



**EASTERN WASTE MANAGEMENT AUTHORITY
ORDINARY BOARD MEETING**

Thursday 25 February 2021

Notice is hereby given that a meeting of The Board of the Eastern Waste Management Authority will be held in the Mayor's Parlour, at City of Norwood, Payneham & St Peters, 175 The Parade, Norwood, on Thursday 25 February 2021, commencing at 5:30pm.

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

**ROB GREGORY
GENERAL MANAGER**

Acknowledgement of Country

We would like to acknowledge this land that we meet on today is the traditional lands for the Kurna people and that we respect their spiritual relationship with their country.

We also acknowledge the Kurna people as the custodians of the Adelaide region and that their cultural and heritage beliefs are still as important to the living Kurna people today.



EASTERN WASTE MANAGEMENT AUTHORITY

AGENDA

ORDINARY MEETING OF THE BOARD OF MANAGEMENT

**Meeting to be held on Thursday 25 February 2021 commencing at 5:30pm
at the Mayor's Parlour, City of Norwood, Payneham & St Peters,
175 The Parade, Norwood**

1. PRESENT

2. ACKNOWLEDGMENT OF COUNTRY

3. APOLOGIES

4. CONFLICTS OF INTEREST

5. CONFIRMATION OF THE MINUTES

- RECOMMENDED:**
1. That the Minutes of the Eastern Waste Management Authority Board Meeting held on Thursday 26 November 2020, be received confirmed, and adopted.
 2. That the Minutes of the Eastern Waste Management Authority Audit & Risk Management Committee Meeting held on Wednesday 17 February 2021 be received confirmed, and adopted.

6. MATTERS ARISING FROM THE MINUTES

7. QUESTIONS WITHOUT NOTICE

8. REPORTS

- 8.1 *FINANCIAL STATEMENTS - BUDGET REVIEW TWOPg.13*
- 8.2 *2020/21 DRAFT ANNUAL PLAN & BUDGETPg.21*
- 8.3 *ANNUAL PLAN PROGRESS REPORTPg.48*
- 8.4 *RESPONSE TO RIGHT TO REPAIR CONSULTATIONPg.51*

9. CONFIDENTIAL REPORTS

- 9.1 *CONTRACT REVIEWPg.59*

10. OTHER BUSINESS

11. NEXT MEETING OF THE BOARD

The next Board Meeting is scheduled to be held on:
Thursday 29 April 2021, commencing 5:30pm
at the City of Norwood, Payneham & St Peters, 175 The Parade, Norwood

12. CLOSURE OF MEETING



**MINUTES OF THE ORDINARY BOARD MEETING OF THE
EASTERN WASTE MANAGEMENT AUTHORITY**

Held on Thursday 26 November 2020 at 6:04pm, at the Mayor's Parlour, City of Norwood,
Payneham & St Peters, 175 The Parade, Norwood

1. PRESENT

Directors:

Mr F Bell	Independent Chairperson
Mr P Di Iulio	Campbelltown City Council
Cr J Carbone	City of Burnside
Mr S Saffin	City of Mitcham
Mr M Barone	City of Norwood, Payneham & St Peters
Mr S Bradley	City of Prospect
Cr L Green	Adelaide Hills Council
Cr R Ashby	Corporation of the Town of Walkerville

In Attendance:

Mr R Gregory	General Manager
Mr B Krombholz	Manager, Operational Services
Ms K Vandermoer	Finance & Executive Administration Officer
Mr J Jovicevic	Dean Newbery & Partners

2. APOLOGIES

Mayor H Holmes-Ross	City of Mitcham
Mr Shane Raymond	East Waste

3. CONFLICTS OF INTEREST

Mr Bradley raised a perceived conflict of interest in item 8.1, due to City of Prospect having engaged one of the applicants as a consultant.

Mr Jovicevic raised a perceived conflict of interest in item 8.1, due to his personal relationship with one of the candidates and did not participate in any discussion on the matter.

Cr Green raised a perceived conflict of interest in item 8.1, due to her association with Adelaide Hills Council.

Cr Carbone raised a perceived conflict of interest in item 8.1, given that one of the applicants is on the City of Burnside Audit & Risk Committee.

4. CONFIRMATION OF THE MINUTES

Moved Cr Green that the Minutes of the Eastern Waste Management Authority Ordinary Board Meeting held on Thursday 24 September 2020, be received confirmed, and adopted.

Seconded Mr Barone

Carried

Moved Mr Bradley that the Minutes of the Eastern Waste Management Authority Audit and Risk Management Committee Meeting held on Wednesday 18 November 2020, be received, confirmed and adopted.

Seconded Mr Barone

Carried

Moved Mr Barone that the Minutes of the Eastern Waste Management Authority General Manager Performance Review Committee Meeting held on Wednesday 2 November 2020, be received, confirmed and adopted.

Seconded Cr Ashby

Carried

5. MATTERS ARISING FROM THE MINUTES

Nil

6. QUESTIONS WITHOUT NOTICE

Nil

7. REPORTS

7.1 FINANCIAL REPORT – BUDGET REVIEW ONE

RECOMMENDATION

Moved Cr Green that the Board notes and accepts the forecasted end of year FY2021 Operating Surplus increase of \$26,000 associated with the 2020/21 Budget Review One and recommends to the Board for endorsement.

Seconded Mr Di Iulio

Carried

7.2 LONG TERM FINANCIAL PLAN

RECOMMENDATION

Moved Cr Ashby that the Board:

1. Endorse the Long Term Financial Plan as presented in Attachment A; and
2. Instruct Administration to develop an improved public facing document in conjunction with the next review of the Plan.

Seconded Cr Green

Carried

7.3 TREASURY MANAGEMENT PERFORMANCE REPORT

RECOMMENDATION

Moved Mr Di Iulio that the Board notes and receives the report.

Seconded Cr Carbone

Carried

7.4 UNREASONABLE COMPLAINANT CONDUCT POLICY

RECOMMENDATION

Moved Cr Green That the Board endorse the Unreasonable Complainant Conduct Policy, as amended and presented in Attachment A.

Seconded Cr Ashby

Carried

7.5 BOARD SUB-COMMITTEE APPOINTMENTS

RECOMMENDATION

Moved Mr Barone

1. That the Board appoint Mr Bradley and Cr Green to the East Waste Audit & Risk Management Committee for a period of one (1) year in accordance with the Audit & Risk Management Committee Terms of Reference.
2. That the Board appoint Cr Carbone to the East Waste General Manager Performance Review Committee for a period of three (3) years in accordance with the General Manager Performance Review Committee Terms of Reference.

Seconded Mr Di Iulio

Carried

7.6 2021 PROPOSED MEETING SCHEDULE

RECOMMENDATION

Moved Mr Bradley that the Board receives and notes the report.

Seconded Cr Ashby

Carried

7.7 ANNUAL PLAN PROGRESS REPORT

RECOMMENDATION

Moved Mr Di Iulio that the Board receives and notes the report.

Seconded Mr Bradley

Carried

8. CONFIDENTIAL REPORTS

8.1 AUDIT & RISK COMMITTEE INDEPENDENT MEMBER TERM EXPIRY

RECOMMENDATION 1

Moved Cr Green that Pursuant to Section 90(2) and (3) of the Local Government Act, 1999 the East Waste Board orders that the public, with the exception of the East Waste staff present, be

excluded from the meeting on the basis that the East Waste Board will receive, discuss and consider:

- (a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead);

and the East Waste Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded Mr Barone

Carried

RECOMMENDATION 3

Moved Mr DI Iulio that under Section 91(7) and (9) of the Local Government Act 1999 the East Waste Board orders that the attachment and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed by the East Waste Board.

Seconded Mr Bradley

Carried

Mr Gregory left the meeting at 6:33pm.

Mr Krombholz left the meeting at 6:33pm.

Miss Vandermoer left the meeting at 6:33pm.

8.2 GENERAL MANAGER PERFORMANCE REVIEW

RECOMMENDATION 1

Moved Cr Green that pursuant to Section 90(2) and (3) of the Local Government Act, 1999 the East Waste Board orders that the public, with the exception of the East Waste staff present, be excluded from the meeting on the basis that the East Waste Board will receive, discuss and consider:

- (a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).

and the East Waste Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/ consideration of the information confidential.

Seconded Cr Carbone

Carried

RECOMMENDATION 3

Moved Mr Di Iulio that under Section 91(7) and (9) of the Local Government Act 1999 the East Waste Board orders that the attachment(s) and discussion only be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed by the East Waste Board.

Seconded Cr Ashby

Carried

Mr Gregory returned to the meeting at 6:51pm.
Mr Kromholz returned to the meeting at 6:51pm.
Miss Vandermoer returned to the meeting at 6:51pm.

9. OTHER BUSINESS

9.1 CHARTER AMENDMENTS

Mr Bell outlined the status and direction of the Charter review process to the Board and sought preliminary feedback from Members.

9.2 CONTRACT UPDATE (VERBAL)

RECOMMENDATION 1

Moved Cr Ashby that Pursuant to Section 90(2) and (3) of the Local Government Act, 1999 the East Waste Board orders that the public, with the exception of the East Waste staff present, be excluded from the meeting on the basis that the East Waste Board will receive, discuss and consider:

- (k) tenders for the supply of goods, the provision of services or the carrying out of works;

and the East Waste Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded Mr Di Iulio

Carried

Mr Gregory advised the Board of a recent tender submission undertaken by East Waste, of which the outcome remains unknown.

RECOMMENDATION 2

Moved Cr Ashby that under Section 91(7) and (9) of the Local Government Act 1999 the East Waste Board orders that the attachment(s) and discussion only be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed by the East Waste Board.

Seconded Mr Di Iulio

Carried

Moved Cr Green that the Board acknowledge Mr Barone's final meeting as a Board Director of East Waste, and his invaluable contribution to both the Audit & Risk Management Committee, and East Waste Board throughout his appointment.

