

Nominations Committee – For Recommendation

Item No:	1	Name	Dr Belinda Lovell on behalf of the Nominations Committee	Meeting Date:	18 October 2018
Title:	Non-Executive Director nominations			Attachments	2
				From Committee	

Objectives

To describe process and outcomes of non-executive director nominations process undertaken by the Nominations Committee to enable consideration and recommendation to Board.

Background

- A Board shared skills matrix was developed that identified gaps and needs.
- The Board Chair subsequently conducted board member interviews regarding performance and interest in re-nominating.
- Alan Hoban wishes to re-nominate for the board but no other members wished to re-nominate.
- Breadth and depth of director capabilities is needed for an effective Board.
- In accordance with the Stormwater Australia Constitution, between 6 and 8 additional directors are to be appointed.
- A Nominations Committee of five: three Stormwater Australia non-executive directors (Belinda Lovell, Chris Badger and Andrew Allan), Western Australian State President (Bill Till) and independent probity advisor (Denzil Flood) was formed in accordance with Stormwater Australia's constitution.
- Prior to the assessment proper all members of the Nominations Committee were required to complete Conflict of Interest declarations. No conflicts were declared.

Assessment Process and Outcome

- A process has been employed to enable the Nominations Committee to make recommendation to the Board regarding nominations (Attachment A).
- Ten nominations were received. Of these, two were too late for consideration and one did not provide the correct application information. Subsequently, these three applicants were screened out without further consideration. Of the remaining seven, four were from the membership and three were independents.
- The Nominations Committee met on 4 October 2018 to reach consensus on the assessment scores and a make a recommendation as to the preferred nominees at this stage. One of the nominees was not considered sufficiently qualified to be recommended.

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- Referee checks were conducted on three of the nominees. All checks were positive but for one nominee it was not compelling.
- The Nominations Committee met on 18 October 2018 to finalise their consensus on the scores and make a recommendation as to the preferred nominees. The Nominations Committee determined that following the referee checks it was not considered necessary to interview any of the applicants. Only one score for one applicant was changed (a slight increase) as a result of the referee check process.
- Five of the nominees are considered by the Nominations Committee to have sufficient skills and experience to be recommended to Board.
- Full details of the assessments are held on file.

Issues

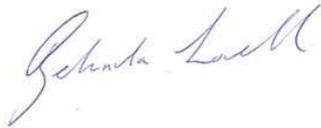
- If successful nominees agree to accept a position on the board, are endorsed by Board and ratified at the AGM, only 6 directors will be appointed. The current constitution requires 7 as a minimum.
- With only one director re-nominating this may be concerning to some of the new directors. However, a fresh and energised outlook and new approach will be a positive to many members.
- Given the tight time-frames, nominations were advertised from the 15th to 29th of September – which is a very short advertising window for non-executive director roles. There is not enough time prior to the AGM to re-advertise. The new board will need the opportunity to review its skills and capabilities to determine if there is a need to progress any future nominations process.
- The nominees' term is one year, which is widely accepted by the Stormwater Australia Board to be insufficient for non-executive director roles.

Recommendation

- That the Board endorse five new non-executive directors (see Attachment B for further information) to join Alan Hoban of Queensland to take to the AGM:
 - Dr Darren Drapper (of QLD)
 - Dr Peter Coombes (of NSW/VIC)
 - Ann Shaw Rungie (of SA)
 - Brad Dalrymple (of QLD)
 - Meghraj Thakker (of VIC)
- That the Board endorse three changes to Stormwater Australia's Constitution to take to the AGM relating to the nominations process:
 - Non-executive director terms are extended to three years.
 - That the Board quorum be reduced to three.
 - Minimum Board membership be reduced to five.

For Decision (continued)

- That we do not re-advertise for further nominations prior to appointment of new Board.

A handwritten signature in black ink, appearing to read "Belinda Lovell". The signature is written in a cursive style with a large initial 'B'.

