



**EASTERN WASTE MANAGEMENT AUTHORITY
ORDINARY BOARD MEETING**

Thursday 24 February 2022

Notice is hereby given that a meeting of The Board of the Eastern Waste Management Authority will be held in the Mayor's Parlour, City of Norwood Payneham & St Peters, 175 The Parade, Norwood, on Thursday 24 February 2022 commencing at 5:30pm.

A handwritten signature in blue ink, consisting of several overlapping 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 24 February 2022 commencing at 5:30pm,
at the 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 Ordinary Board Meeting held on Thursday 25 November 2021, be received confirmed, and adopted.
 2. That the Minutes of the Eastern Waste Management Authority Audit and Risk Management Committee Meeting held on Tuesday 15 February 2022, be received, confirmed and adopted.

6. MATTERS ARISING FROM THE MINUTES

7. QUESTIONS WITHOUT NOTICE

8. REPORTS

- 8.1 *FINANCIAL STATEMENTS: BUDGET REVIEW TWO.....pg.22*
- 8.2 *2022/23 DRAFT ANNUAL PLAN & BUDGET ASSUMPTIONSpg.30*
- 8.3 *BEHAVIOUR STANDARDS POLICY REVIEWpg.59*
- 8.4 *AUDIT & RISK MANAGEMENT COMMITTEE TERMS OF REFERENCE.....pg.69*
- 8.5 *TURNING THE TIDE: THE FUTURE OF SINGLE-USE PLASTIC IN SOUTH AUSTRALIA SUBMISSION.....pg.77*
- 8.6 *RESPONSE TO STEWARDSHIP FOR CONSUMER AND OTHER ELECTRICAL AND ELECTRONIC PRODUCTS (late paper)*
- 8.7 *FOOD ORGANICS CAMPAIGN REPORT 2021pg.85*
- 8.8 *ANNUAL PLAN PROGRESS REPORTpg.98*

9. CONFIDENTIAL REPORTS

9.1	MEMBER COUNCIL REQUEST	pg.101
9.2	TENDER ASSESSMENT	pg.106
9.3	GENERAL MANAGER PERFORMANCE REVIEW (late paper/separate cover)	
9.4	ORGANICS CONTRACT RESOLUTION	pg.113

10. OTHER BUSINESS

11. NEXT MEETING OF THE BOARD

The next Ordinary Board Meeting is proposed to be held on:
Thursday 5 May 2022, at the Mayor's Parlour, 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 25 November 2021, commencing at 5:30pm, at the Mayor's Parlour, City of
Norwood, Payneham & St Peters

Meeting opened 5:30pm.

1. ACKNOWLEDGEMENT OF COUNTRY

2. PRESENT

Directors:

Mr F Bell	Independent Chairperson
Mayor H Holmes-Ross	City of Mitcham
Cr M Stock	City of Norwood, Payneham & St Peters
Mr P Di Iulio	Campbelltown City Council
Cr L Green	Adelaide Hills Council
Mr V Cammell	City of Prospect
Cr R Ashby	Corporation of the Town of Walkerville
Cr J Carbone	City of Burnside

In Attendance:

Mr R Gregory	General Manager
Mr D Maywald	Manager, Business Services
Ms K Vandermoer	Finance & Executive Administration Officer
Mr J Jovicevic	Dean Newbery & Partners

3. APOLOGIES

NIL

4. CONFLICTS OF INTEREST

Mr Bell declared a perceived conflict of interest in item 8.9 due to his position as Independent Chair at East Waste.

Cr Carbone declared a material conflict of interest in item 9.2, due to his position as Elected Member at City of Burnside, given that Jeffries has lodged a pre-action notice against City of Burnside, and the interests of East Waste and City of Burnside may not be the same, and therefore he will not participate in any discussion on the matter and will leave the meeting.