Seconded Cr Ashby

Carried

10. NEXT MEETING OF THE BOARD

The next ordinary Board Meeting is scheduled to be held on Thursday 25 February 2021, at 5:30pm, at the City of Norwood, Payneham & St Peters.

11. CLOSURE OF MEETING

There being no further business the meeting closed at 7:14pm.

DATE: _____

CHAIRPERSON: _____



MINUTES OF THE MEETING OF THE AUDIT & RISK MANAGEMENT COMMITTEE

OF THE EASTERN WASTE MANAGEMENT AUTHORITY

held on Wednesday 17 February 2021 at Tirkanthi Kuu Board Room, Payinthe,
128 Prospect Road, Prospect.

Meeting opened at 8:32am.

1. ACKNOWLEDGEMENT OF COUNTRY

2. PRESENT

Mr F Bell	Independent Chairperson
Ms E Hinchey	Independent Member
Ms S Di Blasio	Independent Member
Mr S Bradley	City of Prospect
Cr L Green	Adelaide Hills Council (via Zoom)

IN ATTENDANCE

Mr R Gregory	General Manager
Mr S Raymond	Manager, Corporate Services
Mr Jovicevic	Dean Newbery & Partners

3. APOLOGIES

Ms K Vandermoer	Finance & Executive Administration Officer
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4. CONFLICTS OF INTEREST

Nil

5. CONFIRMATION OF THE MINUTES – 18 NOVEMBER 2020

Moved Ms Di Blasio that the Minutes of the previous meeting held on Wednesday 18 November 2020 be received and noted.

Seconded Cr Green

Carried

6. MATTERS ARISING FROM THE MINUTES

Nil

7. QUESTIONS WITHOUT NOTICE

NIL

8. REPORTS

8.1 FINANCIAL STATEMENTS – BUDGET REVIEW TWO

RECOMMENDATION

Moved Ms Di Blasio that the Committee:

1. Notes and accepts the operating surplus of \$204,100 associated with the 2020/21 Budget Review Two and recommends for presentation to the Board for endorsement.
2. Recommends to the Board the 2019/20 Operating Surplus amount of \$193,000 be returned to the Member Councils in line with their 2019/20 Common Fleet percentages.

Seconded Ms Hinchey

Carried

8.2 DRAFT 2021/22 ANNUAL PLAN & BUDGET

RECOMMENDATION

Moved Mr Bradley that the Committee supports:

1. That the East Waste Board review the applicability and currency of the East Waste Budget Framework Policy.
2. The draft 2020/21 Draft Budget Key Assumptions are noted and supported for presentation to the Board.
3. That the Operating Surplus requirement of the Budget Framework Policy is applied to the draft 2021/22 Budget at a rate of 1%.

Seconded Ms Di Blasio

Carried

Cr Green left the meeting at 9.15am.

9. CONFIDENTIAL REPORTS

9.1 EXTERNAL AUDITOR CONTRACT EXTENSION

RECOMMENDATION 1

Moved Mr Bradley that pursuant to Section 90(2) and (3) of the Local Government Act, 1999 the East Waste Audit & Risk Management Committee orders that the public, with the exception of the East Waste staff present, be excluded from the meeting on the basis that the East Waste Audit & Risk Management Committee will receive, discuss and consider:

(k) tenders for the supply of goods, the provision of services or the carrying out of works;

and the East Waste Audit & Risk Management Committee is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded Ms Di Blasio

Carried

RECOMMENDATION 3

Moved Mr Bradley that under Section 91(7) and (9) of the Local Government Act 1999 the East Waste Audit & Risk Management Committee orders that the attachment and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed by the East Waste Board.

Seconded Ms Hinchey

Carried

10. OTHER BUSINESS

NIL

11. NEXT MEETING OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The next Audit and Risk Management Committee Meeting is scheduled to be held on:

Wednesday 21 April 2021, commencing 8:30am, at Tirkanthi Kuu Board Room Payinthe, 128 Prospect Road, Prospect SA 5082.

12. CLOSURE OF MEETING

There being no other business the meeting closed at 9.17am.

PRESIDING MEMBER

DATE

8.1: FINANCIAL REPORT – BUDGET REVIEW TWO

REPORT AUTHOR:	General Manager
ATTACHMENTS:	A: Budgeted Statement of Comprehensive Income
	B: Budgeted Balance Sheet
	C: Budgeted Statement of Cash Flow
	D: Budgeted Statement of Changes in Equity
	E: Budgeted Uniform Presentation of Finances Statement

Purpose of the Report

To provide the Board with an opportunity to review the second review undertaken of the budgeted statutory Financial Statements (Budget Review Two) for the financial year ending 30 June 2021 as prescribed by the Regulations.

Background

At the meeting held 25 June 2020, the East Waste Board resolved (in part):

2020/21 ANNUAL BUSINESS PLAN & BUDGET

Moved Mr Bradley that the Board endorses the 2020/21 Annual Business Plan and revised Budget as presented in Attachment A, noting that an increase to the Education budget is to be considered through the quarterly budget review process.

Seconded Cr Carbone

Carried

Report

Following several adjustments (detailed below), Budget Review Two is forecasting a revised FY2021 Operating Surplus of \$215,300 which is a \$204,000 increase on the FY2021 Adopted Budget (budget movement compared to the adopted FY2021 Budget Review 1). Key financial risks and most material budget items continue to be closely monitored and tracked by the Administration. This does not consider any potential return to Member Councils of the \$193,000 FY2020 budget surplus.

Table 1 summarises the year to date performance and key variations as at 30 December 2020 against full year budget for key material budget items being monitored by the Administration along with commentary regarding the proposed budget variations.

Table 1: Key Budget Item Year to Date and End of Year Forecast

Item	YTD Actuals (as at 31/12/2020)	Proposed Budget Variation	Notes
Depreciation	\$0.863M	-\$0.328	Amended the treatment of all truck assets following adoption of the long-term Financial Plan, resulting in positive result. Truck assets depreciated over eight-year replacement cycle.
Processing Fees- Green Organics & Hard Waste	\$1.207M	\$-	Increased yields against budget have seen higher than expected processing fees for both streams. Increase in processing fees offset, by increased income from Member Councils.
Fuel, Gas & Oil	\$0.582M	\$-	Continued depressed world oil markets resulting from COVID-19 have resulted in lower than budgeted fuel pricing, albeit increase in pricing noticed in past month. Adjustment to be considered at BR3.
Recycling Processing Fee	\$1.254M	\$-	A favourable rise and fall rate (comparative to budget), driven largely on the back of a recovering fibre market results in a reduced cost. Reduction in costs balanced by reduced income. Importantly overall favourable result for Member Councils. Adjustment to be considered at BR3.
Registration & Insurance	\$0.124	\$-	Low year to date spend the result of an invoice timing. Full expenditure against budget expected at years end.
Wages & Salaries (incl. Casual Staff)	\$2.994	\$0.150	Increase of \$150,000 in Casual Wages due predominately to the increase service need for hard waste and green organics.
Sundry Income	\$0.016M	-\$0.022M	Reduction in additional services of events resulting in reduced income.
Sale of Fixed Assets	\$0.103M	\$0.049M	Improved truck sales against adopted budget.

Based on the positive BR2 result (\$204,000 increase on the FY2021 Adopted Budget) and the forecast of key expenditure areas remaining stable or favourable, it is proposed to return the 2019/20 Operating Surplus of \$193,000 in full to the Member Councils via a reduction in Quarter 4 Common Fleet Collection Charges. As per the process for the past two financial years, the amount remitted for each Council will be in line with their 2019/20 common fleet percentage.

Forecast Cash Reserves

East Waste's operating cash balance is favourable, with a December closing cash balance of \$2.78M. This balance is consistent with previous years and provides a sound positive basis through until the end of the financial year.

Annual Leave Accruals

Leave accruals have been heavily drawn down over the past three months, with a current average per employee of 15.75 days. Currently only two employees have over 6 weeks of accrued annual leave and none over eight weeks.

RECOMMENDATION

The Board:

1. Notes and accepts the operating surplus of \$204,100 associated with the 2020/21 Budget Review Two.
2. Endorses the 2019/20 Operating Surplus amount of \$193,000 be returned to the Member Councils in line with their 2019/20 Common Fleet percentages.

