

CITY OF JOONDALUP

**MINUTES OF SPECIAL COUNCIL MEETING HELD IN COUNCIL CHAMBER,
JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP, ON TUESDAY,
5 OCTOBER 2004**

OPEN AND WELCOME

The Chairman declared the meeting open at 2027 hrs.

ATTENDANCES

In Attendance:

CMR J PATERSON - Chairman
CMR P CLOUGH – Deputy Chairman
CMR M ANDERSON
CMR A FOX
CMR S SMITH

Officers:

Acting Chief Executive Officer:	C HIGHAM
Manager Audit and Executive Services:	K ROBINSON
Manager Marketing Communications and Council Support:	M SMITH
Media Advisor:	L BRENNAN
Committee Clerk:	L TAYLOR

In Attendance:

Mr Peter Casey, Consultant Beilby Corporation Pty Ltd

There were 14 members of the Public and 1 member of the Press in attendance.

PUBLIC QUESTION TIME

(Please Note: Section 7(4)(b) of the Local Government (Administration) Regulations 1996 states that a Council at a special meeting is not required to answer a question that does not relate to the purpose of the meeting. It is requested that only questions that relate to items on the agenda be asked).

PUBLIC QUESTION TIME

Mr S Magyar, Heathridge:

Q1 How many other companies tendered for this contract and were any of those other companies the same companies that gave a presentation to the City of Joondalup in early 2001?

A1 This question will be taken on notice.

Q2 In Page 1 of the Report in the Executive Summary it says: "A contract and confidentiality deed has been entered into and a meeting held between the CEO Selection Committee and Beilby Corporation." How can the City enter into a contract before you have this meeting where you choose Beilby Corporation as the successful tenderer?

A2 That decision is a decision that was already made by Council on 21 September 2004. The resolution was to appoint Beilby Corporation and also to authorise the Acting Chief Executive Officer.

Mr N Gannon, Sorrento:

Q1 Has the Chairman or any of the other Commissioners attended the current inquiry into the City of Joondalup or alternatively read the transcripts of the evidence given last week by Human Resources experts Warren Reynolds and Mark Loader?

A1 *Response by Cmr Paterson:* I have not attended the Inquiry and I do not intend to unless I am summons to. I do not believe any of the other Commissioners have attended the Inquiry.

Q2 Have any of the Commissioners read any of the transcripts from the Inquiry?

A2 *Response by Cmr Smith:* There is a transcript on the website.
Response by Cmr Paterson: I have not read any transcripts.
Response by Cmr Fox: I have read the transcript of Mr Warren Reynolds opening statement and selected paragraphs that I think relate to the CEO appointment and have photocopies to give to both Commissioners and Beilby Recruitment.

Q3 In view of this on-going Inquiry with future evidence to be presented, would the Commissioners agree that to continue with the appointment of a CEO at this stage would be as Sir Humphrey would say "a brave decision".

A3 *Response by Cmr Paterson:* Not at all. With the appointment of Commissioners, our instructions from the Minister was to appoint a new CEO.

Mr K Zakrevsky, Mullaloo:

Having heard and seen some of the recommendations made in this Chamber by the City of Joondalup Administration and yourselves, and also having attended nearly every session so far of the current on-going Inquiry Panel into the City of Joondalup, it is very apparent that any decision to proceed, to even consider, any process relating to the recruitment of a CEO for the City of Joondalup would be fraught with danger if carried out before the Inquiry Panel has completed its investigations and finally handed down its findings and recommendations.

Q1 *I now ask you, the appointed Commissioners to please dismiss any notions or requests from whatever source to proceed with any recruitment of a CEO into the substantive position, until the Inquiry Panel into the City of Joondalup has completed its investigations and handed down its findings and recommendations?*

A1 That is not something the Commissioners are doing as the process has commenced and this will continue.

- Please continue to carry out your commitments here, firmly, fairly and most of all vigilantly. You have dedicated and experienced staff at the “coalface” who will carry out their duties and carry this Council forward to and beyond the current vital investigations, the findings and recommendations handed down by the Inquiry Panel to be acted on by people with integrity and goodwill.

Mr M Caiacob, Mullaloo:

Q1 *In the search for a new CEO, will there be a mechanism put in place for our community leaders to have an opportunity for those key stakeholders to also have input into this process?*

A1 *Response by Cmr Paterson:* Not in the final selection process.

Ms S Hart, Greenwood:

Q1 *Is the document called the “position description” for the new CEO a City of Joondalup document?*

A1 *Response by Cmr Paterson:* Yes it is.

Q2 *What will the process be to finalise the contract between the City and the successful candidate?*

A2 *Response by Cmr Paterson:* This will be dealt with by the Commissioners in consultation with Beilby Recruitment.

Q3 *Will ratepayers be advised of this?*

A3 *Response by Cmr Paterson:* Yes. The final contract will be presented to the Council.

