
To:	FRAC Authority Board	From:	Acting Executive Officer
Subject:	Executive Officer Selection and Approval to Enter Into Contract		
Meeting date:	29 July 2016	Item 8.1	
Reference(s):	Local Government Act 1999 FRAC Authority Charter v2.0		
Consultation:	Chairperson – FRAC Authority General Manager Organisation & Culture – Alexandrina Council Manager Human Resources – Alexandrina Council		
Attachments:	Nil		

CONFIDENTIAL ITEM

PURPOSE

The purpose of this report is to present information on the expression of interest (EOI) process for the engagement of the part-time Executive Officer Management Services as a two year consultancy contract and the results of the process.

RECOMMENDATION

1. That pursuant to Sections 90(2) and (3) (b) of the *Local Government Act 1999*, the Board orders that the public be excluded from the meeting with the exception of the Acting Executive Officer, Kate Jessep, General Manager Organisation & Culture Alexandrina Council, Victoria MacKirdy, and Manager Human Resources Alexandrina Council, Sarah Kay, on the basis that the Board considers it necessary and appropriate to act in a manner closed to the public in order to receive, discuss and consider information by way of a report and associated documents in relation to agenda item 8.1 Executive Officer Selection and Approval to Enter Into Contract and the Board is satisfied that the meeting should be conducted in a place open to the public is outweighed in relation to the matter because receiving, considering and discussing the report and associated documentation contains/involves:

(b) information the disclosure of which:

- (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council [Authority]; and
- (ii) would, on balance, be contrary to the public interest;

Substantiation:

Details with regard to the proposed appointment and contract documentation will be considered as part of this report item. These matters are deemed to not be in the public interest as it may jeopardise the effectiveness of the contract negotiation process if candidates are privy to the details of the expressions of interest. Once the appointment and contract are finalised the report and minutes will be released as public documents.

2. That the Acting Executive Officer be authorised to negotiate with the preferred consultant, applicant number 12 - Leonie Boothby of Leonie Boothby & Associates, for the position of Fleurieu Regional Aquatic Centre Authority part-time Executive Officer to commence as soon as possible for up to a maximum of \$108,000 per annum and if agreement is reached to sign and seal the contract for Executive Officer Management Services.

3. That pursuant to Sections 91(7) and (9) of the Local Government Act 1999 (SA) (Act), the Board orders that the report, minutes, attachments and associated documents of the Board meeting held on 29 July 2016 in relation to confidential item number 8.1 and titled Executive Officer Selection and Approval to Enter Into Contract having been considered and dealt with by the Board on a confidential basis under Part 3 of the Act, are to be kept confidential and not available to the public for a period of twelve months from the date of this confidentiality order, or until the Executive Officer Management Services contract is executed, whichever occurs first on the basis that they contain the following information or matter:

90 (3) (b) information the disclosure of which:

- (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council [Authority]; and
- (ii) would, on balance, be contrary to the public interest;

Substantiation:

A decision with regard to the proposed appointment and contract documentation has been considered as part of this report item. These matters are deemed to not be in the public interest as it may jeopardise the effectiveness of the contract negotiation process if candidates are privy to the details of the expressions of interest including hourly rates and details of the preferred applicant decision. Once the appointment and contract are finalised the report and minutes can be released as public documents.

and

That pursuant to section 91(9)(c) of the Act the Council delegates to the Executive Officer the power to revoke the order made in this resolution at any time.

INFORMATION

Background

At the 29 April 2016 Authority meeting the following confidential resolutions were made:

FRACA00010 That the Board endorse the draft position description and associated documentation for the calling of expressions of interest for the position of a part-time Executive Officer for the FRAC Authority.

FRACA00011 That a selection panel comprising of the following:-

- *Chairperson - Mr David Cooke*
- *Acting Executive Officer – Kate Jessep*
- *Alexandrina Council General Manager – Victoria MacKirdy;*

be appointed to shortlist and interview applicants and provide the Board a recommendation for appointment.

FRACA00012 That the position of Executive Officer be offered as a sub-contract, for a period of 2 + 2 years.

Process

Sarah Kay, Manager Human Resources at Alexandrina Council, was asked to chair the selection panel and provide professional advice to the panel members.