Mr Di Iulio declared a material conflict of interest in item 9.2, due to his position as CEO of Campbelltown Council, given that Jeffries has lodged a pre-action notice against Campbelltown Council, and the interests of East Waste and Campbelltown Council may not be the same, and therefore he will not participate in any discussion on the matter and will leave the meeting.

Cr Ashby declared a material conflict of interest in item 9.2, due to his position as Elected Member at Corporation of the Town of Walkerville, given that Jeffries has lodged a pre-action notice against Corporation of the Town of Walkerville, and the interests of East Waste and Corporation of the Town of Walkerville may not be the same, and therefore he will not participate in any discussion on the matter and will leave the meeting.

Cr Stock declared a perceived conflict of interest in item 8.13 due to the fact that his family is involved in wine production and distribution which may be affected by a wine bottle deposit, and requested not to participate in any discussion or voting on the matter.

Cr Stock declared a perceived conflict of interest in item 9.2 due to him being a member of the Norwood Football Club of which Integrated Waste Services is a major sponsor.

Mr Gregory declared a perceived conflict of interest in item 8.7 due to his position as General Manager at East Waste and advised he will leave the room for the duration of the item.

5. CONFIRMATION OF THE MINUTES

Moved Mayor Holmes-Ross that:

1. The Minutes of the Eastern Waste Management Authority Ordinary Board Meeting held on Thursday 30 September 2021, be received confirmed, and adopted.
2. The Minutes of the Eastern Waste Management Authority Audit and Risk Management Committee Meeting held on Tuesday 16 November 2021, be received, confirmed and adopted.
3. The Minutes of the Eastern Waste Management Authority Audit and Risk Management Committee Meeting held on Tuesday 21 September 2021, be received, confirmed and adopted.

Seconded Cr Carbone

Carried

6. MATTERS ARISING FROM THE MINUTES

Nil

7. QUESTIONS WITHOUT NOTICE

Nil

8. REPORTS

8.1 FINANCIAL STATEMENTS BUDGET REVIEW ONE

RECOMMENDATION

Moved Mr Di Iulio that the Board:

1. Notes and accepts the forecasted end of year FY2022 result associated with the 2021/22 Budget Review One.
2. Supports not amending Common Fleet Collection Costs at this point in time and to reconsider at Budget Review Two.

Seconded Cr Stock

Carried

8.2 TREASURY MANAGEMENT PERFORMANCE REPORT

RECOMMENDATION

Moved Cr Ashby that the Board endorses the 2021 Treasury Management Performance Report as presented in Attachment A.

Seconded Mr Cammell

Carried

8.3 BUSINESS CONTINUITY FRAMEWORK REVIEW

RECOMMENDATION

Moved Mayor Holmes-Ross that the Board adopts the Business Continuity Framework as per attachment A, including the tracked changes.

Seconded Cr Carbone

Carried

Mr Jovicevic left the meeting at 5:43pm.

8.4 POLICY REVIEW SCHEDULE

RECOMMENDATION

Moved Cr Ashby that the Board notes and receives the Report and the Policy Review Schedule, as presented in Attachment A.

Seconded Mr Cammell

Carried

8.5 DRAFT POLICY DEVELOPMENT POLICY

RECOMMENDATION

Moved Cr Stock the Board recommend that the draft *Policy Development Policy* is endorsed and adopted.

Seconded Cr Ashby

Carried

8.6 AUDIT & RISK MANAGEMENT COMMITTEE TERMS OF REFERENCE REVIEW

RECOMMENDATION

Moved Mr Cammell that the Board endorses the draft Terms of Reference as shown in Attachment A, with agreed amendments.

Seconded Mr Di Iulio

Carried

Mr Gregory left the meeting at 6:01pm.

8.7 GENERAL MANAGER PERFORMANCE REVIEW COMMITTEE TERMS OF REFERENCE REVIEW

RECOMMENDATION

Moved Mayor Holmes-Ross that the Board endorses the Terms of Reference as presented in Attachment A, with the additional wording relating to the mandating of a suitably qualified independent person, chosen by the Board, to be engaged annually to provide advice.

