Confidential Item

CAMPBELLTOWN CITY COUNCIL

Confidential Item

For Council meeting to be held on

Tuesday 17 December 2019 at 7.00 pm

Refer Item 11.16

Confidential Item

11.16 East Waste – Appointment of Independent Chair

Chief Executive Officer, Paul Di Iulio's Report

Purpose of Report

To consider the recommendation of the East Waste Board for the appointment of Mr Fraser Bell as the new Independent Chair of East Waste for a period of two years as per the East Waste Charter.

Strategic Plan Link

Strategy 1.5.4 Effectively administer Council's statutory obligations in compliance with relevant legislation

Strategy 2.5.1 Provide an effective corporate governance service that meets legislative requirements

Background

Clause 21 of the East Waste Charter details the requirements of the East Waste Board as being one person appointed by each Constituent Council and 'one independent person (who shall be the Chair) appointed jointly by Absolute Majority of the Constituent Councils for a two year term…'.

Following the conclusion of Mr Brian Cunningham's tenure as Independent Chair of the East Waste Board in August 2019, the Board at the 26 September 2019 meeting resolved to commence a process to identify and appoint a suitable candidate for the role of Independent Chair, for the next two years. Part of the resolution included the establishment of a formal subcommittee (Chairperson Appointment Committee) to assist the Board in the process.

Discussion

The Independent CAC (Chairperson Appointment Committee), with support from Stillwell Management Consultants, undertook a recruitment process which attracted 32 applicants. Four applicants were shortlisted for interviewing by the CAC. Following this process, the Committee unanimously recommended to the East Waste Board that Mr Fraser Bell be endorsed as the Board's preferred appointment to the position of East Waste Independent Chairperson.

This recommendation was subsequently presented to the East Waste Board at the 28 November 2019 meeting where the Board confidentially resolved:

'Moved Cr Ashby that the Board:

1. Supports and endorses the recommendation of the East Waste Independent Chairperson Appointment Committee, to appoint Mr Fraser Bell to the role of East Waste Independent Chairperson in accordance with the requirements outlined in the East Waste Charter.

2. Instructs the General Manager to formally write to each Member Council seeking their endorsement in appointing Mr Fraser Bell to the role of East Waste Independent Chairperson.

3. Reconfirms the remuneration for the role is to remain at $22,000 per annum.

Seconded Mr Barone **Carried'**

Mr Bell has provided legal advice to East Waste over the past 18 months through navigating the SKM contract and recycling tender process, which has provided him with an insight into East Waste's operational framework and also provided the Board an opportunity to appreciate his strategic and waste skills, knowledge and operating style.

As a commercial practicing lawyer, there is potential for a CoI (Conflicts of Interest) to arise. However Mr Bell advised the CAC that should he be successful, he is acutely aware of the need to avoid CoIs and as such he will not compromise his role at East Waste by taking on any work that would create a conflict. Separate to the Local Government provisions, Mr Bell has strict requirements as part of his professional standards and discipline, which will provide additional protections and assurances. The Board were satisfied and comfortable with this.

Through the recruitment process, the Committee, along with the Board, highly regarded Mr Fraser Bell and felt that with his style and experience, he could continue the harmonious nature at board-level that East Waste has become accustomed to and be successful in the role. Furthermore, the Board also recognised that Mr Bell's knowledge of the South Australian waste industry and Local Government sectors would offer the greatest value and be able to advance East Waste from the strong position established under Mr Brian Cunningham's tenure.

Following a response from all Member Councils, the East Waste Board will consider feedback and subject to successful endorsement, seek to appoint Mr Bell in time for Board requirements in early February 2020.

Social Implications

There are no social implications in relation to this report.

Environmental Implications

There are no environmental implications in relation to this report.

Asset Management Implications

There are no asset management implications in relation to this report.

Governance / Risk Management

Council has fulfilled its obligation to consider the appointment of the Independent Chair for a two year term, in line with the East Waste Charter.

Community Engagement

There are no Community engagement requirements, beyond East Waste's engagement of the Member Councils, in relation to this report.

Regional Implications

There are no regional implications in relation to this report.

Economic Development Implications

There are no economic development implications in relation to this report.

Financial Implications

There are no financial implications in relation to this report.

