

Management report to Council

Agenda item 14.4

Other Confidential Matter

Council

**Citywide Service Solutions Pty Ltd:
Director Re-appointment and Remuneration**

24 September 2019

Presenter: Michael Tenace, Chief Financial Officer

Purpose and Background

1. The purpose of this report is to consider the recommendations from the joint nomination committee on Board appointments and remuneration for Citywide Service Solutions Pty Ltd (Citywide).
2. Council's wholly owned subsidiary company Citywide is overseen by an independent Board of Directors.
3. In accordance with the Citywide constitution, one third of Directors must retire by rotation and may offer themselves for re-appointment. Andrea Waters and Janice van Reyk are retiring and have offered themselves for re-appointment.
4. The Board appointment process was independently reviewed by Crosstrees Consulting in January 2013 with the review findings and recommendations accepted at the March 2013 Council meeting. As a result, a joint nomination committee (Nomination Committee) was formed to lead this year's Board appointment process.

Confidentiality

5. The information contained in this report has been designated as confidential information by the Chief Executive Officer because it contains information, which if released, would prejudice the Council and or any person.

Key Issues

6. The representation on the Nomination Committee for the Board appointment process was John Brumby (Citywide Board Chair), Cr Arron Wood (Chair of Finance and Governance Committee) and Michael Tenace (Chief Financial Officer).
7. A report from the Nomination Committee is attached. The Nomination Committee recommends the re-appointment of Andrea Water standing for re-election for a two year term and the re-appointment of Janice van Reyk standing for re-election for a one year term.
8. To enhance certain skill set, the Nomination Committee has identified that an additional Director to the Board will be required with an intention of filling the position as soon as possible. Council will engage with Citywide to seek and identify a Director with specific mergers and acquisition skills to compliment the current Citywide Board.
9. The Nomination Committee has agreed to increase the Board fee cap for Citywide to apply for the 12 month period from 1 November 2019, to \$694,100. The Board fee cap increase is solely intended to accommodate the addition of a new Director to the Board

Recommendation from Management

10. That Council:
 - 10.1 Approves the re-appointment of Andrea Waters (2 year term) and Janice van Reyk (1 year term) to the Board of Citywide Service Solutions Pty Ltd (Citywide)

- 10.2 Approves an increase in the maximum Board fee cap for Citywide to apply for the 12 month period from 1 November 2019 to \$694,100, noting that:
- 10.3.1 this increase is solely intended to accommodate for the addition of a new Director to the Board
 - 10.3.2 there will be no increase to current individual member fees, as a result of this increase to the cap
 - 10.3.3 the Board has discretion to set individual member fees, providing that they remain within the overall maximum Board fee cap, to better align with ASX listed company practices.
- 10.3 Subject to the recommendations being formally adopted by Citywide at the Annual General Meeting in October 2019, release to the public the information contained in this report (excluding attachments) immediately following the adoption by Citywide.

Attachments:

1. Supporting Attachment (Page 3 of 4)
2. Nominations Committee Report (Page 4 of 4)