Mr M Sideris, Mullaloo:

- Mr Sideris raised his concerns at the lateness of presenting the report in relation to recruitment of a CEO for the public to consider.

Q1 Would you please explain why there is no mention in the report that the State Government is proposing to amend or is amending the Local Government Act to enforce the salaries and remuneration packages for CEOs of local agencies to be put before the Salaries and Remuneration Tribunal?

A1 Response by Cmr Paterson: It is my understanding that the legislation is currently in the House. It is understood that there is draft legislation proposing that CEO's salaries be referred to the Salaries and Allowances Tribunal.

Response by Mr P Casey, Bilby Recruitment: I have made contact as requested by Commissioners with Mr Nigel Diamond, Executive Officer of the Salaries and Allowances Tribunal. He states:

"There is nothing within his jurisdiction at present that would impact on Commissioners consideration of an appropriate remuneration package for the CEO at Joondalup. It would be sometime before any legislation would come into effect and it is still unknown as to how much impact this will have eventually in the establishment of salaries for Chief Executive Officers within local government."

Q2 Why does this report not reflect a salary package which is more in line with what would be expected or what was reported some years ago, or why that expectation has now inflated?

A1 Response by CRM Paterson: The matter will be considered during debate this evening.

APOLOGIES AND LEAVE OF ABSENCE

Nil.

DECLARATIONS OF FINANCIAL INTEREST/INTEREST THAT MAY AFFECT IMPARTIALITY

Acting CEO, Mr Clayton Hingham declared a financial interest in Item JSC33-10/04 – CEO Recruitment and Appointment Process Endorsement of Position Description and Remuneration Package, as the commencement of new CEO will impact on his current benefits as Acting CEO.

**JSC33-10/04 CEO RECRUITMENT AND APPOINTMENT
PROCESS ENDORSEMENT OF POSITION
DESCRIPTION AND REMUNERATION PACKAGE -
[20006]**

WARD - All

PURPOSE

To seek endorsement from the Joint Commissioners on the position description and remuneration package for the Chief Executive Officer position.

EXECUTIVE SUMMARY

Following a tender process, at the Council meeting of 21 September 2004, the Joint Commissioners resolved to:

- 1 *CHOOSE Bilby Corporation Pty Ltd as the successful tenderer for the Consultancy Service to Assist the Recruitment and Appointment Process for a Chief Executive Officer (Tender No. 013-04/05) for a lump sum price of \$22,00.00 excluding GIST; and*
- 2 *AUTHORISE the Acting Chief Executive Officer (CEO), on behalf of the City, to enter into a contract with Bilby Corporation Pty Ltd in accordance with the tender submitted by Bilby Corporation Pty Ltd, subject to variations that may be agreed between the CEO and Bilby Corporation Pty Ltd.*

A contract and confidentiality deed has since been entered into and a meeting held between the CEO Selection Committee and Bailey Corporation to provide a briefing on the immediate services required.

A position description, remuneration package and advertising process has now been finalised and it is recommended that the Joint Commissioners:

ENDORSE the position description and advertising process for the Chief Executive Officer position;

APPROVE the remuneration package for the Chief Executive Officer position being set at \$210,000 to \$245,000 (total package) with the salary component being \$190,000 to \$220,000.

DETAILS

The CEO Selection Committee met with Beilby Corporation on 24 September 2004 to provide a briefing on the immediate services required in order to commence advertising the City's Chief Executive Officer position.

Various documents were also provided to Beilby Corporation to assist in the finalisation of the position description and development of the suggested remuneration package and advertising process.

Beilby Corporation have now provided the City with the position description, suggested remuneration package and advertising process.

Position Description

Beilby has reviewed the draft Position Description and considers that the document reflects the key objectives of the role, the competencies and description of skills, knowledge and experience. It was also noted that the various 'outcomes' are identified to assist in the process of Performance Evaluation.

Advertisement

Following discussions with the Selection Committee, Beilby recommends that advertising of the Chief Executive Officer position take place via newspaper advertisement on Friday, 8 October 2004 (Australian Financial Review) and Saturday 9 October 2004 (The West Australian) as well as the next edition of the Local Government National Job Directory. In addition the position will be advertised on the Seek Executive Employment, Beilby Employment, CareerOne and Local Government Network web sites.

Remuneration Survey

It was noted that the City had already obtained information from several sources concerning the appropriate remuneration package for the position of Chief Executive Officer. Much of this information was obtained at the time of the appointment of the Acting Chief Executive Officer.

In determining the appropriate remuneration package for the new Chief Executive Officer, Beilby Corporation considered the AIM National Salary Survey 2003, advice obtained from Mercer Cullen Egan Dell and the WA Local Government Association.

