look at the tasks in an overall strategic view of all departments. (This strategic action is still being implemented).

The Productivity Improvement is that staff are no longer missing timelines due to the old setup being used for many years for renewal of lease and permits which reduces our risk in community organisations using Council facilities.

Since the report to Council another Productivity Improvement has been developed.

- An on line Fire Permit application has been developed to create efficiencies in staff time and the ability for those applying to be able to apply at anytime.

Key Performance Indicator - 5

Develop a comprehensive work plan to support/underpin the Council Asset Management plans for the asset class – Council owned buildings

Timeframe: Ongoing

Work is ongoing in producing this work plan. Data to populate the new Asset Management Software program has been occurring and is now almost complete.

Key Performance Indicator – 6

Ensure the Capital Works Program for the budgeted year is complete.

Timeframe: 30 June 2020

All indicators to date show the Capital Work program will be completed by 30 June 2020.