



Confidential Minutes of the Executive Committee Meeting of the City of Holdfast Bay held in the Kingston Room, Brighton Civic Centre, 24 Jetty Road, Brighton on Tuesday, 10 September 2024.

8. CONFIDENTIAL ITEMS

8.1 Appointment of a Qualified Independent Person for the Recruitment of the CEO (Report No: 300/24)

Motion – Exclusion of the Public Section 90(3)(c)

1. That pursuant to Section 90(2) of the *Local Government Act 1999* the Executive Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manager Strategy and Corporate and Staff minute taker in attendance at the meeting in order to consider Report No: 300/24 Appointment of a Qualified Independent Person for the Recruitment of the CEO in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* the Executive Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 300/24 Appointment of a Qualified Independent Person for the Recruitment of the CEO on the following grounds:
 - c. pursuant to section 90(3)(c) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which would reveal a trade secret.
3. The Executive Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Councillor Lonie, Seconded Smedley

Carried

At its meeting on 23 July 2024, Council appointed the Executive Committee of Council as the Chief Executive Officer Selection Panel pursuant to section 98 (4) of the *Local Government Act 1999* for the Chief Executive Officer (CEO) Recruitment process and provided the Executive Committee with additional scope to its Terms of Reference for the period of the CEO recruitment process.

Section 98 (4a) requires that a council must obtain and consider the advice of a Qualified Independent Person before making an appointment to the position of CEO.

A handwritten signature in black ink, appearing to be "W".



Motion

That the Executive Committee:

1. appoints Ms Christine Molitor as the Qualified Independent Person as an advisor to the Chief Executive Officer Selection Panel to meet the Council's legislative requirements as part of its CEO recruitment process; and
2. notes receipt of the proposal from Ms Molitor.

RETAIN IN CONFIDENCE - Section 91(7) Order

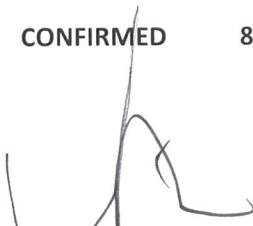
3. That having considered Agenda Item 8.1 300/24 Appointment of a Qualified Independent Person for the Recruitment of the CEO in confidence under section 90(2) and (3)(c) of the *Local Government Act 1999*, the Executive Committee, pursuant to section 91(7) of that Act orders that the report, attachment and minutes be retained in confidence for a period of six months and/or the Chief Executive Officer is authorised to release the documents when the recruitment process is finalised.

Moved Councillor Lonie, Seconded Councillor Patton

Carried

CONFIRMED

8 October 2024


MAYOR

ITEM NUMBER: 8.1

CONFIDENTIAL REPORT

APPOINTMENT OF A QUALIFIED INDEPENDENT PERSON FOR THE RECRUITMENT OF THE CEO

Pursuant to Section 87(10) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Executive Committee upon the basis that the Executive Committee consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Committee will receive, discuss or consider:

- c. information the disclosure of which would reveal a trade secret.

Recommendation – Exclusion of the Public – Section 90(3)(c) Order

1. That pursuant to Section 90(2) of the *Local Government Act 1999* Executive Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 300/24 Appointment of a Qualified Independent Person for the Recruitment of the CEO in confidence.
 2. That in accordance with Section 90(3) of the *Local Government Act 1999* Executive Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 300/24 Appointment of a Qualified Independent Person for the Recruitment of the CEO on the following grounds:
 - c. pursuant to section 90(3)(c) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which would reveal a trade secret.
 3. The Executive Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.
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CONFIDENTIAL

Item No: 8.1

Subject: APPOINTMENT OF A QUALIFIED INDEPENDENT PERSON FOR THE RECRUITMENT OF THE CEO

Summary

At its meeting on 23 July 2024, Council appointed the Executive Committee of Council as the Chief Executive Officer Selection Panel pursuant to section 98 (4) of the *Local Government Act 1999* for the Chief Executive Officer (CEO) Recruitment process and provided the Executive Committee with additional scope to its Terms of Reference for the period of the CEO recruitment process.

Section 98 (4a) requires that a council must obtain and consider the advice of a Qualified Independent Person before making an appointment to the position of CEO.

Recommendation

That the Executive Committee:

1. appoints Ms Christine Molitor as the Qualified Independent Person as an advisor to the Chief Executive Officer Selection Panel to meet the Council's legislative requirements as part of its CEO recruitment process; and
2. notes receipt of the proposal from Ms Molitor.