Several other factors also needed to be considered. Firstly, the package should take into account level of responsibility associated with the role and the competencies required in the individual to perform the various duties. Secondly, in order to attract the best caliber candidate the package needs to be competitive with comparable positions in the market place. Thirdly, the Commissioners are responsible to the ratepayers of Joondalup to ensure that the final amount negotiated with the appointee is prudent.

Taking into account all the relevant data, and with due consideration to the above Beilby Corporation recommend the following range for the remuneration package of the Chief Executive Officer:

- \$210,000 to \$245,000 (total package) with the salary component being between \$190,000 to \$220,000. It should be noted that the salary component includes a motor vehicle allowance of approximately \$19,000.

It is recommended that the Joint Commissioners endorse this remuneration package to enable advertising of the Chief Executive Officer position to commence.

It should be noted that the final total remuneration package and cash salary to be negotiated with the preferred applicant within the ranges approved will need to be endorsed by the Joint Commissioners.

Financial Implications:

Account No:	1.1110.4201.0001.F823
Budget Item:	Recruitment of the Chief Executive Officer
Budget Amount:	\$40,000.00
YTD Amount:	\$0.00
Actual Cost:	\$40,000.00

ATTACHMENTS

Attachment 1 Position Description for Chief Executive Officer

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION: That the Joint Commissioners:

- 1 ENDORSE the position description and advertising process for the Chief Executive Officer position;
- 2 APPROVE the remuneration package for the Chief Executive Officer position being set at between \$210,000 to \$245,000 (total package) with the salary component being between \$190,000 to \$220,000.

SUSPENSION OF STANDING ORDERS

MOVED Cmr Fox, **SECONDED** Cmr Anderson that the Joint Commissioners **SUSPEND** so much of Standing Orders as is necessary to allow the Commissioners to debate freely on the issue.

The Motion was Put and

CARRIED UNANIMOUSLY (5/0)

MOVED Cmr Fox, **SECONDED** Cmr Anderson that the Joint Commissioners:

- 1 **ENDORSE** the position description and advertising process for the Chief Executive Officer position, subject to a draft advertisement being approved by the CEO Selection Committee;

- 2 INSTRUCT Beilby Recruitment to undertake profiling of the CEO role with senior staff, Commissioners and the community at the direction of the CEO Selection Committee;**
- 3 ENDORSE the Position Description forming Attachment 1 to Report JSC-10/04, subject to the following changes:**
- (a) **1 Position Objectives**
- 1.1 paragraph 3 be amended to read:
- “Ensure good governance and strong ethical leadership on behalf of the Council through the implementation of its corporate objectives, strategies, policies and statutory requirements by managing the organisation and its programs in an open and accountable manner;”
- paragraph 7 be amended to read:
- “Provide people focused leadership to the staff of the City.
- New paragraph 8 to read:*
- Achieve the outcome that the City of Joondalup is recognized as an Employer of Choice;
- (b) **2.1 Core Competencies**
Leadership
Dotpoint - Developing others to be amended to read “Developing People”
- 2.2 Skills, Knowledge and Experience**
Leadership
Last dotpoint to be amended to read “Empowerment of people through development, participation and succession opportunities”;
- 2.3 Qualifications/Experience**
First dotpoint be amended to read “Degree qualified in a relevant discipline;
- Second dotpoint be amended to read “Post-graduate management qualifications would be highly regarded;
- Additional third dotpoint to read:*
Proven experience in managing a multi-faceted organisation is essential;
- 3 Key Duties/Responsibilities**
Outcome - Leadership
- A new fourth dotpoint as follows:
People developed, thus participate in decision-making and are given leadership opportunities to provide for succession planning;

- 4 APPROVE the remuneration package for the Chief Executive Officer position being set at between \$210,000 - \$235,000 (total package) with the salary component being between \$190,000 to \$210,000.**

Cmr Fox spoke in support of the Motion.

Discussion ensued in relation to appropriate wording with respect to the placement of an advertisement in both the Financial Review and West Australian newspapers.

It was suggested that Commissioners provide input to the A/CEO on any possible changes to the advertisement that they may consider appropriate, but in fact it would be the A/CEO who exercises the delegated authority in finalising the advertisement.

Cmr Clough left the Chamber at 2056 hrs and returned at 2057 hrs.

Cmr Smith requested that each Motion be voted upon separately.

MOVED Cmr Fox, SECONDED Cmr Anderson that the Joint Commissioners:

- 1 ENDORSE the position description and advertising process for the Chief Executive Officer position, subject to a draft advertisement being approved by the CEO Selection Committee;**

MOVED Cmr Smith, SECONDED Cmr Anderson that Point 1 of the Motion be reconsidered later in the meeting, at the conclusion of debate.

