

**ADELAIDE HILLS COUNCIL  
ORDINARY COUNCIL MEETING  
Tuesday 17 December 2019  
CONFIDENTIAL AGENDA BUSINESS ITEM**

**Item:** 19.2

**Originating Officer:** Steven Watson, Acting Executive Manager Governance & Performance

**Responsible Director:** Andrew Aitken, Chief Executive Officer

**Subject:** Appointment of East Waste Independent Chair

**For:** Decision

---

**1. Appointment of East Waste Independent Chair – Exclusion of the Public**

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except:

- CEO, Andrew Aitken
- Director Infrastructure & Operations, Peter Bice
- Director Development & Regulatory Services, Marc Salver
- Director Corporate Services, Terry Crackett
- Director Community Capacity, David Waters
- Acting Executive Manager Governance & Performance, Steven Watson
- Minute Secretary, Pam Williams

be excluded from attendance at the meeting for Agenda Item 19.2: (Appointment of East Waste Independent Chair) in confidence.

The Council is satisfied that it is necessary that the public, with the exception of Council staff in attendance as specified above, be excluded to enable Council to consider the report at the meeting on the following grounds:

Section 90(3) (a) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this Agenda Item is Information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).

## 2. Appointment of East Waste Independent Chair– Confidential Item

### SUMMARY

Council has received correspondence from East Waste seeking Council’s endorsement to appoint Mr Fraser Bell as the Independent Chairperson of East Waste for a two year term.

### RECOMMENDATION

#### Council resolves:

1. That the report be received and noted
  2. That Council consents to Mr Fraser Bell being appointed as Independent Chairperson of East Waste for a term of two years commencing February 2020
  3. That East Waste be informed of Council’s decision.
- 

## 1. GOVERNANCE

### ➤ Strategic Management Plan/Council Policy

Goal 4 Explore  
Strategy 4.6 We will actively pursue opportunities to share resources and partner with others for better community outcomes.

Adelaide Hills Council is one of seven constituent councils of East Waste and in doing so obtains benefits from working together with others in regard to waste and recycling collection services.

Indirectly related to this report are the following documents:

- Waste and Resource Recovery Service Policy
- Waste and Resource Management Strategy 2016 – 2021
- Resource Recovery and Recycling Strategy

### ➤ Legal Implications

East Waste is governed by a Charter and requirements of the *Local Government Act 1999*.

### ➤ Risk Management Implications

*Council considering the position of Independent Chairperson of East Waste will assist in mitigating the risk of:*

*Council not considering the appointment or otherwise of an Independent Chairperson of East Waste leading to Council not fulfilling its obligations as a constituent council of East Waste*

Inherent Risk	Residual Risk	Target Risk
High (3B)	Medium (3D)	Low (1E)

The report recommendation will require correspondence to be sent to East Waste advising of the outcome of Council considering this matter.

➤ **Financial and Resource Implications**

There are no financial or resource implications to Council from the report recommendation.

➤ **Customer Service and Community/Cultural Implications**

There is no customer service, community or cultural implications from the report recommendation.

➤ **Environmental Implications**

There are no environmental implications from the report recommendation.

➤ **Engagement/Consultation conducted with Council Committee, Regional Subsidiary, Advisory Group, the Administration and Community**

Consultation on the development of this report was as follows:

*Council Committees:* Not Applicable

*Council Workshops:* Not Applicable

*Advisory Groups:* Not Applicable

*Administration:* Chief Executive Officer  
Director Infrastructure & Operations  
Executive Manager Governance & Performance  
Waste Management Coordinator

*Community:* Not Applicable

## 2. **BACKGROUND**

East Waste is a Regional Subsidiary established under the *Local Government Act 1999* and provides kerbside waste, recycling and green organic collection services to the constituent councils of:

- Adelaide Hills Council
- City of Burnside
- Campbelltown City Council
- City of Norwood Payneham & St Peters
- City of Mitcham
- Corporation of the Town of Walkerville
- City of Prospect

East Waste is governed by a Charter, which in relation to the Independent Chairperson, requires:

*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 and/or*
- (f) marketing and/or*
- (g) economics and/or*
- (h) environmental management.*

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 a formal subcommittee (Chairperson Appointment Committee) to assist the Board in the process.

The Independent Chairperson Appointment Committee (CAC), 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.

As a Partner with Thomson Green law firm, 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.

As a commercial practicing lawyer, there is potential for Conflicts of Interest (Col) to arise. However Mr Bell advised the CAC that should he be successful, he is acutely aware of the need to avoid Col's 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 was 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.

### **3. ANALYSIS**

Since the full effects of China Sword came into effect in early 2018 East Waste and the constituent councils have had to adapt to changing circumstances in the waste and recycling sector, these include:

- Loss of financial rebates received for recyclable material collected through the kerbside recycling bin.
- Changed market conditions and values for recyclable material and commodities.
- Cessation of the contract for the receipt and processing of kerbside recycled material.
- Instigation of a short term contract for the receipt and processing of recycled material.
- Procurement of a long term recycling contractor.
- Significant increase in the solid waste levy from \$100/tonne (metro) in 2018/19 to \$110/tonne in July 2019 with a further increase to \$140/tonne in January 2020 (half for non-metro areas).

Noting the above challenges and opportunities East Waste has successfully continued to provide reliable, efficient and appropriate kerbside waste, recycling and green organic collection services to the communities of the constituent councils. Looking forward, with the recent execution of the new contract between East Waste and NAWMA for the receipt and processing of kerbside recycling material and the increases in the solid waste levy there are challenges and opportunities ahead.

To ensure East Waste and the constituent councils are best placed to overcome the challenges and capitalise on the opportunities as they arise requires an ongoing stable and well performing Board.

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.

Taking the above into consideration, and in support of the East Waste Board decision, it is recommended that Council consents to Mr Fraser Bell being appointed as the Independent Chairperson of East Waste for a two year period.

### **4. OPTIONS**

Council has the following options:

- I. Consents to Mr Fraser Bell being appointed for a two year term as Independent Chairperson of East Waste (recommended).
- II. Not consent to Mr Fraser Bell being appointed as Independent Chair of East Waste (Not Recommended).

### **5. APPENDIX**

Nil

**3. Appointment of East Waste Independent Chair – Period of Confidentiality**

**Subject to the CEO, or his delegate, disclosing information or any document (in whole or in part) for the purpose of implementing Council’s decision(s) in this matter in the performance of the duties and responsibilities of office, Council, having considered Agenda Item 19.2 in confidence under sections 90(2) and 90(3) (a) of the *Local Government Act 1999*, resolves that an order be made under the provisions of sections 91(7) and (9) of the *Local Government Act 1999* that the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until 30 March 2020 or until East Waste advises of the Independent Chairperson appointment whichever occurs earlier.**

**Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.**