Seconded Cr Ashby

Carried

Mr Gregory returned to the meeting at 6:06pm.

8.8 RE-APPOINTMENT OF AUDIT & RISK MANAGEMENT COMMITTEE INDEPENDENT MEMBER

RECOMMENDATION

Moved Cr Stock that the Board endorses the re-appointment of Ms Sandra Di Blasio as an Audit & Risk Management Committee Member for a further two year term, effective from January 2022.

Seconded Cr Carbone

Carried

Mr Bell left the meeting at 6:07pm.

8.9 RE-APPOINTMENT OF INDEPENDENT CHAIRPERSON

RECOMMENDATION 1

Moved Mayor Holmes-Ross that the Board:

1. Supports the re-appointment of Mr Fraser Bell as Independent Chair of the East Waste Board for a further two year term, effective from January 2022.
2. Instructs the General Manager to formally write to each Member Council seeking their endorsement of Mr Fraser Bell as Independent Chair of the East Waste Board for a further two year period.
3. Confirms the remuneration of the role to be increased by 3%. **Motion Failed**

RECOMMENDATION 2

Moved Cr Ashby that the Board:

1. Supports the re-appointment of Mr Fraser Bell as Independent Chair of the East Waste Board for a further two year term, effective from January 2022.
2. Instructs the General Manager to formally write to each Member Council seeking their endorsement of Mr Fraser Bell as Independent Chair of the East Waste Board for a further two year period.
3. Confirms the remuneration of the role be set at \$24,000 per annum.

Seconded Cr Carbone

Carried

Mr Bell returned to the meeting at 6:16pm.

8.10 BOARD SUB-COMMITTEE APPOINTMENTS

Cr Stock left the meeting at 6:19pm.

RECOMMENDATION 1

Moved Mr Cammell that the Board endorses that the Chair be one of the appointees to the East Waste Audit & Risk Management Committee for a period of 2 (two) years in accordance with the Audit & Risk Management Committee Terms of Reference.

Seconded Mayor Holmes-Ross

Carried

RECOMMENDATION 2

Moved Mayor Holmes-Ross that Cr Green be appointed to the East Waste Audit & Risk Management Committee for a period of 2 (two) years in accordance with the Audit & Risk Management Committee Terms of Reference.

Seconded Cr Ashby

Carried

Cr Stock returned to the meeting at 6:25pm.

Cr Green entered the meeting at 6:25pm.

8.11 ANNUAL PLAN PROGRESS REPORT

RECOMMENDATION

Moved Cr Green that the report be received and noted.

Seconded Mr Cammell

Carried

8.12 2022 PROPOSED MEETING SCHEDULE

RECOMMENDATION

Moved Cr Green that the report, be received and noting that a change to the November 2022 meeting will be required due to Local Government elections.

Seconded Cr Carbone

Carried

Cr Stock left the meeting at 6:32pm.

8.13 RESPONSE TO CONTAINER DEPOSIT LEGISLATION CONSULTATION

RECOMMENDATION

Moved Mr Cammell that the Board endorse the response, as presented in Attachment A, to the State Government *Improving South Australia's Recycling Makes Cents* Consultation with agreed amendments.

Seconded Mayor Holmes-Ross

Carried

Cr Stock returned to the meeting at 6:36pm.

8.14 EAST WASTE CHARTER REVIEW

Mr Gregory provided a verbal update on the progress of the Charter review.

Item 10 was brought forward for discussion to accommodate the schedules of members.

10. OTHER BUSINESS

Nil

9. CONFIDENTIAL REPORTS

9.1 TENDER ASSESSMENT

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:

- (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 Mayor Holmes-Ross

Carried

RECOMMENDATION 3

Moved Cr Carbone that under Section 91(7) and (9) of the Local Government Act 1999 the East Waste Board orders that the report, attachment(s), discussion and minutes 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 Green

Carried

9.2 GENERAL MANAGER CONTRACT REVIEW

Mr Gregory left the meeting at 6:45pm.