ITEM 8.1 - ATTACHMENT A

EAST WASTE

PROJECTED STATEMENT OF COMPREHENSIVE INCOME (BUDGET)

for the Financial Year Ending 30 June 2021

FY2020		FY2021	FY2021	FY2021
Audited Actuals		Adopted Budget	BR1	BR2
\$'000		\$'000	\$'000	\$'000
INCOME				
16,756	User Charges	17,635	17,635	17,655
21	Investment income	9	9	3
-	Grants, subsidies and contributions	30	30	-
677	Other	794	794	789
17,454	TOTAL INCOME	18,467	18,468	18,446
EXPENSES				
5,851	Employee Costs	5,890	5,980	6,130
9,120	Materials, contracts & other expenses	9,935	9,845	9,865
2,069	Depreciation, amortisation & impairment	2,347	2,347	2,009
281	Finance costs	335	335	275
17,321	TOTAL EXPENSES	18,506	18,507	18,279
133	OPERATING SURPLUS / (DEFICIT)	(39)	(39)	167
60	Asset disposals & fair value adjustments	50	76	125
193	NET SURPLUS / (DEFICIT)	11	37	292
-	Other Comprehensive Income	-	-	-
193	TOTAL COMPREHENSIVE INCOME	11	37	292

ITEM 8.1 - ATTACHMENT B

EAST WASTE

PROJECTED BALANCE SHEET (BUDGET)

for the Financial Year Ending 30 June 2021

FY2020		FY2021	FY2021	FY2021
Audited Actuals		Adopted Budget	BR1	BR2
\$'000		\$'000	\$'000	\$'000
ASSETS				
CURRENT ASSETS				
2,322	Cash & Cash Equivalents	2,156	2,314	2,232
1,019	Trade & Other Receivables	717	1,019	1,019
-	Other Financial Assets	-	-	-
3,341	TOTAL CURRENT ASSETS	2,873	3,333	3,251
NON-CURRENT ASSETS				
7,652	Infrastructure, Property, Plant & Equipment	8,093	8,096	8,317
7,652	TOTAL NON-CURRENT ASSETS	8,093	8,096	8,317
10,993	TOTAL ASSETS	10,966	11,429	11,568
LIABILITIES				
CURRENT LIABILITIES				
1,205	Trade & Other Payables	771	1,224	1,224
1,929	Borrowings	2,176	2,287	2,287
597	Provisions	633	642	642
3,731	TOTAL CURRENT LIABILITIES	3,580	4,153	4,153
NON-CURRENT LIABILITIES				
6,221	Borrowings	6,192	6,153	6,037
77	Provisions	156	122	122
6,298	TOTAL NON-CURRENT LIABILITIES	6,348	6,275	6,159
10,029	TOTAL LIABILITIES	9,928	10,428	10,312
964	NET ASSETS	1,038	1,001	1,256
EQUITY				
964	Accumulated Surplus	1,038	1,001	1,256
964	TOTAL EQUITY	1,038	1,001	1,256

ITEM 8.1 - ATTACHMENT C

EAST WASTE				
PROJECTED STATEMENT OF CASH FLOWS (BUDGET)				
for the Financial Year Ending 30 June 2021				
FY2020		FY2021	FY2021	FY2021
Audited Actuals		Adopted Budget	BR1	BR2
\$'000		\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
RECEIPTS				
17,136	Operating Receipts	18,408	18,458	18,444
16	Investment Receipts	9	9	3
PAYMENTS				
(5,795)	Employee costs	(5,890)	(5,890)	(6,040)
(8,677)	Materials, contracts & other expenses	(9,845)	(9,845)	(9,865)
(291)	Interest Payments	(300)	(335)	(275)
2,389	NET CASH PROVIDED BY (OR USED IN) OPERATING ACTIVITIES	2,382	2,397	2,267
CASH FLOWS FROM INVESTING ACTIVITIES				
RECEIPTS				
81	Sale of Replaced Assets	50	95	145
PAYMENTS				
(2,297)	Expenditure on Renewal/Replaced Assets	(2,730)	(2,790)	(2,675)
-	Expenditure of New/Upgraded Assets	-	-	-
(2,216)	NET CASH PROVIDED BY (OR USED IN) INVESTING ACTIVITIES	(2,680)	(2,695)	(2,530)
CASH FLOWS FROM FINANCING ACTIVITIES				
RECEIPTS				
65	Capital Contributed by Member Councils	-	-	-
2,171	Proceeds from Borrowings	2,400	2,400	2,284
PAYMENTS				
(220)	Repayment of Lease Liabilities	(265)	(265)	(265)
(1,834)	Repayment of Borrowings	(1,845)	(1,845)	(1,845)
182	NET CASH PROVIDED BY (OR USED IN) FINANCING ACTIVITIES	290	290	174
355	NET INCREASE (DECREASE) IN CASH HELD	(8)	(8)	(90)
1,967	CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,163	2,322	2,322
2,322	CASH & CASH EQUIVALENTS AT END OF PERIOD	2,155	2,314	2,232

ITEM 8.1 - ATTACHMENT D

EAST WASTE

PROJECTED STATEMENT OF CHANGES IN EQUITY (BUDGET)

for the Financial Year Ending 30 June 2021

FY2020		FY2021	FY2021	FY2021
Audited Actuals		Adopted Budget	BR1	BR2
\$		\$'000	\$'000	\$'000
706	BALANCE AT END OF PREVIOUS REPORTING PERIOD	1,026	964	964
193	Net Surplus / (Deficit) for Year	11	37	292
65	Contributed Equity	-	-	-
-	Distribution to Councils	-	-	-
964	BALANCE AT END OF REPORTING PERIOD	1,037	1,001	1,256

ITEM 8.1 - ATTACHMENT E

EAST WASTE

PROJECTED UNIFORM PRESENTATION OF FINANCES STATEMENT (BUDGET)

for the Financial Year Ending 30 June 2021

FY2020		FY2021	FY2021	FY 2020
Audited Actuals		Adopted Budget	BR1	BR2
\$'000		\$'000	\$'000	\$'000
17,454	Income	18,467	18,467	18,446
(17,321)	Expenses	(18,506)	(18,506)	(18,279)
133	Operating Surplus / (Deficit)	(39)	(39)	167
Net Outlays on Existing Assets				
(2,297)	Capital Expenditure on Renewal and Replacement of Existing Assets	(2,730)	(2,790)	(2,675)
2,069	Depreciation, Amortisation and Impairment	2,347	2,347	2,009
81	Proceeds from Sale of Replaced Assets	50	95	145
(147)		(333)	(348)	(521)
Net Outlays on New and Upgraded Assets				
-	Capital Expenditure on New and Upgraded Assets	-	-	-
-	Amounts Specifically for New and Upgraded Assets	-	-	-
-	Proceeds from Sale of Surplus Assets	-	-	-
-		-	-	-
(14)	Net Lending / (Borrowing) for Financial Year	(372)	(387)	(354)

8.2: DRAFT 2021/22 ANNUAL PLAN & BUDGET

REPORT AUTHOR: General Manager
ATTACHMENTS: A: Draft 2021/22 Annual Plan B t
B: East Waste Budget Framework Policy

Purpose of the Report

To consult the East Waste Board on the draft *East Waste 2021/22 Draft Annual Plan*, the Draft 2021/22 Budget and the key assumptions used in their development and to approve the draft Annual Plan for distribution to Member Councils for their review and consent.

Background

Section 51 of the Eastern Waste Management Authority Charter requires the Authority to have an Annual Plan which supports and informs its Budget. Following endorsement by the Board the plan will be distributed to Member Councils for their review prior to the mandated 31 May timeframe (Section 52.3 of the Charter).

Additionally, Section 53 requires the Authority to advise Constituent Councils of proposed fees for the next financial year by April 1. Worthy of note, the Member Councils are only required to endorse the Annual Plan, not the Budget itself.

Report

Draft 2021/22 Annual Plan

East Waste endorsed a new Strategic Plan in 2020 and as such the draft 2021/22 Annual Plan is the first to flow from this.

The core intent of the Annual Plan is to progress towards the Key Performance Indicators and Vision of the 2030 Strategic Plan (refer Page 4 of Attachment 1 for the Strategic Plan Overview).

The Plan and budget have been developed on the basis that there are no known extraordinary or abnormal items that need to be accounted for. The Activities within the Plan have been developed following consultation with Member Councils (through the Operations Assistance Committee), Board direction over the past 12 months, feedback via the General Manager's Performance Review Committee and the undertaking of an industry horizon scan by Administration.

Consistent with the requirements of the Charter the draft *East Waste 2021/22 Annual Plan* sets out the key activities to be undertaken over the period of the Plan and through a new presentation style, provides easy reference as to how these link back to the Strategic Plan. Central to the majority of actions is the focus on reducing the amount of material sent to landfill. Diverting material away from landfill, particularly food waste provides the greatest economic, environmental and social benefit to our Member councils.

Draft 2021/22 Budget

The Draft 2021/22 Budget has been developed with reference to several key guiding documents and assumptions which are detailed below.

Key Guiding Documents:

- East Waste Strategic Plan 2030;
- East Waste Budget Framework Policy (refer Attachment B);
- East Waste's Long-Term Financial Plan; and
- East Waste's Fleet Asset Management Plan.

The budget has been built with a zero-based budget approach ensuring a forensic assessment of all cost centre expenditure (evidenced by several reductions) and commitment to our efficiency and cost-effective services mantra. Key Assumptions & rationale for the key budget areas are detailed below. The application of the *East Waste Budget Framework Policy* (refer Attachment B) is discussed in further detail below.

The draft budget as presented proposes a 2.35% increase on Common Fleet Collection Fees.

General

- Business as usual approach to all key activities, albeit, continue to pursue 'gaps' in the existing Service Matrix, whilst being open to expanding services.
- CPI increase of 2.0% has been applied to all situations where required.
- Financial Target 1 of the *East Waste Budget Framework Policy* (refer Attachment B) requires (amongst several other principles) the application of a 1 -2% return on revenue based on the draft FY2022 Common Fleet Costing charges (~\$14,000,000). In order to comply with the Policy, a 1% operating surplus has been applied to the budget figures. The application of this, in order to stay true to the Budget Framework Policy, was supported by the Audit & Risk Committee, albeit it was recommended that the Budget Framework Policy be reviewed by the Board.

1.1 DRAFT 2021/22 ANNUAL PLAN & BUDGET

RECOMMENDATION

Moved Mr Bradley that the Committee supports:

1. *That the East Waste Board review the applicability and currency of the East Waste Budget Framework Policy.*
2. *The draft 2020/21 Draft Budget Key Assumptions are noted and supported for presentation to the Board.*
3. *That the Operating Surplus requirement of the Budget Framework Policy is applied to the draft 2021/22 Budget at a rate of 1%.*

Seconded Ms Di Blasio

Carried

Members will note that the Budget Framework Policy is overdue for review and Administration will undertake this prior to the end of the financial year. Whilst review of the Policy is overdue, the principles and intent of the Policy remain relevant.

Through the implementation of efficiencies and favourable results in key expenditure areas (eg. Fuel, interest and depreciation) Administration have been able to return a surplus to Member Councils over the past three financial years. While undoubtedly positive, this cannot always be guaranteed. Should the 1% operating surplus not be applied, the Common Fleet Collection fee increase average reduces from 2.35 to 1.34 .