Recommendation

That Council supports the appointment of Mr Fraser Bell as the Independent Chair of the East Waste Board for a two year term commencing in early 2020, at a date to be determined by the East Waste Board.

EastWaste

CONFIDENTIAL

3 December 2019

Mr Paul Di Iulio
Chief Executive Officer
Campbelltown City Council
PO Box 1
CAMPBELLTOWN SA 5074

Dear Paul,

RE: Appointment of Independent Chairperson

The East Waste Chair is an independent role and is appointed for a period of two years as per the requirements of the East Waste Charter.

> *21.1.2 one independent person(who shall be the Chair) appointed jointly by Absolute Majority of the Constituent Councils for a two year term (and at the expiration of the term is eligible for re-appointment) who is not an officer, employee or elected member of a Constituent Council, but who has expertise in:*
>
> *(a) corporate financial management and/or*
> *(b) general management and/or*
> *(c) waste management and/or*
> *(d) transport fleet management and/or*
> *(e) public sector governance*
> *(f) marketing and/or*
> *(g) economics and/or*
> *(h) environmental management.*

Mr Brian Cunningham has most recently held the role since 2013 through until 31 August 2019. Following the conclusion of Mr Cunningham's appointment, the East Waste Board commenced a process to identify a suitable applicant to undertake the role for at least the next two years. From a pool of 32 applicants, four were interviewed and ultimately led to the Board at the 28 November 2019 meeting, resolving in confidence:

> ***Moved Cr Ashby that the Board:***
>
> 1. *Supports and endorses the recommendation of the East Waste Independent Chairperson Appointment Committee, to appoint Mr Fraser Bell to the role of East Waste Independent Chairperson in accordance with the requirements outlined in the East Waste Charter.*
>
> 2. *Instructs the General Manager to formally write to each Member Council seeking their endorsement in appointing Mr Fraser Bell to the role of East Waste Independent Chairperson.*
>
> 3. *Reconfirms the remuneration for the role is to remain at $22,000 per annum.*
>
> ***Seconded Mr Barone*** ***Carried***

EastWaste

As you will recall, Mr Bell has provided legal advice to East Waste over the past 18 months through navigating the SKM contract and recycling tender process, which has provided him with an insight into East Waste's operational framework and also provided the Board opportunity to appreciate his strategic and waste skills, knowledge and operating style. This relationship has provided mutual interest and confidence.

As a commercial practicing lawyer, there is potential for Conflicts of Interest (CoI) to arise. However Mr Bell advised the Independent Chairperson Appointment Committee that should he be successful, he is acutely aware of the need to avoid CoIs and as such he will not compromise his role at East Waste by taking on any work that would create a conflict (real or perceived). Separate to the Local Government provisions, Mr Bell has strict requirements as part of his professional standards and discipline, which will provide additional protections and assurances. The Board were satisfied and comfortable with this.

Through the recruitment process, the Committee, along with the Board, highly regarded Mr Bell and felt that with his style and experience, he could continue the harmonious nature at board-level that East Waste has become accustomed to and be successful in the role. Furthermore, the Board also recognised that Mr Bell's knowledge of the South Australian waste industry and local government sectors would offer the greatest value and be able to advance East Waste from the strong position established under Mr Brian Cunningham's tenure. Consequently, Mr Bell was endorsed as the East Waste's Board preferred Independent Chairperson.

Further to this and consistent with the requirements of Clause 21.1.2 of the East Waste Charter, I am now seeking the approval of the Campbelltown City Council to appoint Mr Fraser Bell as Independent Chairperson of East Waste for a two (2) year term, commencing in 2020.

I recognise that due to the timing of meetings around Christmas, the opportunity to present this to your Council is limited, but I would appreciate this item being presented as early as possible so we are able to engage Mr Bell (pending Member Council support and final Board ratification) in late January or early February, in time for Board requirements in February 2020. As the matter involves disclosure of the personal affairs of a living person we request that the report presented to your Council is done so in confidence and the report and minutes remain confidential until an official announcement is made by East Waste.

Please do not hesitate to contact me on mobile, 0417 466 929, or email robg@eastwaste.com, if you have any questions.

Yours sincerely,

ROB GREGORY
GENERAL MANAGER