



Shire of Katanning

heart of the great southern

'Together, We're Building Katanning's Future'

MINUTES SPECIAL COUNCIL MEETING

Dear Council Member

Minutes of Special Council Meeting of the Shire of Katanning held on Wednesday 4 March 2015, in the Shire of Katanning Council Chambers, 16/24 Austral Terrace, Katanning, commencing at 6:00pm.

DISCLAIMER

The Council of the Shire of Katanning hereby advises that before taking any action on an application or a decision of the Council, any applicant or members of the public should wait for written advice from the Council.

Cr Alan McFarland
SHIRE PRESIDENT

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1. DECLARATION OF OPENING/ ANNOUNCEMENT OF VISTORS

The Presiding Member declared the meeting open at 6pm.

2. RECORD OF ATTENDANCE**PRESENT**

Presiding Member: Shire President - Cr Alan McFarland

Members: Deputy Shire President - Cr Robert Godfrey
Cr Richard Kowald
Cr Heather McCarley
Cr Danny McGrath
Cr Craig McKinley
Cr Leisha Wood
Cr Alep Mydie

Council Officers: Dean Taylor, Chief Executive Officer / Project Manager
Sarah Martin, Director of Corporate and Community Services
Uwe Striepe, Director of Engineering & Development Services

Council Observer: Sarah Martin, Director of Corporate Services & Community Services

Gallery:

Media:

Apologies: Sam Davis, Executive Manager – Strategic Projects
Diana Marsh, Manager of Finance
Andrew Holden, Acting Chief Executive Officer
Cr Owen Boxall

Leave of Absence:

3. RESPONSE TO PUBLIC QUESTIONS TAKEN ON NOTICE**4. DISCLOSURE OF FINANCIAL/IMPARTIALITY INTERESTS**

- | | | | |
|----|-----|--------------|----------------------------------|
| 1. | 8.1 | Dean Taylor | Disclosure of Financial Interest |
| 2. | 8.2 | Dean Taylor | Disclosure of Financial Interest |
| 3. | 8.2 | Sarah Martin | Disclosure of Financial Interest |

5. PUBLIC QUESTION/STATEMENT TIME**6. APPLICATIONS FOR LEAVE OF ABSENCE****7. PETITIONS/DEPUTATIONS/PRESENTATIONS****8. CONFIRMATION OF MINUTES OF PREVIOUS MEETING****PROCEDURAL MOTION**

The content of the discussions of the Management Review Committee to be considered relate to personal matters of staff and thus are confidential in nature requiring the meeting to be closed to the public.

Dean Taylor disclosed a Financial Interest, as he was the employee subject to discussion and left the room at 6.24pm.

Sarah Martin disclosed a Financial Interest, as she is in a relationship with the officer and left the room at 6:24pm.

Uwe Striepe also left the meeting at 6:24pm as personal matters relating to another staff member were to be considered.

MOVED: CR LEISHA WOOD

SECONDED: CR CRAIG MCKINLEY

SC1/15 That Council:

Close the meeting to members of the public and deal with this item behind closed doors Local Government Act s5.23 (2)(d)

Voting Requirement: Simple Majority

CARRIED: 8/0

PROCEDURAL MOTION**MOVED: CR LEISHA WOOD****SECONDED: CR HEATHER MCCARLEY****SC2/15 That Council suspend standing orders****Voting Requirement: Simple Majority****CARRIED: 8/0****PROCEDURAL MOTION****MOVED: CR CRAIG MCKINLEY****SECONDED: CR RICHARD KOWALD****SC3/15 That Council resume standing orders****Voting Requirement: Simple Majority****CARRIED: 8/0****8.1 Management Review Committee Meeting – 25 February 2015****MOVED: CR ALAN MCFARLAND****SECONDED: CR RICHARD KOWALD****SC4/15 That the minutes of the Management Review Committee Meeting held on Wednesday 25 February 2015 be confirmed as a true record of proceedings.****Voting Requirement: Simple Majority****CARRIED8/0****8.2 Management Review Committee Meeting – 3 March 2015****MOVED: CR ROBERT GODFREY****SECONDED: CR LEISHA WOOD****SC5/15 That the minutes of the Management Review Committee Meeting held on Tuesday 3 March 2015 be received.****Voting Requirement: Simple Majority****CARRIED: 8/0**

8.2.1 Redundancy of CEO/Project Manager

File Ref: Chief Executive Officer/Project Manager
Reporting Officer: Shire President
Date Report Prepared: 3 March 2015

Issue:

To consider a recommendation from the Shire President to make redundant the position of Chief Executive Officer/Project Manager and re advertise for a full time Chief Executive Officer.

Body/Background:

Nearly 7 years ago Mr Dean Taylor was appointed to the position of Chief Executive Officer. During the last 7 years the Shire of Katanning has been successful in attracting large amounts of funding for many projects which required managing and progressing. In March 2011 Council made a decision to move the CEO away from the day to day management of the Shire's operations and appointed him as the Project Manager of council's projects.

Initially, in March 2011 Mr Carl Beck (Deputy CEO) was appointed to the role of Acting CEO but due to Mr Beck's inexperience Mr Taylor was requested to provide assistance, guidance and mentorship of Mr Beck. At that time it was expected that the CEO/Project Manager position would be 70% Project Management – 30% assisting the Acting CEO. Mr Beck resigned in May 2012 and council appointed Mr Andrew Holden to the position of Deputy CEO/Acting CEO.

The position of CEO/Project Manager was introduced to enable Mr Taylor to Project Manage the Saleyard Project (\$25m) and the SuperTowns Project (\$9m) together with numerous other council projects. This position was also to provide some advice and direction to the Deputy CEO/Acting CEO, council staff and Council.