Waste Collection Activities

- A 2% increase to the **Corporate Administration Fee** has been applied for the purpose of the draft budget. The Budget Framework Policy requires *“the Administration Fee is to be annually increased by the Local Government Price Index (LGPI), or the annual average percentage movement in the Common Fleet Costing Charge.”* The final percentage will be set following endorsement of the draft budget by the Board.
- **Depreciation** - A substantial decrease in depreciation occurs with the proposed FY22 budget compared to the adopted 2020/21 budget. This results from the revised treatment of all truck assets following adoption of the Long-term Financial Plan and Truck assets being depreciated over an eight-year replacement cycle.
- **Material Processing Fees** – As a result of COVID and residents being home more collection tonnes across 2020 increased significantly for Green Organics, Recycling and Hard Waste. These increased collections are forecast to be retained for at least the first half of the financial year (FY22). Based on this assumption, Administration have used the 2020 collection volumes as the base yield figure (no tonnage increases applied) and applied a 2% increase in price.

The applied rate for Recycling Processing is lower than the budgeted rate for the current financial year. While the market remains highly variable and export bans will commence, recent favourable commodity prices, a scan of national and international markets and some potential technology improvements at Northern Adelaide Waste Management Authority provide a degree of confidence to set a lower than current year rate.

The processing fees are cost neutral for East Waste (in and out cost) as the expense of processing is recovered from the Member Councils, however it is important that accurate figures are provided to assist Council's with their internal budget processes.

- **Fuel Gas and Oil** – Fuel use rose to our highest level on record in 2020, principally as a result of increased Organics and Hard rubbish collections. This is anticipated to remain stable, but not increase. While usage increased the price has remained relatively low on the back of depressed world oil market. As such no increase in the budget price of the current financial year has been applied.
- **Interest Expense** – Reduction in expense applied due to the interest rate drop and deferral of borrowings.

Wages & Salaries

- Given the Authority's business model and high reliance on labour, unsurprisingly **Wages and Salaries** results in the single largest cost centre. The proposed increase incorporates predicted Enterprise Agreement rises and other predicted salary increases, along with an additional driver and runner to cater for increased hard waste collections.

The mandatory increase in Superannuation to 10% has also been applied.

Capital Expenditure

- Replacement of five (5) trucks as per the Fleet Asset Management Plan. As per the requirement in the Budget Framework Policy, *"Vehicle Capital Expenditure is to be funded solely via external loan borrowings. An annual review of this principle is to be confirmed through budget adoption process."* With the recent change to the Fleet Asset Management Plan and vehicles now being retained for eight years, the loans for these vehicles will also be taken over eight years.
- Other main capital expenditure item is a provision for the upgrade to the hardware system of the Waste Trak II System.

Administration have developed a fiscally responsible budget, yet still provided for East Waste to be a leader in innovation, technology and ultimately investment in activities which will work towards the minimisation of material going to landfill.

RECOMMENDATION

That the Board:

- Endorse the East Waste 2021/22 Annual Plan, as presented in Attachment A;**
- Endorse the associated draft budget and proposed Member Council Fees;**
- Authorise the General Manager to distribute to each Member Council for review and comment, the *Draft 2021/22 Annual Plan*, as presented in Attachment A, along with the proposed fees.**
- Instructs Administration to undertake a review of the Budget Framework Policy and present to the Board prior to the end of the financial year.**

EastWaste



2021/22 Annual Plan

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VISION

The Destination

To be the leading waste logistics company in Australia through the delivery of innovative collection and resource management services.

MISSION

The Vehicle

Delivering leading-edge solutions and services for a cleaner and sustainable future.

Introduction

East Waste is the trading name of Eastern Waste Management Authority, which was established in 1928. The Authority is a regional subsidiary of the Adelaide Hills Council, City of Burnside, Campbelltown City Council, City of Norwood, Payneham & St Peters, City of Mitcham, City of Prospect and Town of Walkerville.

Through the servicing of kerbside waste, recycling and organics bins and street and reserve litter bins, East Waste undertakes approximately 9 million bin lifts and 30,000 hard waste collections each year for the Member Councils. East Waste however is far more than a waste logistics Company and has been a driving force in the waste education space in recent years.

East Waste is governed by a Charter (the Charter) pursuant to *Section 43* of the *Local Government Act 1999* and administered by a Board, which includes a director appointed by each Council and an Independent Chair. Clause 51 of the Charter requires the Authority each year to have an Annual Plan which supports and informs the budget. Specifically, it is to include an outline of East Waste's objectives, the activities intended to be pursued, and the measurement tools defined to assess performance. It must also assess and summarise the financial requirements of East Waste and set out the proposals to recover overheads and costs from the Member Councils.

The *2021/22 Annual Plan* is the first Annual Plan developed under the *East Waste 2030 Strategic Plan* which was endorsed by the Board in September 2020. The *East Waste 2030 Strategic Plan* sets out a series of bold and ambitious targets (Key Performance Indicators) which we aspire to met through five Key Objectives and a series of Strategies. The Strategic Plan is summarised on the following page.

For full context this Plan should be read in conjunction with East Waste's broader strategic planning framework including the *Strategic Plan 2030*, Long-Term Financial Plan, and Risk Management Planning Framework.

As a regional subsidiary East Waste recognises that success from this Annual Plan is not possible without the continued support, integration and active working partnership of all our Member Councils and key Strategic Partners. As noted on page eight, East Waste is committed to developing and continuing partnerships which ultimately drive value back to the communities we serve.

East Waste Draft Strategic Plan Vision, Objectives & Strategies

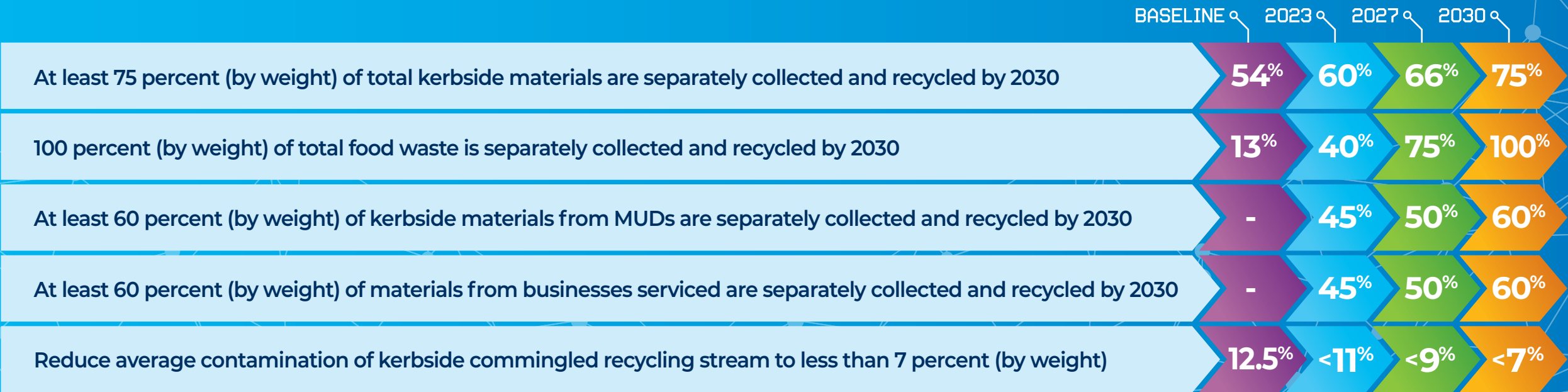
VISION To be the leading waste logistics company in Australia through the delivery of innovative collection and resource management services to our Member Councils & their Communities.

- OBJECTIVES**
- 1. Deliver cost-effective and efficient services facilities
 - 2. Maximise source separation and recycling
 - 3. Provide leading and innovative behaviour change and education
 - 4. Help develop a local circular economy
 - 5. Provide leadership

- STRATEGIES**
- 1.1 Attract additional services and/or new councils where further economies of-scale can be achieved
 - 1.2 Offer a single contract for the management of the residual waste to all member councils
 - 1.3 Partner with other councils and organisations to achieve greater synergies and economies of scale in service delivery
 - 1.4 Investigate and implement collection technologies and innovation
 - 1.5 Provide a consistently high standard of Customer Service
 - 2.1 Provide more service choice and flexibility to residents on kerbside services to support them to increase their recycling levels
 - 2.2 Provide a tailored 3-stream service to Multi-Unit Dwellings (MUDs) to support waste reduction and increased recycling
 - 2.3 Pilot a tailored service delivery model across a business precinct(s) to support waste reduction and increased recycling
 - 3.1 Engage in research and projects delivering evidence-based data which increases behaviour change decision making
 - 3.2 Develop an integrated and tailored long-term community behaviour change and education program
 - 3.3 Identify and trial behaviour change programs aimed at reducing contamination
 - 3.4 Encourage and support councils to introduce an incentive(s) to households to reduce their landfill volumes
 - 3.5 Engage schools in behaviour change & waste education
 - 4.1 Support local reprocessing and procurement of recycled content products
 - 4.2 Encourage and support councils to procure and use recycled content products
 - 4.3 Support councils to implement sharing economy and reuse initiatives
 - 4.4 Investigate options to process and extract the highest value from collected resources
 - 5.1 Implement best practice safety standards
 - 5.2 Advocate on behalf of our Member Councils
 - 5.3 Invest in our people
 - 5.4 Quality and transparent Corporate (Governance & Financial) Activities

KPIs

We will measure our success in reaching our objectives through the following KPIs...



2021/22 Objectives & Activities

At a high level, progression towards the Vision and 2030 Key Performance Indicators will be the key Objective and sit behind all the activities that East Waste undertake.