Dr Belinda Lovell

National President, Stormwater Australia

23 October 2018

For Decision (continued)

Attachment A – Evaluation plan



2018 Director Selection Process - Evaluation Plan

Purpose

This evaluation plan has been developed by Stormwater Australia to guide the selection of a new Board of Directors.

In 2014 Stormwater Australia adopted a new constitution which required the appointment of a skills-based Board to oversee the governance of the Association. The 2018 recruitment process will be seeking to increase the depth and breadth of the Board skill set and diversity.

Background

Advertising positions

Stormwater Australia has determined that there was a need to seek additional Directors and has advertised that it is seeking nominations using a number of forums:

- Through direct communication of with members by making the call for nominations known via a direct email with links;
- Posting an application pack on the National website; and
- Placing a number of public listings for a period of two weeks prior to our advertised closing date of 29 September 2018. Specifically, listings placed on:
 - Australian Institute of Company Directors opportunities listing service

The advertising period commenced on 15 September 2018 through all channels.

Nominees are requested to fill out the relevant application form intended to assist in the assessment process by providing:

- Their nominated expertise areas.
- Confirmation that they are eligible to be considered in line with criteria as required under Australian corporations' law.
- A short statement of intent, seeking the applicant's vision for Stormwater Australia and motivation to apply;
- Curriculum Vitae and evidence of skills, experience and qualification i.e. expertise.

Application receipt

Applications will be received via email to National President's email.

Consultation on skills required

The Board has developed a skills, knowledge and experience matrix and undertaken a review to identify gaps, development needs and expertise requirements on the existing Board, noting that the board is largely not renominating and breadth and depth at the board of knowledge, skills and experience is required

[Board Membership](#)

The constitution allows a Board of 7 or 9 members. The selection process will have to arrive at 6 to 8 appointments as the majority of the Board will not be renominating and aiming for a maximum number will best manage for future potential attrition.

The final number is at the discretion of the current Board, and will be determined having a mind to the functional requirements for Board governance based on size and professional and interpersonal skills of applicants. The Nominations Committee (NC) will make recommendations in this regard.

Tenure of appointment is something that falls outside the scope of the evaluation plan, however the constitution limits appointments to terms of 1 year, and this has been indicated in the information provided to applicants.

It is conceivable that the NC will recommend varying these terms with a view to creating a best practice approach that allows ongoing appointments based on merit, continuity of corporate knowledge (vacate half the Board in alternate years) and refresh skills based on organisational needs. If accepted, these recommendations would need to be ratified by the membership through the AGM.

[Roles and Responsibilities](#)

[Nominations Committee](#)

The constitution requires a Nominations Committee be convened to consider director appointments. At its June 2018 meeting the Board delegated current Board members Belinda Lovell and Chris Badger to manage the recruitment process for new Board members and form the core of the NC with Belinda Lovell as Chair. Under the constitution, the NC requires 5 members including one independent and one to represent the state (member) associations (in lieu of a National Advisory Committee member, and after consultation with the nominated State Representative group).

Subsequently the core NC members have determined that Denzil Flood (PSI Asia Pacific Pty Ltd) will act as the independent member. Denzil as a professional probity advisor will be there to ensure due process is followed in accordance with this plan and associated documents but will not assess or score any of the individual applications. This role will include advising on management of any Conflicts of Interest that may arise.

The state associations were approached to nominate two representatives that would be considered for the roles of NC members representing the state associations. The core NC members have chosen Bill Till for this role. As we need five representatives on the NC and there has been one appointment from state associations, current Board Member Andrew Allan has also been appointed to the NC.

A previously endorsed NC Terms of Reference has been adapted to reflect the current composition and timelines and should be read as a supporting document to this plan.

[Probity](#)

Stormwater Australia recognises the strategic importance of the Board appointment process and will seek advice from a professional probity adviser at key points in the selection process (as identified in this plan) in the form of the independent NC member.

Evaluation Methodology

The Evaluation Panel will utilise a structured evaluation method that has been designed to facilitate the choice of applicant and the level of risk and confidence associated with the selection of one applicant over another.