RECOMMENDATION 1

Moved Cr Stock 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 Ashby

Carried

Mr Bell provided a verbal update on the upcoming expiration of the General Manager's contract and proposed review process.

RECOMMENDATION 2

Moved Cr Stock that under Section 91(7) and (9) of the Local Government Act 1999 the East Waste Board orders that the 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 Cr Ashby

Carried

Mr Gregory returned to the meeting at 6:50pm.

Cr Ashby left the meeting at 6:50pm.

Mr Di Iulio left the meeting at 6:50pm.

Cr Carbone left the meeting at 6:50pm.

9.3 VERBAL UPDATE: ORGANICS CONTRACT MATTER

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:

- (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 Cr Stock

Carried

RECOMMENDATION 3

Moved Cr Green that under Section 91(7) and (9) of the Local Government Act 1999 the East Waste Board orders that the discussion and minutes 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 Cammell

Carried

11. NEXT MEETING OF THE BOARD

The next Ordinary Board Meeting is scheduled to be held on Thursday 24 February 2022, commencing at 5:30pm, at the City of Norwood, Paynhem & St Peters, 175, The Parade, Norwood.

12. CLOSURE OF MEETING

There being no further business the meeting closed at 7:17pm

DATE: _____

CHAIRPERSON: _____



**MINUTES OF THE MEETING OF THE AUDIT & RISK MANAGEMENT COMMITTEE
OF THE EASTERN WASTE MANAGEMENT AUTHORITY**

held on Tuesday 15 February 2022 in the Boardroom, Thomson Geer,
7/19 Gouger Street, Adelaide

Meeting opened at 8:05am, with General Manager Rob Gregory chairing the commencement of the meeting due to Board endorsed membership and Chair changes.

1. ACKNOWLEDGEMENT OF COUNTRY

2. PRESENT

Mr F Bell	Independent Board Chair
Mrs E Hinchey	Independent Member/Chair (following Item 8.1)
Cr L Green	Adelaide Hills Council

IN ATTENDANCE

Mr R Gregory	General Manager (Chair until conclusion of Item 8.1)
Mr D Maywald	Manager, Business Services
Ms P Foy	Executive Administration Officer
Mr J Jovicevic	Dean Newbery & Partners

3. APOLOGIES

Ms S Di Blasio	Independent Member
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4. CONFLICTS OF INTEREST

Nil.

5. CONFIRMATION OF THE MINUTES – 16 November 2022

Moved Mr Bell that the Minutes of the previous meeting held on Tuesday 16 November 2021 be received and noted.

Seconded Cr Green

Carried

Moved Mr Bell that the Confidential Minutes of the previous meeting held on Tuesday 16 November 2021 be received and noted.

Seconded Cr Green

Carried

6. MATTERS ARISING FROM THE MINUTES

Nil.

7. QUESTIONS WITHOUT NOTICE

Nil.

8. REPORTS

8.1 AUDIT & RISK COMMITTEE CHAIR APPOINTMENT

RECOMMENDATION

1. Moved Cr Green that the Audit & Risk Management Committee nominates Mrs Hinchey as the East Waste Audit & Risk Management Committee Chair for the 2022 calendar year.
2. Moved Cr Green that Clause 11 of the Audit and Risk Management Committee Terms of Reference be amended to clarify that it is the Chairperson of the Board, not the Chairperson of the Committee, that is excluded from receiving a sitting fee.
Seconded Mr Bell **Carried**

8.2 FINANCIAL STATEMENTS – BUDGET REVIEW TWO

RECOMMENDATION

Moved Mr Bell that the Committee notes and accepts the forecasted end of year FY2022 result associated with the 2021/22 Budget Review Two and recommends to the Board for endorsement.

Seconded Cr Green

Carried

Mr Jovicevic left the meeting at 8.39am

8.3 2022/23 DRAFT ANNUAL PLAN & BUDGET ASSUMPTIONS

RECOMMENDATION

Moved Mr Bell that the 2022/23 Draft Budget Key Assumptions as amended, including increasing CPI to 3.5%, are noted and supported for presentation to the Board.