While the following is not a prescriptive list the key projects East Waste intend to undertake over the 2021/22 year are detailed below. While these will be the key focus, East Waste will remain a a fluent and adaptable Organisation that is able to pivot and respond as required to maximise funding, partnerships, opportunities and projects that will fast-track the pursuit of our KPIs.

NO.	ACTIVITY/PROJECT	OVERVIEW	STRATEGY	MAIN KPI TARGET
DELIVER COST EFFECTIVE AND EFFICIENT SERVICES AND FACILITIES				
1	Continue & Expand Core services	East Waste optimisation will come from providing a full suite of services to Member Councils. Where this doesn't occur, East Waste will work with the respective Councils in a bid to secure these services.	1.1	Vision Target
2	Investigate opportunities outside of existing Member Councils.	East Waste will actively pursue service provision to non-member Councils where value to existing Members can be realised.	1.3	Vision Target
3	Upgrade to Waste Trak II	East Waste utilises a high-quality software system known as Waste Track to manage all elements of collections. An upgraded package is available which will streamline several workflows and improve data reporting, among several other operational benefits. To utilise the system the collection vehicles, require an upgrade of 'in cab' hardware. This will be undertaken in conjunction with the Fleet Replacement Program.	1.4	Vision Target
MAXIMISE SOURCE SEPARATION & RECYCLING				
4	Investigate a broadscale 'Choice & Flexibility model.'	Some small positive steps have been taken across metropolitan Adelaide in recent times to investigate alternate collection options. This program will draw together the latest research and findings to develop an "off-the-shelf" framework which will drive reduced material to landfill, particularly food waste.	2.1	At least 75% of kerbside material separately collected & recycled 100% of food waste separately collected and recycled.

PROVIDE LEADING AND INNOVATIVE BEHAVIOUR CHANGE AND EDUCATION

5	Undertake Audits of businesses and Multi Unit Dwellings to provide baseline data	Business waste serviced by our Member Councils and Multi Unit Dwellings contribute to the total tonnes collected, yet little is known about the make- up of the waste. The audit will identify this and provide baseline diversion targets for the Strategic Plan	2.1	60% by weight of kerbside waste is separately collected and recycled 60% of materials from businesses serviced are separately collected and recycled
6	Undertake the biennial East Waste kerbside bin audit.	Undertake an East Waste-wide audit, to understand up-to-date disposal behaviours and progress towards targets	2.1	At least 75% of kerbside material separately collected & recycled 100% of food waste separately collected and recycled. Reduce average contamination of kerbside commingled recycling to less than 7%.
7	Delivery of the “Why Waste It?” behaviour change program and associated social media.	Utilising the results of the reviews and audits undertaken over the past 12 months, refine and deliver the ongoing successful “Why Waste It?” program.	3.2	Continue to develop long term integrated education and behaviour change programs.

HELP DRIVE A LOCAL CIRCULAR ECONOMY

8	Identify opportunities amongst Member Councils for the uptake of crushed glass.	A feature by our current recycling provider is the possibility of separating glass fines from the Material Recovery Facility waste stream, for reuse rather than the current practice of landfilling. Should this materialise, East Waste will work with the required parties to provide and encourage Member Councils to utilise this material in asset renewal programs.	4.2	Encourage & support Councils to procure and use recycled content products.
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9	Hard waste Reuse trial	<p>East Waste currently diverts over 95% of all material collected through our hard waste service away from landfill by sending the material to ResourceCo (Wingfield) who transform it into Process Engineered Fuel (PEF).</p> <p>A strategic principle of East Waste is to ensure where possible that collected material is retained/processed at its highest value. Referring to the waste hierarchy, Reuse sits higher than Waste to Energy and as such East Waste will investigate solutions and implement trials where possible for increasing the life (reuse) of the many items currently presented for hard waste collection.</p>	4.4	Investigate options to process and extract the highest value from collected resources
<p>PROVIDE LEADERSHIP</p>				
10	Fleet Replacement	In line with the Long Term Financial Plan, undertake the replacement of five (5) collection vehicles.	5.4	Quality & transparent Corporate Activities.
11	IT and Cyber Security Enhancement	<p>The reports of Cyber Security attacks across all levels of government and private enterprise over the past 12 months has heightened the awareness of the local government sector and its response to it. Identified as a possible risk, East Waste has commenced actions and tasks to strengthen its protection against a potential cyber security attack. In response, East Waste is moving to hosting its IT requirements on an external server, which provides for enhanced protection of our systems and data. In support of this, staff will all be undertaking cyber security training and East Waste's recently upgraded records management system also provides greater security and protection of all East Waste data.</p>	5.1	Risk mitigation is integrated into all activities.

“ We will continue to work closely with our member Councils, Government Agencies and like-minded organisations to ultimately drive value back to the communities we serve.

I encourage you to engage in conversation with us if you see opportunity for partnership. ”

Fraser Bell
East Waste Chair 2020

Budget Management

East Waste operates almost entirely on a Common Fleet Costing methodology, whereby Member Councils are charged directly against the time it takes to undertake their services. This is achieved through the utilisation of a specialised, highly accurate and powerful cloud-based, real-time GPS based system, supported by detailed reporting capabilities. As a result of this minor variations in the common fleet percentages (and therefore apportioning of Common Fleet costs) occur from year to year in response to efficiencies and increased collection costs (e.g. increase in developments, Fire Ban days and events). Specific costs (and rebates where applicable) such as waste disposal and resource processing are directly on-charged, to Member Councils.

The budget to deliver this Annual Plan, along with all East Waste's Services and legislative requirements is detailed in the following proposed 2020/21 Financial Papers (refer Attachment 1 – 5).

EAST WASTE**PROJECTED STATEMENT OF COMPREHENSIVE INCOME (BUDGET)**

for the Financial Year Ending 30 June 2022

FY2020		FY2021	FY2022
Audited Actuals		Proposed	Proposed
\$'000		Budget	Budget
		(BR2)	
		\$'000	\$'000
	INCOME		
16,756	User Charges	17,655	18,241
21	Investment income	3	2
-	Grants, subsidies and contributions	-	-
677	Other	789	1,171
17,454	TOTAL INCOME	18,446	19,414
	EXPENSES		
5,851	Employee Costs	6,130	5,730
9,120	Materials, contracts & other expenses	9,865	11,265
2,069	Depreciation, amortisation & impairment	2,009	2,126
281	Finance costs	275	268
17,321	TOTAL EXPENSES	18,279	19,389
133	OPERATING SURPLUS / (DEFICIT)	167	25
60	Asset disposals & fair value adjustments	125	100
193	NET SURPLUS / (DEFICIT)	292	125
-	Other Comprehensive Income	-	-
193	TOTAL COMPREHENSIVE INCOME	292	125

EAST WASTE**PROJECTED BALANCE SHEET (BUDGET)**

for the Financial Year Ending 30 June 2021

FY2020		FY2021	FY2022
Audited Actuals		Proposed Budget (BR2)	Proposed Budget
\$'000		\$'000	\$'000
ASSETS			
CURRENT ASSETS			
1,967	Cash & Cash Equivalents	2,163	2,322
717	Trade & Other Receivables	717	717
-	Other Financial Assets	-	-
2,684	TOTAL CURRENT ASSETS	2,880	3,039
NON-CURRENT ASSETS			
6,100	Infrastructure, Property, Plant & Equipment	7,709	7,963
6,100	TOTAL NON-CURRENT ASSETS	7,709	7,963
8,784	TOTAL ASSETS	10,589	11,002
LIABILITIES			
CURRENT LIABILITIES			
771	Trade & Other Payables	771	771
1,987	Borrowings	2,287	2,176
540	Provisions	588	628
3,298	TOTAL CURRENT LIABILITIES	3,646	3,575
NON-CURRENT LIABILITIES			
4,702	Borrowings	5,791	6,222
78	Provisions	126	151
4,780	TOTAL NON-CURRENT LIABILITIES	5,917	6,373
8,078	TOTAL LIABILITIES	9,563	9,948
706	NET ASSETS	1,026	1,054
EQUITY			
706	Accumulated Surplus	1,026	1,151
706	TOTAL EQUITY	1,026	1,151

EAST WASTE**PROJECTED STATEMENT OF CASH FLOWS (BUDGET)**

for the Financial Year Ending 30 June 2021

FY2020		FY2021	FY2022
Audited Actuals		Proposed Budget (BR2)	Proposed Budget
\$'000		\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
16,572	Operating Receipts	17,605	19,312
32	Investment Receipts	13	2
PAYMENTS			
(5,555)	Employee costs	(5,545)	(5,730)
(8,260)	Materials, contracts & other expenses	(9,614)	(11,185)
(309)	Interest Payments	(250)	(245)
2,480	NET CASH PROVIDED BY (OR USED IN) OPERATING ACTIVITIES	2,209	2,154
CASH FLOWS FROM INVESTING ACTIVITIES			
RECEIPTS			
35	Sale of Replaced Assets	83	65
PAYMENTS			
(1,897)	Expenditure on Renewal/Replaced Assets	(2,483)	(2,381)
-	Expenditure of New/Upgraded Assets	-	-
(1,862)	NET CASH PROVIDED BY (OR USED IN) INVESTING ACTIVITIES	(2,400)	(2,316)
CASH FLOWS FROM FINANCING ACTIVITIES			
RECEIPTS			
65	Capital Contributed by Member Councils	65	-
1,814	Proceeds from Borrowings	2,171	2,400
PAYMENTS			
(1,906)	Repayment of Borrowings	(1,840)	(1,815)
-	Repayment of Lease Liability	-	(265)
-	Distribution - Member Councils	-	-
(27)	NET CASH PROVIDED BY (OR USED IN) FINANCING ACTIVITIES	396	320
591	NET INCREASE (DECREASE) IN CASH HELD	205	159
1,367	CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,958	2,163
1,958	CASH & CASH EQUIVALENTS AT END OF PERIOD	2,163	2,322