The evaluation process will be based upon:

- information each applicant was given a reasonable and equal opportunity to provide including time for any necessary clarification;
- identified and clear evaluation criteria;
- considerations that may be readily and objectively determined on the basis of the response; and
- verifiable first-hand information.

Evaluation Criteria

Evaluation will be based on an applicant's demonstrated experience and knowledge with regard to the following criteria to ensure that the Board has the relevant skill set to perform its duties. The scored criteria are:

Criteria 1: The number and extent of the desired competencies (Board Skills) possessed by the applicant.

Applicants have been asked to demonstrate their ability in relation to the following competencies (Board Skills)

1. Director duties and responsibilities with GAICD, FAICD or equivalent
2. Finance and accounting
3. Business development
4. Advocacy
5. Marketing and communications
6. Legal and compliance
7. Risk management
8. Corporate Strategy
9. Digital media/technology
10. Human resources
11. Constitutional reforms
12. Corporate governance and policy
13. CEO/general management
14. Commercial business
15. Commercialisation of IP
16. Change management
17. Member based not-for-profit directorship

At least three and ideally 5 or more of the above need to be demonstrated comprehensively.

Criteria 2: Industry Representation - demonstrated experience and knowledge in key areas. The key areas are:

1. Local Government
2. State Government
3. Consulting
4. Land use planning
5. Urban design

6. Engineering
7. Environmental science
8. Social science
9. Research
10. Policy development

Criteria 3: X Factor - Applicants will be assessed against their potential to contribute positively in developing and delivering on a constructive national agenda; and the applicant’s demonstrated passion and commitment to providing leadership.

Evaluation Criteria Scoring system

Score Description	Score
<p>Excellent: The applicant satisfies the selection criteria in all respects. The evaluator has complete certainty and without reservation, that the applicant will be able to meet the required standard at the highest level. The applicant’s claims are fully supported by the information provided. The supporting information is comprehensive and complete. Insignificant risk of requirement not being met i.e. minimal or unimportant consequences to service provision. Applicant has excellent capability, capacity or experience.</p>	10
<p>Very Good: The applicant satisfies the selection criteria to a high degree. The evaluator has no reason to believe that the applicant will not meet the required standard. The applicant’s claims are fully supported by the information provided. The supporting information is comprehensive and complete. Low risk of requirement not being met i.e. may lead to some services not meeting the Organisations requirements in minor respects. Applicant has very good capability, capacity or experience.</p>	7-9
<p>Good: The applicant satisfies the selection criteria to an acceptable degree. There are some deficiencies and shortcomings in the scope and detail of the supporting information and the evaluator has some reservations regarding the complete satisfaction of the required standard. Medium risk of requirement not being met i.e. likely to lead to some services not meeting the Organisations requirement. Applicant has good capability, capacity or experience.</p>	4-6
<p>Poor: The applicant barely satisfies the selection criteria. There are major deficiencies in the scope and detail of the supporting information and the evaluator has significant reservations regarding the applicant's ability to satisfy the required standard. High risk of requirement not being met i.e. likely to lead to some or all services not meeting the Organisations requirements. Applicant has very limited capability, capacity or experience and/or lack of understanding.</p>	1-3
<p>Non-Compliant: The supporting information is insufficient to allow any judgement on compliance; OR The supporting information provided demonstrates non-compliance. OR</p>	0

Unacceptable risk of requirement not being met.	
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Evaluation Process

An evaluation process (and target timelines) has been developed and is provided in the table below:

	Step	Timeline	Notes
1	Terms of reference circulated and Nomination Committee (NC) members appointed. Independent probity advisor engaged.	17 Sep 2018	This includes conflict of interest documentation for each member.
2	Evaluation plan prepared and confirmed by Remuneration Committee (Belinda Lovell and Chris Badger)	26 Sep 2018	Feedback by email circular resolution.
3	Applications received	29 Sep 2018	
4	Initial screening - applicants who submit non-conforming applications or do not have the requisite skills are not considered further.	1 Oct 2018	Belinda Lovell and Chris Badger will undertake an initial screening and present findings to remaining NC members (via email) as a summary for ratification.
5	Nomination Committee declare potential Conflict of Interest (COI) issues.	1 Oct 2018	Belinda will email COI declaration forms identifying applicants for NC to consider, complete and return to Belinda. Probity advisor to review Conflict of Interest declarations and agree strategies prior to issue of full applications and consensus meeting on 4 Oct 2018
6	Send acceptable applications to full Nomination Committee for individual assessment.	1 Oct 2018	Relevant members of NC to undertake independent assessments of shortlisted applicants prior to convening.
7	Nomination Committee return individual evaluation spreadsheets	2pm, 3 Oct 2018	Belinda Lovell will collate individual scores ready for consensus evaluation meeting
8	Stage 1 Paper Assessment Each board skill area for applicants is assessed and ranked in a matrix that includes remaining and prospective Board members.	4 Oct 2018	Teleconference to discuss and reach consensus. If outcomes are clear recommendations can be made without the need for Interviews.

	<p>The strongest cohort of prospective applicants that augment the required Board capabilities is carried forward to the next stage.</p> <p>Stage 2 Paper Assessment Applicants at this stage are assessed to determine the broadest scope of industry and jurisdictional representation while ensuring a desired skills balance is achieved. X Factor response will also be considered. Depending on the quality and mix of applicants at this stage we may shortlist applicants for interview.</p>		
9	<p>Teleconference interviews undertaken as deemed necessary Referee checks</p>	15-17 Oct 2018	<p>If required. NC will delegate at least two members to conduct 30-minute interviews to clarify aspects of the applicants' submissions. Referee checks also</p>
10	<p>Nominations Committee convenes to deliberate and recommend appointments</p>	18 Oct 2018	<p>If required. Note: papers due to Board 24 October 2018</p>
11	<p>Board considers recommendations and confirms any relevant condition of appointment (e.g. duration)</p>	1-2 Nov 2018	
12	<p>Outcomes notified to applicants</p>	9 Nov 2108	

Application Clarification

The NC reserves the right to require or request applicants to provide written clarification of any part of their application during the evaluation process. Any clarifying questions shall be drafted by the NC for forwarding to the relevant applicant.

The NC Chair shall arrange for a clarification notice to be transmitted to the applicant in writing and shall set a reasonable time-frame for the applicant to respond. The applicant shall respond to the request for clarification in writing and within the specified time. All applicants from whom clarification is sought are to be given the same amount of time to respond.

Preferred Applicants

At the conclusion of the assessment of the applications, the preferred applicant(s) will be selected primarily but not exclusively based on their value as represented by their weighted score ranking (highest to lowest).

Notwithstanding the above, the NC will consider whether the selection of the preferred applicants adequately provides for sufficient diversity on the Board by considering the following:

1. The Stormwater Australia constitution requires one Director should be selected from each state jurisdiction
2. Under the Stormwater Australia constitution one director position is reserved for a sustaining member representation

3. The demonstrated Industry skills, knowledge and diversity in relation to:
 - Stormwater management
 - Environmental management
 - Water industry
 - Public policy and links to government
 - Education and training experience
 - The domicile of applicants i.e. city or regional
 - The overall gender mix of the Board
 - The overall age mix of the Board

A consensus outcome is the preferred basis for the recommendation.

In addressing Conflict of Interest issues (subject to probity advice), members of the Nominations Committee may be asked to withdraw from certain discussions and deliberations forming part of the assessment process.

Reporting

A Nominations Committee will prepare a paper to the Board to make recommendations on the appointments and present background on the process. This will be reviewed by the Board of Directors prior to recommendations being put to the Annual General Meeting in early December 2018 to make appointments.