Seconded Cr Green

Carried

8.4 BEHAVIOUR STANDARDS POLICY REVIEW

RECOMMENDATION

Moved Cr Green that the Committee notes and receives the Report and the Policy Review Schedule.

Seconded Mr Bell

Carried

9. CONFIDENTIAL REPORTS

9.1 TENDER EVALUATION

RECOMMENDATION 1

Moved Cr Green that pursuant to Section 90(2) and (3) of the Local Government Act 1999 the East Waste Audit & Risk Committee orders that the public, with the exception of the East Waste staff present, be excluded from the meeting on the basis that the 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 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 Mr Bell

Carried

RECOMMENDATION 3

Moved Cr Green that under Section 91(7) and (9) of the Local Government Act 1999 the Committee orders that the report, attachment(s), discussion and minutes 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 Bell

Carried

9.2 VERBAL UPDATE: CONTRACTS

RECOMMENDATION 1

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

- (h) legal advice.

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

and the East Waste 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 Cr Green

Carried

RECOMMENDATION 3

Moved Cr Green that under Section 91(7) and (9) of the Local Government Act 1999 the Committee orders that the discussion and minutes 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 Bell

Carried

9.3. VERBAL UPDATE: GM PERFORMANCE REVIEW UPDATE

RECOMMENDATION 1

Moved Mr Bell that pursuant to Section 90(2) and (3) of the Local Government Act 1999 the East Waste Audit & Risk Committee orders that the public, with the exception of the East Waste staff present, be excluded from the meeting on the basis that the Committee 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 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 Cr Green

Carried

RECOMMENDATION 3

Moved Cr Green that under Section 91(7) and (9) of the Local Government Act 1999 the Committee orders that the discussion and minutes 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 Bell

Carried

10. OTHER BUSINESS

Nil.

11. NEXT MEETING OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The next Audit and Risk Management Committee Meeting is proposed to be held on: Wednesday 27 April 2022, at 8:00am, in the Chairman's Boardroom, Thomson Geer, 7/19 Gouger Street, Adelaide.

12. CLOSURE OF MEETING

There being no other business the meeting closed at 10:04am.

PRESIDING MEMBER

DATE

8.1: FINANCIAL REPORT – BUDGET REVIEW TWO

REPORT AUTHOR:	General Manager
ATTACHMENTS:	A: Summary Budget Movement – Budget Review 2 B: Budgeted Statement of Comprehensive Income FY2022 C: Budgeted Balance Sheet FY2022 D: Budgeted Statement of Cash Flow FY2022 E: Budgeted Statement of Changes in Equity FY2022 F: Budgeted Uniform Presentation of Finances Statement FY2022

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 2022 as prescribed by the Regulations.

Background

At the meeting held 24 June 2021, the East Waste Board resolved:

8.2 2021/22 ANNUAL BUSINESS PLAN & BUDGET

Moved Mr Di Iulio that the Board endorse the 2021/22 Annual Business Plan and Budget, as presented in Attachment A.

Seconded Cr Ashby

Carried

Report

A continued increase in fuel prices is the predominate catalyst for the half yearly budget deficit of \$256,000. And a full year forecast for a net deficit of \$275,000. An additional \$150,000 increase in provision for fuel costs, on top of the \$124,000 adjustment at Budget Review One has been factored in the revised budget forecast. This comes as a result of fuel prices currently being \$0.45 above budget and a urea shortage resulting in a \$1.30/litre surcharge on AdBlue. Some minor relief is expected on AdBlue over the remaining six months, however fuel prices are expected to remain high for the remainder of the financial year.

Additionally, as a result of a truck trade-in, ahead of schedule, East Waste has recorded a net loss on disposal given the written-down-value of the truck as at the date of disposal was greater than the estimated value of the replacement vehicle.