EAST WASTE**PROJECTED STATEMENT OF CHANGES IN EQUITY (BUDGET)**

for the Financial Year Ending 30 June 2021

FY2020		FY2021	FY2022
Audited Actuals		Proposed	Proposed
\$		Budget	Budget
		(BR2)	
		\$'000	\$'000
473	BALANCE AT END OF PREVIOUS REPORTING PERIOD	706	1,026
168	Net Surplus / (Deficit) for Year	256	125
65	Contributed Equity	64	-
-	Distribution to Councils	-	-
706	BALANCE AT END OF REPORTING PERIOD	1,026	1,151

EAST WASTE**PROJECTED UNIFORM PRESENTATION OF FINANCES STATEMENT (BUDGET)**

for the Financial Year Ending 30 June 2021

FY2020		FY2021	FY2022
Audited Actuals		Proposed Budget (BR2)	Proposed Budget
\$'000		\$'000	\$'000
17,454	Income	17,190	19,414
(16,058)	Expenses	(16,887)	(19,389)
1,396	Operating Surplus / (Deficit)	303	25
Net Outlays on Existing Assets			
(1,897)	Capital Expenditure on Renewal and Replacement of Existing Assets	(2,580)	(2,381)
2,069	Depreciation, Amortisation and Impairment	2,103	2,126
35	Proceeds from Sale of Replaced Assets	83	65
207		(395)	(189)
Net Outlays on New and Upgraded Assets			
-	Capital Expenditure on New and Upgraded Assets	-	-
-	Amounts Specifically for New and Upgraded Assets	-	-
-	Proceeds from Sale of Surplus Assets	-	-
-		-	-
1,603	Net Lending / (Borrowing) for Financial Year	(91)	(164)

BUDGET FRAMEWORK POLICY**EastWaste**

Type	Governance
Category	Finance
First Issued/Adopted	Board:13 December 2018
Minutes Reference	
Review Period	12 months
Last Reviewed	N/A
Next reviewed	December 2019
Applicable Legislation	<ul style="list-style-type: none"> • <i>Local Government Act 1999</i> • <i>Local Government (Financial Management) Regulations 2011</i>
Related Documents	<ul style="list-style-type: none"> • East Waste Charter • East Waste Business Plan 2015-2024 • East Waste Long Term Financial Plan
Consultation Undertaken	Audit & Risk Management Committee
Responsible Officer	Manager Corporate Services

SIGNED:

General Manager

Date: ____/____/____

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East Waste Chairperson

Date: ____/____/____

Purpose

East Waste as a Regional Subsidiary seeks to be accountable in all aspects of the budget development process and meet Member Council expectations of transparency, clarity, consistency, responsible financial management and reporting.

Importantly the Framework will assist with the retention of corporate knowledge and consistency across financial years in the accounting treatment and disclosure applied to services and events undertaken by the Authority.

As detailed below it is important to note that the Framework does not, and will not abdicate from any applicable legislative or regulatory requirements (including for applicable Australian Accounting Standards where applicable). The Policy is intended to further enhance the governance structure surrounding the management and reporting of the Authority's budget activities, which are detailed in *the East Waste Charter, Local Government Act 1999 S.123* and the Local Government (Financial Management) Regulations 2011.

Background

The East Waste Charter and specifically Sections 51-55, set out the Annual requirements for the Development of an Annual Plan and Budget. In summary:

- The Authority must, each financial year have an Annual Plan which supports and informs the budget;
- The Draft Annual Plan must be provided to Constituent Councils and consented to by an absolute majority of Constituent Councils before 31 May each year;
- The Authority must advise Constituent Councils of the proposed fees for the following Financial Year by April 1 of the preceding financial year.

The budget must also comply with the standards and principles prescribed by the *Local Government Act 1999* and applicable Regulations. The budget shall include budgeted financial statements, which must be presented, in a manner consistent with the Model Financial Statements.

Definitions

Common Fleet Costing Charge	The charge to each Member Council which represents all direct and administrative costs associated with the delivery of waste collection, fleet maintenance, waste management administration, education & promotions activities, regulatory compliance and funding debt servicing obligations related to common fleet plant & equipment related activities. The actual charge is apportioned based on the Common Fleet Percentage of the Member Council.
Common Fleet Percentage	<p>Calculated from GPS data collected from each East Waste Fleet Truck. The Common Fleet Percentage (CFP) is the portion of time taken to undertake the 5 core services (household kerbside collections (waste, recycling & organics), street & reserve litter bins and hard rubbish) for each Member Council. This is represented as a percentage of the total time and is used as a basis for the Common Fleet Costing Charge.</p> <p>CFP data is reviewed and updated each month. Revised CFP allocations are applied to Common Fleet Cost charges annually or when significant variations occur (eg. new service added or new Council enters).</p>
Constituent Council Share	As detailed in S.57 of the <i>East Waste Charter</i> , all Member Councils hold an equal equitable ownership interest share in East Waste.
Corporate Administration Fee	Refer to latter section titled <i>Corporate Administration Fee</i> for explanation.
Local Government Price Index	The Local Government Price Index (LGPI) measures price movements faced by Local Government in South Australia in respect of their purchases of goods and services. As the mix of goods and services purchased by Local Councils/Regional Subsidiaries is quite different from that typically consumed by households, overall price movements faced by Local Councils may differ markedly from those faced by households.
Member Councils	Also known as Constituent Councils, are those Councils which are referred to in <i>Section 1</i> of the <i>East Waste Charter</i> .
Model Financial Statements	Refers to the Model Financial Statements described in Regulation 4(3) of the <i>Local Government (Financial Management) Regulations 2011</i> .
Proposed Fees	The indicative Common Fleet Costing Charge, Corporate Administration Fee, waste and processing fees (where applicable) and any other charges which the Authority intends to charge Member Councils in the subsequent Financial Year.

Return on Revenue	Calculated as being the total Net surplus generated on common fleet costing fees charged to Constituent Councils for common fleet waste collections activities provided.
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Preparation Schedule

The following timetable is to be annually applied in the development of the Annual Budget:

Month	Activity
November:	Review Budget Framework Policy if required
December/January:	Develop Draft Annual Plan
January:	Draft Annual Budget developed
February:	Board consideration and endorsement of Draft Annual Plan & Budget
March:	Draft Annual Plan & Budget sent to Member Councils for consideration
April/May:	Member Council endorsement of Draft Annual Plan
June:	East Waste Board adoption of Annual Plan & Budget
June/July:	Member Councils formally notified of Fees and provided endorsed copy of Annual Plan.

Budget Reviews

Legislation requires a budget update at least twice per year and a mid-year budget review. East Waste will present to the Audit & Risk Management Committee and Ordinary Board Meeting (and subsequently Member Councils), quarterly budget reviews at the meetings immediately following the following period ended:

- 30 September;
- 31 December; and
- 31 March

Preparation and presentation of budget information will be consistent with the Board's requested demands to ensure users are provided with the necessary information to discharge their duties and Member Council reporting requirements. Budget work papers will also ensure to comply with any reporting legislative requirements relating to the presentation and timing of budget revisions conducted, whilst at the same time acknowledging and protecting the financial integrity of East Waste operating in a commercially competitive environment

Financial Targets

1. Operating Result: 1 - 2% Return on Revenue (based on Common Fleet Costing Charge).
2. Working capital requirements: retention of cash reserves equal to funding one quarter of estimated operational expenses requirements (including loan repayments).
3. Authority to maintain a \$1m bank overdraft facility for emergency purposes only.
4. The Authority shall remain in a positive Net Asset/Equity position at all times.
5. The Authority is to ensure it complies with the principles contained within the adopted Treasury Management Policy when considering the development and revision of the budget.

Principles

The following Principles underpin the Budget Development and budget review process.

1. Projected operating income is set to ensure sufficient funds are raised to meet all financial obligations (operating and capital) for the relevant financial year, taking into account the activities listed in the draft Annual Plan.
2. All expenditure decisions will align with the East Waste 10 year Strategic Plan.
3. Zero-based budget approach is to be adopted for the development of the annual budget in order to ensure each activity allocation remains relevant for the coming year.
4. A full cost recovery model to be employed for all services and activities. Budgets will be based on meeting agreed service levels or program activity commitments.
5. The Budget is to be established and reported upon according to the following four (4) key Business Units:

Common Fleet Costing: Represents all direct and Administrative costs associated with the Delivery of waste collection, fleet maintenance, waste management administration, education & promotions activities, regulatory compliance activities and funding debt servicing obligations related to common fleet plant & equipment (across 5 streams). Charged in accordance with common fleet allocation.

Bin Maintenance Activities: A cost recovery service charged to each individual Council for services directly associated with bin renewal, replacement and maintenance.

Waste Disposal Activities: A cost recovery activity against each individual Council for disposal costs incurred. Occurs only where the Member Council is not invoiced directly.

Corporate Administration: A set Administrative Fee charged equally amongst Member Councils (further detail below), along with ancillary income (interest, grants, asset sales etc).