In June 2013 council changed the requirements of the CEO/Project Manager position to 90% Project Management – 10% assisting the DCEO/Acting CEO.

Officer's Comment:

Council's decision to move Mr Taylor into a Project Management role has been very successful and has enabled council to complete the \$25m Saleyards project on budget and on time. This project has resulted in innumerable benefits to council both financially and in terms of building reputation, skills and increasing capacity. The Shire of Katanning is in an enviable position of being financially strong and has a reputation second to none for delivering projects and getting extremely high value for money.

These successes however have come at a price – over the past 12 months and in particular in recent months the community of Katanning has been increasingly critical of Council and the administration. These criticisms have increased in momentum and are becoming far more vehement and aggressive to such an extent as to cause stress and anxiety amongst council staff and councillors. Those in the community who are behind this "hate" campaign are now involving State and Federal politicians and Ministers. This runs a real risk that Katanning's reputation and goodwill is being

eroded which may affect the Shires ability to progress its SuperTowns plans in the future.

Consequently it is my opinion that the operations of the Shire administration are now of a higher priority than the progress of the Projects. It is my recommendation that the position of CEO/Project Manager is of lesser importance than the need for a full time Chief Executive Officer and as such it is recommended that the position of CEO/Project Manager be made redundant and council advertise for a new Chief Executive Officer who will devote himself/herself to the administration of the shire.

The Acting CEO will continue to Act as CEO until the New CEO commences duties.

Council has delegated authority to the Management Review Committee to employ or dismiss senior employees.

Mr Taylor will be getting married at the end of the March and following this, leaving on a honeymoon. As such Mr Taylor has requested that he be allowed to remain in the Council Residence until after he returns in Mid May.

Mr Taylor has also expressed a desire to negotiate the purchase of the council owned vehicle that he drives. The Contract provides for this request at clause 11.5.

Statutory Environment:

5.36. Local government employees

- (1) A local government is to employ —
 - (a) a person to be the CEO of the local government

Policy Implications:

Council's policy manual will need to be amended to reflect the new Senior Officer Structure

Financial Implications:

The Contract of the CEO/Project Manager contains the following clauses

11.2 Termination by Shire at will

- (2) Council may terminate Your employment at any time for any reason
- (3) If the Council terminates Your employment under this clause, the Shire must pay you the lesser of -
 - (a) an amount equal to 100% of the Total Remuneration Package (ie including all bonus's); and
 - (b) the balance of Remuneration Package payable for the Term.
- (5) In addition to a payment under clause (3) and (4) Council: in accordance with its policy 2.3 (Retrenchment or Redundancy) Council is to determine whether an additional amount is to be paid in accordance with section 5.50 and Local Government (Administration) Regulation 19A
- (6) A payment under this clause –

- (a) includes any and all other entitlements You may have in respect of termination of employment; and
- (b) does not include payment for leave accrued, including annual or long service leave or leave purchased under 9.10, but not taken at the date of termination.

11.5 Purchase of Property

On the termination of your employment, or expiry of the term, at your request the Council (or if the Council so resolves, the President may agree to you purchasing from the Shire, at its depreciated value –

- (a) Any of the out of office communication facilities used by you immediately before the termination or expiry; and/or
- (b) The motor vehicle used by you immediately before the termination or expiry

The CEO/Project Manager currently has over 4 years left to run on the current contract therefore clause 3(a) applies.

Council is currently in a strong financial position and as such can fund the payout through operational surpluses or Reserve funds. All leave entitlements are fully funded through councils Employee Leave Reserve.

Given that it may take 3-4 months to recruit a new CEO it is anticipated that further savings of between \$60,000 - \$90,000 - will accumulate as council will not be paying the CEO/Project Manager during this period.

Strategic Implications:

The Community criticism and negativity towards council over the last six months has been quite destructive and has resulted in disruption of council operations. With the decision to appoint a New CEO it is expected that this will result in a reduction in negative comment and distraction.

MOVED: CR ALAN MCFARLAND

SECONDED: CR CRAIG MCKINLEY

SC6/15 That the Management Review Committee advises the CEO/Project Manager that it will no longer continue with this position and consequently the position will become redundant.

The CEO/Project Manager's contract will be terminated in accordance with clause 11.2 of the contract; being a termination / redundancy payment equal to 100% of the annual remuneration.

The Shire President will negotiate with Mr Taylor in relation to the vacating of the residence and the purchasing of equipment in accordance with clause 11.5

Voting Requirement: Simple Majority

CARRIED UNANIMOUSLY

PROCEDUAL MOTION**MOVED: CR ALEP MYDIE****SECONDED: CR DANNY MCGRATH****SC7/15 That Council:****Reopen the meeting to members of the public.****Voting Requirement: Simple Majority.****CARRIED: 8/0****9. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**

NIL.

10. REPORTS OF COMMITTEES AND OFFICERS

NIL.

10.1 DIRECTOR OF ENGINEERING & DEVELOPMENT SERVICES REPORTS

NIL.

10.2 DIRECTOR OF CORPORATE AND COMMUNITY SERVICES REPORTS

NIL.

10.3 EXECUTIVE MANAGER – STRATEGIC PROJECTS

NIL.

10.4 ACTING/DEPUTY CHIEF EXECUTIVE OFFICER

NIL.

10.5 MANAGER - FINANCE

NIL.

10.6 CHIEF EXECUTIVE OFFICER'S REPORTS

NIL.

10.7 ADVISORY COMMITTEE MEETING

NIL.

11. ELECTED MEMBERS MOTION OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

NIL.

12. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

NIL.

13. CONFIDENTIAL ITEM

NIL.

14. CLOSURE OF MEETING

The Presiding Member declared the meeting closed at 7:30pm.