Several other significant budget movements have been made (as summarised below), predominately associated with bin supplies and processing of organics and recycling, which do not impact East Waste's overall result.

- Bin Supply/Maintenance/Replacement: \$300k movement - Budget overstated uptake of materials by Member Councils.
- Additional Services: Additional \$85k added due to higher than forecast uptake.
- Green Organics Processing: \$300k movement due to overall reduction in tonnes processed through the East Waste contract.
- Recycling Processing: \$419k movement due principally to continued rebounding international commodity prices for Mixed paper and Cardboard.

On a positive note, due to a number of recent strong years, East Waste maintains sufficient cash reserves to cover the forecasted end of year deficit costs, with Administration not proposing to amend any Common Fleet Charges at this point.

East Waste's operating cash balance is favourable, with January 2022 closing cash balance being \$2.1M. This balance is consistent with previous years and will be drawn down over the coming months through loan repayments, wages and salaries, operational expenditure and ATO obligations.

The Audit & Risk Committee considered the Financial Statements associated with Budget Review Two at the February 2022 meeting and following a discussion, particularly around fuel price movement resolved:

8.2 FINANCIAL STATEMENTS – BUDGET REVIEW TWO

RECOMMENDATION

Moved Mr Bell that the Committee notes and accepts the forecasted end of year FY2022 result associated with the 2021/22 Budget Review Two and recommends to the Board for endorsement.

Seconded Cr Green

Carried

Post the Audit and Risk Committee an amendment has been made to the statements to account for a recognised carry forward of \$80,000 in grant funding to next financial year. This is reflected in Attachment A in the *Grant Income* line.

RECOMMENDATION

The Board:

- 1. Notes and accepts the forecasted end of year FY2022 result associated with the 2021/22 Budget Review Two.**
- 2. Supports not amending Common Fleet Collection Costs at this point in time and to reconsider at Budget Review Three.**

ITEM 8.1 - ATTACHMENT A

EAST WASTE

Summary Budget Movement Worksheet
for the Financial Year Ending 30 June 2022

	Actual YTD	Adopted Budget Full Year	Actual YTD / Adopted Budget	Proposed Budget	Proposed Budget Movement	Comments
Administration Fee	119,800	239,600	50%	239,600	-	
Common Fleet Costing	6,331,276	12,662,552	50%	12,662,552	-	
Processing Income	1,778,511	4,638,900	38%	3,919,640	(719,260)	Reduction in tonnes (Organics) and processing fees (recyclables)
Bin Services & Maintenance	506,859	1,154,000	44%	939,000	(215,000)	Over statement in budget stock required by Member Councils
Profit from Disposal	(45,305)	115,000	-39%	45,000	(70,000)	Changeover costs reduced
Grant Income	81,613	133,400	61%	82,000	(51,400)	Updated total Grant Income to \$162K of which, \$80K to be carried forward to FY23.
Other Income	20,582	19,300	107%	19,300	-	
Total	8,793,335	18,962,752		17,907,092	(1,055,660)	
Processing Expenses	1,782,530	4,638,900	38%	3,919,640	(719,260)	Reduction in tonnes (Organics) and processing fees (recyclables)
Bin Service & Maintenance Expenses	477,031	1,154,000	41%	939,000	(215,000)	Over statement in budget stock required by Member Councils
Employee Costs	2,975,288	6,308,919	47%	6,308,919	-	
Fleet Maintenance	792,107	1,570,004	50%	1,570,004	-	
Depreciation	994,208	2,082,000	48%	2,082,000	-	
Interest	122,364	271,000	45%	271,000	-	
Fuel	642,237	1,281,276	50%	1,420,776	139,500	Marked increase above budget of cost per litre.
Other Expenses	766,699	1,675,966	46%	1,670,966	(5,000)	Electricity savings
Total	8,552,464	18,982,066		18,182,306	(799,760)	
Net Surplus	240,872	(19,313)		(275,213)	(255,900)	
Non Operating Activities	Actual YTD	Adopted Budget Full Year	Actual YTD / Adopted Budget	Proposed Budget	Proposed Budget Movement	
Income						
Proceeds from Sale of Assets	-	115,000	0%	115,000	-	
Proceeds from Borrowings	2,030,476	2,031,000	100%	2,031,000	-	
Total	2,030,476	2,146,000		2,146,000	-	
Expenses						
Fleet Replacement Costs	2,030,476	2,071,000	98%	2,071,000	-	
Plant & Equipment Purchases	26,369	75,000	35%	75,000	-	
ICT Upgrades	-	150,000	0%	150,000	-	
Facility Upgrades	181,430	220,000	82%	270,000	50,000	Completion of Operations Hub internal works.
Loan Principal Repayments	832,451	1,792,000	46%	1,792,000	-	
Total	3,070,726	4,308,000		4,358,000	50,000	
Net Non-Operating Result	(1,040,250)	(2,162,000)		(2,212,000)	(50,000)	

