

Decision released from confidential session			
Recommendation from (agenda report)	Date of meeting	Recommendation to (decision-making meeting)	Date of meeting
Chief Executive Employment Committee	20 July 2023	Council	14 September 2023
Report Title and number			
Chief Executive Employment Committee 20 July 2023			
Documents released			
Decision and Chief Executive's Performance Agreement 2023/24			
Decision			
Resolved CL/2023/188			
That the Council			
<ol style="list-style-type: none"> 1. Approves the Chief Executive's Draft Performance Agreement 2023/24 (825582513-296); and 2. Agrees that the Decision and Attachment (825582513-296) be made publicly available. 			

Chief Executive's Performance Agreement 2023 - 2024

INTRODUCTION

This agreement is entered into under Section 34 (2) of Schedule 7 of the Local Government Act.

PURPOSE AND CONTEXT

The purpose of this agreement is to outline the key priorities and targets the Council expect the Chief Executive to achieve in the 2023 – 2024 plan year.

The agreement outlines key result categories, key performance indicators (KPIs), measures and outcomes/targets, which the Council will use to assess the overall Chief Executive's performance during and at the completion of the plan year.

The nature of specific performance indicators is such that certain projects or issues are included at the expense of others. Often those projects or issues excluded are vitally important. The Council recognises that the role of a Chief Executive is a complex and multi-faceted one. The Council wants the Chief Executive to do a high-quality job across the entire role, and not just focus on those issues highlighted in specific KPIs.

The Council and the Chief Executive view the KPIs contained within this document as a tool for communicating performance expectations and satisfaction with the Chief Executive. They are not a complete statement of the Chief Executive's performance requirements. The Long Term Plan (LTP) and Annual Plan, together with expectations outlined in the Employment Agreement and other documents such as Governance Policies provide an overall picture of performance expectations. Rather the KPIs are about Council priorities for Chief Executive attention within the Council's overall work programme and Chief Executive performance expectations. They provide a mechanism for indicating where the Council is expecting the Chief Executive to apply personal focus and attention to help shift the City towards Council's strategic goals.

As well as delivering specific projects and outputs, the Council wants the organisation and the Chief Executive to undertake its work in alignment with its goals, values and a collaborative approach, and to model these behaviours to staff. This involves working in partnership with the community, government agencies, Māori, businesses, and other stakeholders to achieve goals outside the Council's direct influence. It involves incorporating sustainability approaches within the Council's own corporate operations. It involves working in a collaborative, multi-disciplinary approach within and outside the organisation. And it involves being responsive to change and innovation in order to deliver different outcomes in the future.

PERFORMANCE EXPECTATIONS

The Chief Executive Performance Agreement for 2023 – 2024 has the following KPIs:

2023 – 2024 CHIEF EXECUTIVE KEY PERFORMANCE INDICATORS	
KPI 1	Take steps towards Nelson City Council becoming a well performing organisation that delivers good value for money and supports the Mayor and Council's agreed priorities in efficiently delivering fit for purpose services.
Potential measures	<ul style="list-style-type: none"> • <i>Formal survey of Elected and Appointed members</i>
KPI 2	Improve the performance of the organisation through evidence based higher levels of staff engagement, attracting and retaining highly skilled staff and nurturing a strong team culture between staff and governance.
Potential measures	<ul style="list-style-type: none"> • <i>Results from the Staff Engagement survey</i> • <i>Feedback from NCC employees</i>
KPI 3	Build good external relationships with key stakeholders including Tasman District Council, Iwi, Central Government Agencies, Nelson business, and community groups where NCC is seen as a trusted partner and a strong voice for the Nelson community.
Potential measures	<ul style="list-style-type: none"> • <i>Feedback from key stakeholders</i> • <i>Formal survey of Elected and Appointed members</i>

PERFORMANCE ASSESSMENT

Assessment of KPIs may take the form of a mixture of both more formal and informal engagements and will be based on providing real time continuous feedback, frequent quality conversations and adaptive mechanisms and channels to support evolving goals, priorities and the dynamic conditions of local government. More frequent interactions are designed to provide more spontaneous feedback and identification of learning opportunities all of which is designed allow for the growth and development of the Chief Executive to enable him to optimise his potential.

The performance agreement and measurement descriptors form the majority of the assessment criteria in a review process which will be conducted at the completion of the plan year of each year.

The assessment and development process will be facilitated by the following interactions:

- Annual formal report on Performance against Objectives. Will consist of a formal survey of Elected Members and Appointed Members at the end of the year to provide feedback on relevant KPIs.

The assessment of the Chief Executive's performance may (in addition to the measurement sources specified above) from time to time draw on objective feedback from other sources such as those below particularly in respect the listed performance expectations above:

- Chief Executive Self Evaluation Assessment
- Council business/joint venture partners
- Key stakeholders (i.e. Elected Council members, Iwi and other community leaders)
- NCC Employees

The assessment process will be facilitated by the External Advisor to the CEEC to ensure fairness, transparency and objectivity.

The performance assessment of each objective will receive a rating against of 5 point scale: Not Achieved, Partially Achieved, Achieved, Exceeded and Exceptional.

The final evaluation process will be delegated to the Chief Executive Employment Committee however through the above mechanisms all elected members will have an opportunity to input into the process.

The assessment process will be confidential and conducted within the terms of the Privacy Act 1993.

PERSONAL AND PROFESSIONAL DEVELOPMENT

The CE Performance Agreement may be supplemented by a Personal and Professional Development Plan, at any time, if there is acknowledgement that this would be beneficial.