The EOI evaluation plan was finalised with the following assessment criteria and weighting:

The weighting ratio for **price : non-price : qualitative** is **40:40:20**

Non- Price Criteria
Compliance with Position Description / EOI – Mandatory criteria met: EOI schedule D complete, D 13 Insurance current and appropriate levels. (Note: 0 weighting as non-compliance will exempt the EOI from further assessment).
Capability – Experience and Referees As demonstrated via Part D of the EOI application. D1 years of continuous operation as a consultant D2 company/consultant's profile / years of experience exec spt to board D3 qualifications D4 project experience D5 significant achievements D14 referees
Capability – Demonstration of understanding of understanding of role via proposed schedule of works and alignment with FRAC Authority Strategic Plan. D6 Financial & Asset Management Experience D7 Risk Management Experience

D8 Governance Experience D9 Business Planning Experience
Capacity – Ability to undertake Schedule of Work in a timely manner to suit the changes needs of the FRAC Authority. D10 Proposed Schedule of Work D11 Capacity D12 Interests D18 Compliance with Terms and Conditions of contract
Other – value adds D15 Sub-contractors D16 WHS Policy D17 Environmental Policy

Non- Price Criteria – performance at interview - qualitative
Leadership <ul style="list-style-type: none">- enthusiasm for the role- evidence of suitability to work well with the board- evidence of suitability to work well with facility management contractor- evidence of suitability to work well with the community
Capability/Capacity <ul style="list-style-type: none">- Clear comprehension of the role and objectives of the position (set-up phase and sustainment phase)- Demonstration of capacity to learn / transfer skills to the role- Extent to which already local government politically savvy

The EOI was advertised on the [Fleurieu Regional Aquatic Centre website](#) with pointer adverts (calling for EOIs and directing applicants to the website) also placed as follows:

- The Times
- The Argus
- The Advertiser (Wednesday and Saturday)
- City of Victor Harbor employment webpage
- Local Government of SA jobs webpage
- Seek

15 applications were received from the following, in no particular order:

- Ann Denholm
- Max Andersen
- Graeme Martin – Grange Advisors
- Nina McMahon
- James Lomax
- Mark Percy
- Leonie Boothby – Leonie Boothby & Associates
- Linda Jane Kelly

- Johan Revalk
- Stephen Melville – Causeway Business Solutions
- Rachael Sandery
- Dawne Thomas – Recreation of SA Inc.
- Tracy Jeffery
- Suzannah Dunstone
- Simon Weatherill – Worldwide Sports Management Pty Ltd

Of these applications, 5 were assessed as complying applications (schedule D of the EOI completed) and proceeded to full assessment by the selection panel, first individually and then by consensus scoring at a meeting of the selection panel with the following results:

Applicant	Lump Sum	Hourly Rate	Weighted price + non-price score before interview
EOI 1	\$ 69,000	\$ 100	76.53 *
EOI 12	\$108,000	\$ 100	74.00 *
EOI 13	\$180,000	\$ 175	50.52
EOI 14	\$ 78,000	\$ 65	67.78 *
EOI 15	\$388,000	\$ 300	25.38

Applicants 1, 12 and 14 proceeded to interview.

The final weighted scoring for the short-listed applicants is as follows:

Applicant	Lump Sum	Hourly Rate	Interview only weighted score
EOI 1	\$ 69,000	\$ 100	15.6
EOI 12	\$108,000	\$ 65	19.8 *
EOI 14	\$ 78,000	\$ 100	18.6 *

The panel considered all three of the short-listed applicants could fulfil the essential requirements of the role to a satisfactory or better standard and offered prices within the range used for the draft 16/17 budget calculations. It therefore became relevant to look for the best applicant by further considering the performance of the applicants on the non-price criteria only and their fit for the role. The panel therefore shortlisted applicant EOI 12 as the preferred applicant with EOI 14 as the second placed applicant offering a different mix of skills and experience.

The panel determined that the Chairperson should conduct a less formal, follow-up interview to confirm the applicant's commitment to the role, communication methodologies with the board, supervision of the facility management contractor, reporting methodologies, and confirmation of qualifications and experience.

The second interviews confirmed EOI 12 as the preferred applicant.

Referee checks were completed on applicant EOI 12 which confirmed the applicant's suitability particularly during the first two years being the start-up phase of the role.

RISK ASSESSMENT

Service Delivery – the risk associated with the recommendation is that the best applicant is not engaged to deliver the part-time Executive Officer Management Services for a competitive price. This risk has been managed by undertaking a competitive expression of interest process and following a comprehensive selection process. This risk is assessed as unlikely with minor consequences – *low risk*.

BUDGET IMPLICATION

The recommendation is within the current budget rate; however the budget was calculated for the role to commence from 1 October 2016. An earlier commencement date will require a budget amendment at the first budget review.