ITEM 8.1 - ATTACHMENT B

EAST WASTE

Projected Statement of Comprehensive Income (Budgeted)
for the Financial Year Ending 30 June 2022

FY2021		FY2022	FY2022	FY2022
Audited Actuals		Adopted Budget	BR1	BR2
\$'000		\$'000	\$'000	\$'000
	Income			
16,707	User Charges	18,241	17,541	16,822
12	Investment income	2	3	2
-	Grants, subsidies and contributions	-	133	82
917	Other	1,171	1,171	956
17,636	Total	19,414	18,848	17,862
	Expenses			
6,089	Employee Costs	6,309	6,309	6,309
9,149	Materials, contracts & other expenses	10,686	10,320	9,520
1,986	Depreciation, amortisation & impairment	2,122	2,082	2,082
262	Finance costs	281	271	271
17,486	Total	19,398	18,982	18,182
150	Operating Surplus / (Deficit)	16	(134)	(320)
105	Asset disposals & fair value adjustments	115	115	45
255	Net Surplus / (Deficit)	131	(19)	(275)
-	Other Comprehensive Income	-	-	-
255	Total Comprehensive Income	131	(19)	(275)

ITEM 8.1 - ATTACHMENT C

EAST WASTE				
Projected Balance Sheet (Budgeted)				
for the Financial Year Ending 30 June 2022				
FY2021		FY2022	FY2022	FY2022
Audited Actuals		Adopted Budget	BR1	BR2
\$'000		\$'000	\$'000	\$'000
	Assets			
	Current			
3,168	Cash & Cash Equivalents	2,192	2,317	2,161
661	Trade & Other Receivables	1,020	661	661
-	Other Financial Assets	-	-	-
3,829	Total	3,212	2,978	2,822
	Non-Current			
8,098	Infrastructure, Property, Plant & Equipment	8,576	8,532	8,513
8,098	Total	8,576	8,532	8,513
11,927	Total Assets	11,788	11,510	11,335
	Liabilities			
	Current			
1,609	Trade & Other Payables	1,224	1,139	1,220
1,925	Borrowings	2,176	1,850	1,850
654	Provisions	642	694	694
4,188	Total	4,042	3,683	3,764
	Non-Current			
6,423	Borrowings	6,273	6,490	6,490
97	Provisions	123	137	137
6,520	Total	6,396	6,627	6,627
10,708	Total Liabilities	10,438	10,310	10,391
1,219	Net Assets	1,350	1,200	944
	Equity			
1,219	Accumulated Surplus	1,350	1,200	944
1,219	Total Equity	1,350	1,200	944