RETAIN IN CONFIDENCE - Section 91(7) Order

3. That having considered Agenda Item 8.1 300/24 Appointment of a Qualified Independent Person for the Recruitment of the CEO in confidence under section 90(2) and (3)(c) of the *Local Government Act 1999*, the Executive Committee, pursuant to section 91(7) of that Act orders that the report, attachment and minutes be retained in confidence for a period of six months and/or the Chief Executive Officer is authorised to release the documents when the recruitment process is finalised.
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Background

Following the retirement announcement of former Chief Executive Officer, Roberto Bria, at its meeting on 23 July 2024, Council appointed the Executive Committee of Council as the Chief Executive Officer Selection Panel pursuant to section 98 (4) of the *Local Government Act 1999* for the Chief Executive Officer (CEO) Recruitment process and provided the Executive Committee with additional scope to its Terms of Reference for the period of the CEO recruitment process.

Section 98(4a) of the *Local Government Act 1999* (the Act) specifies that, for the purposes of a recruitment process, a council must ensure that either or both of the following occur:

- the appointment of at least one (1) person who is not a member or employee of the council; and/or
- before making the appointment to the position of CEO, it obtains and considers the advice of a QIP on the assessment of applications and recommendations on the appointment.

Report

Qualified Independent Person for the recruitment of the CEO

To satisfy the requirements of the Act, a Qualified Independent Person needs to be appointed to act as an advisor to the Executive Committee, specifically for the purpose of the CEO recruitment process.

As Ms Molitor has an existing relationship with the Executive Committee, it is recommended that Ms Molitor be appointed as the Qualified Independent Person.

Proposal for the recruitment of the CEO

The Executive Committee, at its meeting on 30 July 2024, agreed to receive a proposal from Ms Christine Molitor to support the CEO recruitment process.

A suggested approach to the recruitment process and proposal has been received from Ms Molitor.

Refer Attachment 1

The proposal recommends a program utilising internal human resource capabilities where appropriate.

Legal advice has been sought to clarify the role of the Qualified Independent Person and human resource support. The recruitment process will be reviewed and finalised with the Executive Committee and the Qualified Independent Person to meet legislative requirements.

Budget

The anticipated cost associated with the proposal is up to \$24,000 +GST.

Life Cycle Costs

Not applicable

Strategic Plan

Statutory compliance

Council Policy

Executive Committee Terms of Reference

Statutory Provisions

Local Government Act 1999, section 98

Written By: General Manager, Strategy and Corporate

General Manager: Strategy and Corporate, Ms S Wachtel

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Attachment 1



Monday 12th August 2024

Dear Roberto,

Proposal for the recruitment of the CEO for the Executive Committee

Thank you for the opportunity to provide a proposal (approach) for the recruitment of the new CEO for the City of Holdfast Bay.

Introduction:

This paper outlines a suggested approach and a summary of the process for the Executive Committee to consider, to recruit the CEO role for the City of Holdfast Bay. This proposal was requested by the Executive Committee at the meeting held on Tuesday, 30th July 2024.

The resignation of the current CEO, Mr Roberto Bria is regrettable, particularly off the back of successive years in leading strong performance of the organisation. However, the opportunity does exist with the upcoming recruitment process, to shine a positive light on the unique aspects of this part of South Australia, and to highlight the excellent position the City of Holdfast Bay is in.

These aspects ideally translate to an appealing proposition to attract strong CEO candidates. The objective of the recruitment process is to attract the best possible candidates from which to select from, and then to ultimately appoint a candidate. A further objective can be that the actual recruitment process demonstrates alignment of the organisation's Values and principles to all involved stakeholders. This is predicated on the implementation of a well-planned, considered and capably executed professional recruitment process.

Through recent discussions, it has been suggested that given the City of Holdfast Bay's exceptional in-house human resources capabilities, that the capacity exists - via the Executive Committee - to manage the CEO attraction, recruitment and selection process. Whilst there is no regulatory imperative to outsource recruitment of this nature to an agency (i.e. an executive search and recruitment company) we need to be mindful of some limitations – which may be mitigated – in managing the process in house.