The Procedural Motion was Put and CARRIED UNANIMOUSLY (5/0)

MOVED Cmr Fox, SECONDED Cmr Anderson that the Joint Commissioners:

- 3 ENDORSE the Position Description forming Attachment 1 to Report JSC-10/04, subject to the following changes:**

- (b) 1 Position Objectives**

- 1.1 paragraph 3 be amended to read:**

“Ensure good governance and strong ethical leadership on behalf of the Council through the implementation of its corporate objectives, strategies, policies and statutory requirements by managing the organisation and its programs in an open and accountable manner;”

paragraph 7 be amended to read:

“Provide people focused leadership to the staff of the City.

New paragraph 8 to read:

Achieve the outcome that the City of Joondalup is recognized as an Employer of Choice;

(b) 2.1 Core Competencies

Leadership

Dotpoint - Developing others to be amended to read “Developing People”

2.3 Skills, Knowledge and Experience

Leadership

Last dotpoint to be amended to read “Empowerment of people through development, participation and succession opportunities”;

2.3 Qualifications/Experience

First dotpoint be amended to read “Degree qualified in a relevant discipline;

Second dotpoint be amended to read “Post-graduate management qualifications would be highly regarded;

Additional third dotpoint to read:

Proven experience in managing a multi-faceted organisation is essential;

3 Key Duties/Responsibilities

Outcome - Leadership

A new fourth dotpoint as follows:

People developed, thus participate in decision-making and are given leadership opportunities to provide for succession planning;

Discussion ensued in relation to the wording of the Position Description.

Cmr Smith queried the inclusion of the degree qualifications required, provided this is not in some way acting contrary to the Equal Opportunity Act.

Mr Casey advised he understood that with respect to requiring the educational qualifications is not contrary to equal opportunity, and that during his discussions with Cmr Fox he made the observation that in some previous assignments it has been considered appropriate for tertiary qualifications to be required. This is not without exception though. There have been instances where this has not been the case. Mr Casey has in recent times dealt with positions where it has generally been felt to be a requirement. In terms of the content of the draft advertisement, this was not seen as being inconsistent with what is currently within the position description.

The Motion was Put and

CARRIED UNANIMOUSLY (5/0)

MOVED Cmr Fox, SECONDED Cmr Anderson that the Joint Commissioners:

- 2 INSTRUCT Beilby Recruitment to undertake profiling of the CEO role with senior staff, Commissioners and the community at the direction of the CEO Selection Committee;**

With the approval of the Mover and Seconder, Point 2 be amended to read as follows:

- 2 INSTRUCT Beilby Recruitment to undertake profiling of the CEO role with senior staff, Commissioners and community representatives as nominated by the CEO Selection Committee;**

The Motion was Put and

CARRIED UNANIMOUSLY (5/0)

MOVED Cmr Fox, SECONDED Cmr Anderson that the Joint Commissioners DELEGATE authority to the CEO Selection committee to nominate the community representatives to assist with profiling of the CEO role.

The Motion was Put and

**CARRIED BY AN
ABSOLUTE MAJORITY (5/0)**

MOVED Cmr Fox, SECONDED Cmr Anderson that the Joint Commissioners:

- 4 APPROVE the remuneration package for the chief executive officer position being set at between \$210,000 - \$235,000 (total package) with the salary component being between \$190,000 to \$210,000).**

Discussion ensued in relation to the total salary package payable for this position.

Cmr Smith tabled the following Private and Confidential correspondence, forming Appendix 2 hereto in the Official Minute Book.

- Letter from Beilby Corporation (undated) received by the City on 5 October 2004
- Letter from Beilby Corporation dated 1 October 2004
- Letter from Mercer Human Resource Consulting Pty Ltd dated 22 June 2004

The Motion was Put and

CARRIED UNANIMOUSLY (5/0)

MOVED Cmr Anderson, SECONDED Cmr Fox that the Joint Commissioners DELEGATE to the Acting Chief Executive Officer in consultation with all Commissioners the advertising process including finalising the advertisement with regards to the Chief Executive Officer position.

The Motion was Put and

**CARRIED BY AN
ABSOLUTE MAJORITY (5/0)**

MOVED Cmr Fox, SECONDED Cmr Smith that Point 1 be recovered at this time and WITHDRAWN.

The Motion was Put and

CARRIED UNANIMOUSLY (5/0)

Appendix 1 refers

To access this attachment on electronic document, click here: [Attach1min051004.pdf](#)

RESUMPTION OF STANDING ORDERS

MOVED Cmr Anderson, SECONDED Cmr Fox that Standing Orders be resumed.

The Motion was Put and

CARRIED UNANIMOUSLY (5/0)

CLOSE OF MEETING

There being no further business, the Chairman declared the Meeting closed at 2140 hrs; the following Commissioners being present at that time:

CMR J PATERSON
CMR P CLOUGH
CMR M ANDERSON
CMR A FOX
CMR S SMITH