Audit Trail

To ensure that a clear audit trail is maintained throughout the evaluation process, records of all conclusions and decisions, and the process and deliberations leading thereto, will be kept. All judgements of technical and other matters will be supported by relevant documentary evidence.

Document Control

The NC Chair shall arrange for an adequate and secure filing system for all documentation associated with the evaluation, including:

- information relevant to the evaluation;
- applications and copies thereof; and
- notes of the NC.

At the conclusion of the evaluation process, any copies of the applications made for NC purposes, and any evaluation documentation, including draft copies of the Board paper, which are not required for long term reference shall be disposed of in a manner that ensures their confidentiality.

For Decision (continued)

Attachment B – Recommended nominees background information

Dr Peter Coombes

Bio

Dr Coombes has spent more than 30 years dedicated to the development of systems understanding of the urban, rural and natural systems with a view to finding optimum solutions for the sustainable use of ecosystem services, provision of infrastructure and urban planning. He has been involved in a wide range of projects including strategic design, policy and economic advice for governments and society.

He has been the managing director of two highly successful start-up companies and significant leadership roles in reform processes for Australian Rainfall and Runoff (Editor of Urban Book), Living Victoria policy (Chief Scientist), Our Water Our Future policy, PMSEIC, UNESCAP and many other processes that involve complex interactions will enable a unique contribution to Stormwater Australia board processes.

Statement of Intent

In my view, this nomination for the vacant board position is an excellent opportunity to use accumulated experience, networks, policy and scientific knowledge to assist Stormwater Australia to fulfil a modern role in a challenging future. Importantly, I aim to contribute strong independence and unique experience to assist the board to further develop relevant corporate governance to ensure that Stormwater Australia takes the next steps as a stable, efficient and viable association that represents a broad base of members. I will use my extensive knowledge of the history of the stormwater industry and the association, connections with people throughout the industry, strong experience of high level change processes and relevant experience of corporate change processes as board level to enhance Stormwater Australia. It is well known that I bring diligent actions to the tasks that are assigned to me, such as reading and responding to board papers, and participating in committees.

Dr Darren Drapper

Bio

Motivated and results-oriented Environmental Engineer with 22 years' experience in solving environmental challenges for a variety of industry, consulting, government and research organisations in the areas of water, wastewater and stormwater. Experienced professional with strong technical, leadership, business acumen and relationship-building skills.

Darren is current President of Stormwater Queensland and previously Vice President and has been on the Stormwater Queensland Committee since 2013. Darren is a Director of Drapper Environmental Consultants which has been in operation since 2007 and is also held chairing role for a body corporate as well as sub-committee roles in the delivery of industry based conferences.

Statement of Intent

As a current President of Stormwater Queensland and Director of a company operating within the stormwater industry, I have intimate knowledge of the background issues facing Stormwater

For Decision (continued)

Australia, having experienced many of them first-hand. I understand that the Associations have grown from independent State organisations that now need a step-change to embrace a National body. This will create some challenges for the fiercely-independent State associations as they recognise this need, and the opportunities that can arise from a centrally-unified, efficient national organisation. I have also been involved with the Stormwater Quality Improvement Device Advisory Committee (SQIDAC) since its inception and can provide background knowledge and information on the process of the Evaluation Protocol (SQIDEP). My background in the stormwater industry over the past 22 years has exposed me to many assessment protocols and processes that I can bring to the Board, to assist in the efficient and timely release of both the protocol and process. My employment experience may appear "industry-weighted", however, my PhD experience taught me to focus on the facts, test the research and use a critical evaluation of the information available. I apply the same principles in business and in my role as Stormwater Queensland President. I am not satisfied with groupthink if it cannot be soundly demonstrated and proven. I would bring to the Board a passion for the stormwater industry, and some experiential steps to take it forward, as well as a sound business management background at senior levels from a small consultancy to a National manufacturing business. I recognise from my previous voluntary positions that the role will require plenty of "doing" as well as governance, and am not afraid to contribute. I accept that, if successful, I will need to resign my position as Stormwater Queensland's President.