The potential limitations are pointed out in the following 'process summary,' for transparency's sake, along with outlining for clarity:

- An indicative timeline for the steps in the process,
- The suggested roles and responsibilities of all key stakeholders (subject to endorsement by the Executive Committee and Council), those stakeholders being:
 - o The Executive Committee,
 - o Elected Members of Council (who ultimately represent the Community),
 - o The Independent Advisor to the Executive Committee, and
 - o Human Resources personnel at the City of Holdfast Bay.

It is estimated that indicatively, the total time required on the part of the Independent Advisor – based on the following page detailing the approach - would be approximately 6 days' total work. Note; if this were to need to be exceeded significantly, we would highlight this in advance, in order to request approval. The 'project' would be managed under the current Independent Advisor Agreement (31/03/23); the commercial terms being that total days are invoiced at \$4,000 + GST per day (\$2,000 + GST per ½ day).

Proposal for the CEO Recruitment Process:

The following is a high-level outline of the suggested recruitment process. In practice, there will be various details, checks and approvals to include. For example, decisions on the role that the full Council will play and the Executive Committee recommendations to Council. Equally, in practice, where 'primary' responsibility is allocated to Council HR for example, it is intended that for the most part, that will be guided by or in collaboration with the Advisor to the Executive Committee (with the Committees' endorsement of that approach) to keep the processes running smoothly and efficiently, but also to mitigate any conflicts that may arise.

Key Stage in Process	Suggested timing	Indicative Dates	Primary responsibility			
			Council HR / nominated Council Executive	Advisor to Executive Committee	Executive Committee (EC)	Full Council
1. Remuneration Tribunal urgent clarification on Salary Band (refer note 'a' below)	Immediate action required	Response by 16/09	✓			
2. Scope and develop the Person Specification (this is linked to Strategic Plan and also informs the CEO Job Description)	Weeks 1-2	Completion by 20/09		✓	✓	
3. Advertising strategy (includes dissemination of candidate information packs to suitable candidates)	Weeks 3-4	Completion by 4/10	✓			
4. Assessment and screening of all Applications to achieve a 'long list' (refer note 'b' below)	Weeks 5 -6	Completion by 18/10	✓	✓		
5. Shortlisting and interviews with the Executive Committee (HR to support processes)	Weeks 6 -7	Completion by 1/11	✓ (support)	✓	✓	?
6. Probity checks and reference checks (may include psychometric testing) (refer note 'c' below)	Weeks 8-9	Completion by 15/11	✓	✓		
7. Final decision, offer and negotiation process (refer note 'd' below)	Weeks 10-12	Completion by 29/11			✓	✓
8. Advise unsuccessful candidates and provide feedback (refer note 'e' below)	Weeks 12-13	Completion by 13/12	✓	✓		

Notes:

- a) The Executive Committee has discussed the need to seek clarification from the Remuneration Tribunal regarding the Salary Bands for the CEO role at the City of Holdfast Bay. This is particularly in light of the Mercer CEO salary analysis (report dated 25 March 2024) contracted by Council. Having a level of certainty on the salary band prior to advertising for candidates and screening candidates is important. Without this, Council faces the likelihood of limiting the pool of interested candidates.
- b) Given the pool of interested candidates will be predominantly drawn from Local Government, there may be conflict of interest arising from relationships in the sector. In practice, the recruitment agency is the 'arm's length' party to mitigate this issue, and by undertaking the recruitment in house, potential conflicts need to be considered. Using the Advisor alongside the Council's HR team can be a mitigating factor.
- c) Similar to point 'b' above, it may be necessary, depending on the short-listed candidates, to have some of the probity checks undertaken by an independent party such as the Advisor. Psychometric testing can be considered as a 'tool' to assist in the final decision-making, but not used as a selection tool. If psychometric testing is included, we would need to engage an external provider to undertake this.
- d) Offer and negotiation with the preferred candidate – following Council endorsement – would need to be led by the relevant approved Executive Committee member(s), not by Council HR. Council HR will need to provide supporting contracts and information but should not be part of the offer discussions with candidates.
- e) Feedback to unsuccessful candidates must be carefully managed and would need to be agreed on a case-by-case basis regarding who leads those discussions. In the event that there are any unsuccessful internal candidates, it would be likely that the Advisor alongside the Executive Committee would manage those discussions.

In accordance with the Terms of Reference for the Executive Committee, I can confirm that I am independent and appropriately qualified to undertake the role of Advisor and to fulfill my responsibilities for this recruitment process as outlined in this paper.

Kind regards

Christine Molitor
C.E.O
Be Sustained Pty Ltd