6. Loans will be used to fund long term asset creation and not to fund or support recurrent service delivery.
7. Vehicle Capital Expenditure is to be funded solely via external loan borrowings. An annual review of this principle is to be confirmed through budget adoption process.
8. Capitalisation threshold for all assets to be set for items that cost greater than \$3,000;
9. Term of loan borrowings to be taken over a period equal to the expected useful life of the asset or for items with an indefinite life, a period as determined by the Board.
10. Assets depreciation is to be set over the expected life of the assets in accordance with Australian Accounting Standards (AASB) 116 Property, Plant and Equipment. Residual values will be applied to assets where there is an estimated 'salvage or trade-in' value for the asset at the end of its expected useful life.
11. The Corporate Administration Fee, along with the Common Fleet Costing charge for the five key services (kerbside collection, hard rubbish and street and reserve litter bins), to Member Councils is to be processed quarterly in advance based on the adopted Fees and Charges. All other charges to Member Councils are for reimbursement of costs incurred by the Authority which are invoiced at the end of the month incurred, following reconciliation. All invoices issued to Member Councils have payment terms of 30 days payable from the date of the invoice issued.
12. The Common Fleet costing Charge is determined based on the usage of the previous financial year. Where there is a new service or incomplete data (ie. the service was not undertaken for a full 12 months), an evidence-based approach will be used to calculate the Common Fleet percentage.
13. Where applicable the provision of non-core services to non-member Councils are to include a margin which reflects the risk, asset renewal and fair and reasonable administrative charges incurred.

Corporate Administration Fee

East Waste operates on a full cost recovery model for all services and activities. This is either direct recovery (eg. disposal and processing fees) or via the common fleet percentage (eg. collection fees and maintenance costs). The exception is the Corporate Administration Fee which is split equally (Constituent Council Share) across Member Councils.

For the 2019/20 budget process, the established base Administration Fee of \$225,000 is to be applied. For future years, the Administration Fee is to be annually increased by the Local Government Price Index (LGPI), or the annual average percentage movement in the Common Fleet Costing Charge, whichever is greater. The Corporate Administrative Fee is to be reviewed through each Annual Budget process.

END.

8.3: Annual Plan Progress Report

REPORT AUTHOR: General Manager

ATTACHMENTS: A: Annual Plan Implementation Summary

Purpose of the Report

To provide the Board with an update on the implementation of the activities endorsed in the 2020/21 Annual Plan.

Background

At the June 2020 Board meeting the Board resolved (in part):

2020/21 ANNUAL BUSINESS PLAN & BUDGET

Moved Mr Bradley that the Board endorses the 2020/21 Annual Business Plan and revised Budget as presented in Attachment A, noting that an increase to the Education budget is to be considered through the quarterly budget review process.

Seconded Cr Carbone

Carried

Report

The attached matrix (refer Attachment A) provides a snapshot update as to the progress of the Annual Plan activities.

This is a standing item on the Board Agenda.

Recommendation

That the report be received and noted.

Annual Plan Implementation Summary Matrix

Activity Code	Activity	10YR Business Plan Link	Metric	Status
G1	Implementation of a compliant Records Management System	2.3.3	<i>State Records Act 1997</i> Compliant Records Management System integrated into business activities.	Project Underway.
OM1	Continue & Expand Existing Core Services	1.3 2.4.1	Expansion of existing Service Provisions are investigated and undertaken in a financially sustainable & beneficial manner to existing Member Councils.	Completed - Ongoing Assessment & offerings
OM2	Upgrade Fleetmax to Waste Track2 and computer hardware/cloud server	2.4.2	Systems installed to deliver optimal Customer Service and reporting capabilities.	Preliminary Waste Track2 functions being rolled out and utilised.
OM3	Purchase of replacement RACVs	2.4.7	Replacement of collection vehicles in accord with AMP to ensure operational needs are met.	Completed. All truck received. <ul style="list-style-type: none"> • 5 & diesel-powered RACVs • 1x small rear loader (Litter bin truck)
OM4	Investigate opportunities for increased reuse of Hard Waste material	2.4.5	Presentation to Member Councils of financially sustainable & environmentally responsible contract offer which meets their business needs.	Trial with a Member Council being investigated

Activity Code	Activity	10YR Business Plan Link	Metric	Status
C1	Implementation of Kerbside Services Plan	2.5.2	Implementation of Year 1 Actions of endorsed a of a long-term integrated behavior change Program, designed to reduce waste to landfill and contamination levels.	On hold until completion of education review (C3).
C2	Continued implementation of 'Why Waste It?' Program	2.5.2	Rollout of <i>Why Waste It?</i> campaign to complement statewide education and service the needs of Member Councils.	Ongoing
C3	Review of East Waste's Education Program	2.5.2	Review undertaken and report presented to Council for consideration ahead of 2021/22 budget setting.	Final report to be presented to April Board Meeting.
C4	Advocacy/Leadership	2.4.6	Tangible advocacy and leadership examples across the year on waste matters of significance to Member Councils.	Refer Report 8.4. Right to Repair Submission Member of Local Government Professionals, National Waste Advisory Group
WS1	Independent Truck Fleet Audit	2.6.2	All trucks audited and identified issues corrected to ensure safe and compliant fleet.	Completed – no major defects identified.
WS2	Implementation of the 2019 Risk Management Evaluation Plan	2.3.3	All actions implemented in timely manner.	Risk Management Policy and Risk Management Framework, endorsed – actions for completion underway.
FM1	Cost benefit analysis of services	2.3.4	Review undertaken and report presented to Council for consideration ahead of 2021/22 budget setting.	Final report to be presented to April Board Meeting.

8.4: RESPONSE TO RIGHT TO REPAIR CONSULTATION

REPORT AUTHOR: General Manager

ATTACHMENTS: A: Response to *Productivity Commission's Right to Repair Inquiry*

Purpose of the Report

To provide the Board with a copy of East Waste's submission to the Federal Government Productivity Commission's *Right to Repair Inquiry*.

Background

The Productivity Commission in December 2020 released an issues paper to consider a consumers' ability to repair faulty goods and to access repair services at a competitive price. The Commission was asked to look at:

- the barriers and enablers of competition in repair markets;
- the costs and benefits of a regulated 'right to repair', including facilitating access to embedded software in consumer and other goods
- the arrangements for preventing premature or planned product obsolescence;
- the proliferation of e-waste and means of reducing e-waste through improved access to repairs.

Submissions closed on 1 February 2021.

Report

With hard rubbish volumes increasing significantly and avoiding and reducing waste the most preferable option on the waste hierarchy, East Waste took the opportunity to make a submission and advocate for an increased requirement around ease of access to product repair markets (refer Attachment A).

RECOMMENDATION

That the Board note the response, as presented in Attachment A, to the *Productivity Commission's Right to Repair Inquiry*.

28 January 2020

Right to Repair Inquiry

Productivity Commission

Locked Bag 2

Collins Street East

Melbourne Vic 8003

Sent via email: repair@pc.gov.au

Dear Sir/Madam,

Submission to the Productivity Commission on the *Right to Repair Inquiry*

Thank you for the opportunity to allow Eastern Waste Management Authority (East Waste) to comment on the *Right to Repair Inquiry*. As a waste management Organisation, focused on reducing waste to landfill, East Waste has a keen interest in this matter.

For context, East Waste is a regional subsidiary of seven South Australian Councils, being Adelaide Hills Council, City of Burnside, Campbelltown City Council, City of Mitcham, City of Norwood Payneham & St Peters, City of Prospect, and the Corporation of the Town of Walkerville. On behalf of these Member Councils, East Waste handles approximately 20% of Adelaide's kerbside municipal waste, organics and recycling with a modern fleet and shared services model and completes over 9 million kerbside bin collections and 40,000 hard waste collections every year. East Waste has long been involved in the waste industry with our origins commencing in 1928.

Through our work East Waste and our Member Councils see a high level of repairable items regularly discarded to landfill principally due to the poor design, inability and/or lack of accessibility to suitable repair facilities. Our response to the request for information are detailed on the following pages.

Thank you once again for the opportunity to provide comment. We welcome staying engaged in the conversation and should you wish to discuss any elements of this submission further, please don't hesitate to contact the undersigned on 0417 466 929 or email robq@eastwaste.com.

Yours sincerely



ROB GREGORY

GENERAL MANAGER

EAST WASTE RESPONSES TO 'RIGHT TO REPAIR' PRODUCTIVITY COMMISSION ISSUES PAPER JANUARY 2020

INFORMATION REQUEST 1

What would a 'right to repair' entail in an Australian context? How should it be defined.

A manufacturer of any physical item/product should allow for the 'right to repair' as a priority and in doing so, original equipment manufacturers (OEMs) should provide clear information on repair options such as an 'approved repairer contact list' when the products are purchased. The parts and types of repairs that are covered under warranty should also be clearly provided.

This could be managed by allowing for a broader network of "authorised/certified repairers" to have access to the necessary repair manuals and tools through a licence type agreement.

Repair options outside of existing product manufacturer companies should be further supported and implemented with consideration of existing repair cafes and maker spaces. These organisations currently are predominantly run by volunteers which include specialised technicians that may have or had previously worked in a trade eg. electricians as well as 'self-taught' repairers. Examples in Adelaide include:

- The Hut Community Centre, Aldgate;
- Gawler Repair Café, Gawler Environment Centre;
- Repair Café, Campbelltown SA;
- Repair Café Payneham;
- Unley Repair Café, Unley;
- Makerspace ,Adelaide;
- Tea Tree Gully Repair Café, Tea Tree Gully; and
- Parks Library Repair Cafe, Angle park.

Warranties should cover the repair and/or replacement of parts which extend for a minimum of 2 years. The suitability of this could be determined by the type of product however rather than warranties being offered voluntarily, there should be a product warranty standard/benchmark that prescribes how long warranties should last for specific products.

An itemised list of parts and software that may need repairing with advice on how and where to repair them should be made available when purchasing the product as well as on the manufacturer's website.

A service and repair support number eg. 1300 REPAIR should be made available to provide customers with advice and support on sourcing repairs.

Various options on how goods can be repaired should include; taking the product to an authorised repair service centre/repair café, having a technician visit your residence or business to repair the product for larger items, and free postage options for smaller items to send them back to the manufacturer for repair.