Ann Shaw Rungie

Bio

Ann has expertise in the design of governance and decision making processes for boards and committees. She has over 25 years' experience consulting to business and governments in the design of collaborative strategic planning, stakeholder engagement and decision making processes. During this period she has also held a range of appointments to various statutory boards and commissions, mainly public policy and water related. She also has extensive experience in infrastructure planning and strategy in complex regulatory environments around Australia and is a recognised leader, awarded by industry peers.

Ann has substantial experience in delivering outcomes for complex and challenging water sector projects, including stormwater management plans and has been a key player in the COAG water reform process throughout Australia. Ann has also advised state governments, regional authorities and local government as well as companies in the water and energy sectors in South Australia, NSW, Victoria, and Tasmania. Ann has demonstrated ability to analyse, understand and build trust and long term partnerships with communities and fellow board members.

Statement of Intent

My background in consulting, business ownership, and board appointments has a strong focus on governance, foresight, planning for infrastructure, particularly in the water sector. This includes statewide, regional and national reviews and strategies. I have a strong understanding of the water reform process around Australia, including stormwater management. I am keen to contribute as a director and help build a strong professional association which develops wide industry respect.

Meghraj Thakkar

Bio

For Decision (continued)

Meghraj has over 25 years of experience working for clients in numerous industries including telecommunications, banking, transport, software, education, aviation, media and government. He has worked in Australia, Europe, Canada, UK, Singapore, China, India and USA. He has a portfolio career comprising of Board Director, Executive Technical Advisor, Gateway Reviewer, Consultant and Author.

Meghraj has experience in project management, governance, risk management, stakeholder management, business strategy, data analytics, data security, software development, administration, consulting, performance tuning, architecture, software design, implementation and support functions worldwide. He has worked as a technical director, development manager, architect, designer and developer of numerous successful software products. He also has experience in customer relationship management in a number of capacities, ranging from contract management to solutions delivery. He has developed training courses which he has presented worldwide and he has led teams of 20+ highly skilled people. His advanced technical skills are diverse and he has proven communication and presentation skills from his work as a widely published author and international keynote speaker.

Statement of Intent

I have over 25 years of experience working globally for clients in numerous industries including telecommunications, utilities, banking, transport, software, education, aviation, media and government. I have a portfolio career comprising Board Director, Executive Technical Advisor, Gateway Reviewer, Consultant and Author.

I have extensive experience in project management, governance, risk management, stakeholder management, business strategy data analytics, data security, software development, administration, consulting, performance turning, architecture, software design, implementation and support functions worldwide and wish to use my experience to partner with Stormwater Australia to achieve an understanding of its strategy and influence the use of technology in achieving that strategy.

I am confident of providing a lot of value to Stormwater Australia board as an independent director.

Brad Dalrymple

Bio

Brad has been a Stormwater Queensland committee member for 5 years including 4 years as President. Brad has over seventeen years' experience in various projects associated with environmental engineering, and has CPEng and RPEQ accreditation. Brad has been responsible for the planning, design and implementation of integrated water management and water sensitive urban design strategies for a range of applications – from many small-scale 'retrofit' projects, several high-profile and award winning master-planned communities, and catchments and regions. Brad is a recognised leader in the industry, and has authored and co-authored several related industry standard guidelines.

Statement of Intent

I believe I can add significant value to Stormwater Australia – and the wider industry. I think this is largely due to me having a unique combination of technical expertise, industry awareness, passion, confidence, and recognised leadership skills

I believe I would be a valuable candidate to assist Stormwater Australia in achieving the following goals and objectives:

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- To provide improved leadership in the stormwater (and wider water management and engineering) industry within Australia.
- To provide a significantly greater advocacy role – providing greater representation on issues related to stormwater management in Australia.
- To provide significantly more benefits to industry members, including greater opportunity for continued professional development.
- Facilitate improved co-ordination between state industry associations.
- Augment improved public (and political) education/ awareness in relation to stormwater-related issues.