

Schedule 7, Local Government Act 2002 requirements relating to expiry of the Chief Executive's employment agreement

34 Terms of employment of chief executive

- (1) A chief executive appointed under [section 42](#) may not be appointed for a term of more than 5 years.
- (2) The local authority and the chief executive must enter into a performance agreement.
- (3) When the term of appointment expires, a vacancy exists in the office of the chief executive, and that vacancy must be advertised.
- (4) Despite subclause (3), if the local authority has completed a review under [clause 35](#), that local authority may, without advertising the vacancy, appoint the incumbent chief executive for a second term not exceeding 2 years on the expiry of the first term of appointment.
- (5) After completing a review under [clause 35](#), but before the date on which the chief executive's contract of employment for the first term expires, the local authority must resolve whether or not to—
 - (a) appoint the chief executive for a second term under subclause (4); or
 - (b) advertise the vacancy.
- (6) If a vacancy is advertised,—
 - (a) the incumbent chief executive may apply for the position; and
 - (b) the local authority must give due consideration to any application for the position by the incumbent chief executive.
- (7) Despite the provisions of any other enactment or rule of law, a chief executive has no right or expectation of renewed employment at the end of any term.

35 Performance review at end of first term of appointment

- (1) A local authority must, not less than 6 months before the date on which the chief executive's contract of employment for the first term expires, conduct and complete a review of the employment of the chief executive.
- (2) The review must assess—
 - (a) the performance of the chief executive; and
 - (b) the mix of skills and attributes possessed by the chief executive, and the degree to which they are consistent with the skills and attributes that the local authority considers necessary for the future; and
 - (c) any other factors that the local authority considers relevant.
- (3) To avoid doubt, responsibility for determining the degree to which any factors in subclause (2)(a) and (b) apply to a review, and the relevance of any additional factors under subclause (2)(c), rests solely with the local authority.
- (4) Subclause (1) does not apply if the incumbent chief executive declares in writing to the local authority that he or she does not wish to be considered for appointment to a second term.