INFORMATION REQUEST 2

- a) What types of products and repair markets should the Commission focus on?*
- b) Are there common characteristics that these products share (such as embedded technology and software or a high/low degree of product durability), and which characteristics would allow policy issues to be considered more broadly?*
- c) If there are particular products that the Commission should focus on, what are the unique issues in those product repair markets that support such a focus?*

Due to the planned obsolescence of many electronic items, in particular iPhones, TV's, and Computers (subsequently creating the fastest waste stream) these items should be the main focus. A possible solution is 'product life extension' where the lifecycle of products is extended by remanufacturing, repairing or remarketing. Eg. Ara, a modular smartphone made from separate modules, processors, displays, cameras and other specialised parts which can be upgraded as needed. This design would allow a device to be upgraded over time with new capabilities and upgraded without requiring the purchase of an entire new device, providing a longer lifecycle for the device and potentially reducing electronic waste. (Project Ara – Wikipedia https://en.wikipedia.org/wiki/Project_Ara) Although this project was shelved in 2016, it still has merit for possible future applications.

INFORMATION REQUEST 3

- a) Do the consumer guarantees under the ACL provide adequate access to repair remedies for defective goods? If not, what changes could be made to improve access to repair remedies? Are there barriers to repairing products purchased using new forms of payment technologies, such as 'buy now pay later'?*
 - b) Is the guarantee of available repair facilities and spare parts effective in providing access to repair services and parts? Or is the opt-out clause being widely used, making the guarantee ineffective?*
 - c) Should consumer guarantees seek to balance the broader societal costs of remedy choices (such as the environmental impacts of replacements) with consumer rights, and if so how? For example, should repairs be favoured as a remedy?*
 - d) Are consumers sufficiently aware of the remedies that are available to them, including the option to repair faulty products, under the ACL's consumer guarantees? • If not, would more information and education be a cost-effective measure to assist consumers understand and enforce guarantees? What would be the best way to deliver this information? What other measures would be more effective?*
- a) Access to repair remedies are provided through a limited warranty, most people are aware of this however may not be provided with adequate information or support to access repair or replacement options.

- b) It seems the 'need for new' often outweighs the motivation for people to choose to repair items. 'Afterpay/buy now pay later' allows people easier access to new products and in doing so further encourages them to purchase new items rather than getting existing items repaired.
- c) Highlighting the significant environmental, societal and economic benefits of repairing would perhaps encourage people to repair and restore items more. Alternatively developing and mandating the publishing of a 'life cycle' cost/environmental impact statement of goods, may assist consumers in their purchasing decisions.

Eg: **Benefits of repairing:**

- Reduces waste sent to landfill
 - Reduces collection and processing cost associated with waste
 - Supports a Circular Economy model where items or parts of, are reused and circulated for longer therefore conserving our natural resources
 - Maintains the resale value of a product
- d) Extending warranties and prioritising repair options and accessibility would improve awareness of these options. Also allowing for warranties to be extended to items that are repaired for resale through second-hand goods.

INFORMATION REQUEST 4

- a) *The Commission is seeking information on the nature of repair markets in Australia, including detailed data on the repair markets for specific products, covering: • market size — by employment, revenue, number of businesses, profit margins • market composition — such as market share between authorised, independent and DIY repairers. (continued next page)*
- b) *Is there any evidence of a difference in quality, safety or data security between authorised repair networks and independent repairers? Are there ways to address concerns around quality, safety or data security while promoting a vibrant independent repair market?*
- c) *Are there available examples of the contracts between OEMs and authorised repairers? Do these contracts limit effective competition in repair markets (such as by limiting the number and reach of authorised repairers or requiring authorised repairers to not be authorised by a competing brand)? • What is the process to become authorised? Is it open and competitive?*
- d) *Are there specific examples or other evidence of practices by OEMs or their authorised repairers that create barriers to competition in repair markets? • Do other factors also create barriers to competition in repair markets, such as short-sighted consumer behaviours, switching costs, poor information availability or consumer lock-in?*
- e) *What is the relationship between the intensity of competition in the primary product market and the risk of consumer harm from a lack of competition in repair markets? Can competitive primary markets compensate for non-competitive repair markets? • Is an absence of effective competition in the primary market a necessary condition for consumer harm from non-competitive repair markets? • To what extent would measures that enhance competition in the primary market address concerns about a lack of competition in repair markets?*

f) Are the restrictive trade practices provisions of the CCA (such as the provisions on misuse of market power, exclusive dealing or anti-competitive contracts) sufficient to deal with any anti-competitive behaviours in repair markets?

g) What policy changes could be introduced if there is a need to increase competition in repair markets and improve consumer access to, and affordability of, repairs? • What are the costs and benefits of any such proposal to the community as a whole? How does it balance the rights of manufacturers and suppliers, with those of consumers and repairers?

Expanding the options of 'authorised repairers' to include repair cafes and other skilled technicians, will increase the competition in the repair market and in doing so, reduce the cost of repairs, particularly when volunteers may also be involved.

We need to make more products with less available resources, moving to a circular economy model allows us to do this by reusing and repairing items we already have. As resources are becoming increasingly scarce, the cost of producing new products is increasing, despite the increased efficiency in producing products.

There are significant business opportunities to be gained through reusing, repairing and repurposing items and essentially creating a circular economy model. 'A shift to a circular economy model could generate by 2025 an estimated \$1 trillion annually in economic value and create 100,000 new jobs and prevent 100 Million tonnes within the next 5 years. (Sustainability Defined, Podcast Ep 22: Circular Economy with Jennifer Gerholdt et al. May 2017)

Providing products that last longer and that can be repaired easily, can improve customer relationships as customers will be more satisfied with better products that last longer. The producers of the products will also have increased interaction with the consumers through providing services and repairing of products and in doing so, further strengthen the relationship with their consumers (McKinsey & Company and the Ellen MacArthur Foundation).

INFORMATION REQUEST 5

a) To what extent do current IP laws already facilitate repairs by consumers or independent third parties (e.g. the spare parts defence under the Design Act)?

b) Are there any aspects of IP laws where consumers' rights with respect to repairs are uncertain?

c) Do current IP protections (e.g. intellectual property rights, technological protection measures, end-user licencing agreements) pose a significant barrier to repair in Australia?

If yes, please comment on any or all of the following: • the specific IP protections that prevent consumers from sourcing competitive repairs and/or inhibit competition in repair markets • the types of products or repair markets these barriers mainly affect • the prevalence of these barriers • the impacts of these barriers on third party repairers and consumers (e.g. financial cost, poorer quality repairs) (continued next page) • options for reducing these barriers and their associated benefits, costs and risks (including potential impact on market offerings).

d) In what ways might government facilitate legal access to embedded software in consumer and other goods for the purpose of repairs? What are the pros and cons of these approaches?

Various issues around sharing of IP and companies restrictions to repair manuals and tools should be managed by a clear Policy framework.

If 'authorised repairers' are certified and trained through a regulated process managed by government or another independent authority, this should allow for regulated access to embedded software and other associated IP to the 'approved/authorised repairers' once they are certified. This would minimise the risk to the original equipment manufacturers (OEMs).

INFORMATION REQUEST 6

- a) What evidence is there of planned obsolescence in Australian product markets? Do concerns about planned obsolescence principally relate to premature failure of devices or in them being discarded still working when more attractive products enter the market?**
- b) How can the Commission distinguish between planned product obsolescence and the natural evolution of products due to technological change and consumer demand?**
- c) How does planned obsolescence affect repairers, consumers and the broader community in Australia?**
- d) What measures do governments currently use to prevent planned obsolescence or mitigate its effects (in Australia and overseas)? How effective are these measures?**
- e) What are the benefits, costs and risks of Australia adopting measures similar to those currently used overseas, such as product design standards and reparability ratings?**
- f) Do consumers have access to good information about durability and reparability when making purchases? If not, how could access to information be improved?**

Planned obsolescence is evident, particularly with Smartphones, that either slow down or stop working and need replacing every couple of years, as battery life fades and software updates change. "Given the waste problem that we have here in Australia and around the world, planned obsolescence should be something of the past" as stated by executive director Ryan Lung of the Canberra Environment Centre.

Improvements in accessibility as well as affordability of repairs are needed. The cost of repairs should mostly be absorbed by the producer of a product through a Product Stewardship arrangement.

Providing a reparability rating system, similar to an energy efficiency rating, would also be a good idea to increase awareness for consumers.

INFORMATION REQUEST 7

- a) What data are available on the amount of e-waste generated in Australia? • What data is there on the composition of e-waste in terms of particular materials (such as hazardous materials) by product type? • How does hazardous e-waste compare to hazardous general waste in its prevalence and risks? Is there merit in distinguishing between hazardous e-waste and non-hazardous e-waste? And if so, how could this be done in practice?**
- b) What estimates are available on the costs of e-waste disposal on the environment, human health and social amenity, in Australia and internationally? • How do the impacts differ by disposal type, or by the type of product or hazardous material?**
- c) How much of Australia's e-waste is shipped overseas for recycling? Is there evidence of circumstances where this creates problems for recipient countries? • Are there barriers to the expansion of domestic recycling facilities or the adoption of new recycling technologies in Australia (such as plasma arc incinerators)? d) What are Australia's current policy settings for managing the potential environmental and health effects of e-waste (such as landfill bans, the National Television and Computer Recycling Scheme or Mobile Muster)? Are these policy settings broadly right — that is, are they proportional to the impacts of e-waste on the community?**
- e) How can a right to repair policy further reduce the net costs of e-waste in Australia, and would such an approach be an effective and efficient means of addressing the costs of e-waste to the community?**

Most of the information (for questions a – c) should be available through the National Television and Computer Recycling Scheme, Mobile Muster and their associated recycling facilities such as Tech-Collect and Electronics Recycling Australia as well as government departments such as state government Environment Protection Authorities EPA and Green Industries SA.

A right to repair policy should require product producers to provide clear details on what items or parts of can be repaired, how and where items can be repaired locally and who bares the cost of the repairs. This would allow consumers better access to and choice of repairers.