ITEM 8.1 - ATTACHMENT D

EAST WASTE

PROJECTED STATEMENT OF CASH FLOWS (BUDGET)

for the Financial Year Ending 30 June 2022

FY2021		FY2022	FY2022	FY2022
Audited Actuals		Adopted Budget	BR1	BR2
\$'000		\$'000	\$'000	\$'000
	Cash Flows from Operating Activities			
	Receipts			
18,457	Operating Receipts	19,412	18,846	17,940
7	Investment Receipts	2	2	2
	Payments			
(6,012)	Employee costs	(6,309)	(6,229)	(6,229)
(9,243)	Materials, contracts & other expenses	(10,686)	(10,790)	(9,990)
(233)	Interest Payments	(281)	(271)	(271)
2,976	Net Cash Flows from Operating Activities	2,138	1,558	1,452
	Cash Flows from Investing Activities			
	Receipts			
124	Sale of Replaced Assets	115	115	115
	Payments			
(2,452)	Expenditure on Renewal/Replaced Assets	(2,381)	(2,516)	(2,566)
-	Expenditure of New/Upgraded Assets	-	-	-
(2,328)	Net Cash Flows from Investing Activities	(2,266)	(2,401)	(2,451)
	Cash Flow from Financing Activities			
	Receipts			
2,284	Proceeds from Borrowings	2,200	2,031	2,031
	Payments			
(260)	Repayment of Lease Liabilities	(265)	(247)	(247)
(1,826)	Repayment of Borrowings	(1,810)	(1,792)	(1,792)
198	Net Cash Flow from Financing Activities	125	(8)	(8)
846	Net Increase (Decrease) in cash held	(3)	(851)	(1,007)
2,322	Cash & cash equivalents at beginning of period	2,195	3,168	3,168
3,168	Cash & cash equivalents at end of period	2,192	2,317	2,161

ITEM 8.1 - ATTACHMENT E

EAST WASTE

Projected Statement of Changes in Equity (Budgeted)
for the Financial Year Ending 30 June 2022

FY2021		FY2022	FY2022	FY2022
Audited Actuals		Adopted Budget	BR1	BR2
\$		\$'000	\$'000	\$'000
964	BALANCE AT END OF PREVIOUS REPORTING PERIOD	1,219	1,219	1,219
255	Net Surplus / (Deficit) for Year	131	(19)	(275)
-	Contributed Equity	-	-	-
-	Distribution to Councils	-	-	-
1,219	BALANCE AT END OF REPORTING PERIOD	1,350	1,200	944

ITEM 8.1 - ATTACHMENT F

EAST WASTE

Projected Uniform Presentation of Finances (Budgeted)
for the Financial Year Ending 30 June 2022

FY2021		FY2022	FY2022	FY2022
Audited Actuals		Adopted Budget	BR1	BR2
\$'000		\$'000	\$'000	\$'000
17,636	Income	19,414	18,848	17,862
(17,486)	Expenses	(19,398)	(18,982)	(18,182)
150	Operating Surplus / (Deficit)	16	(134)	(320)
Net Outlays on Existing Assets				
(2,452)	Capital Expenditure on Renewal and Replacement of Existing Assets	(2,381)	(2,516)	(2,566)
1,986	Depreciation, Amortisation and Impairment	2,122	2,082	2,082
124	Proceeds from Sale of Replaced Assets	115	115	115
(342)		(144)	(319)	(369)
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	-	-	-
-		-	-	-
(192)	Net Lending / (Borrowing) for Financial Year	(128)	(453)	(689)

8.2: DRAFT 2022/23 ANNUAL PLAN & BUDGET

REPORT AUTHOR: General Manager
ATTACHMENTS: A: East Waste 2022/23 Annual Plan
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. The draft Annual Plan and Budget will be presented to the Board on 24 February 2022 seeking endorsement to distribute 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 2022/23 Annual Plan

The core intent of the 2022/23 Annual Plan is to progress towards the Key Performance Indicators and Vision of the 2030 Strategic Plan (refer Attachment 1 for the draft Annual Plan).

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, and the undertaking of an industry horizon scan by Administration.

The Annual Plan supports a push to improve the customer experience with a focus on implementation of online technology improvements and an upgrade of our telephone system. Behaviour Change remains a key focus with a continuation of the *Why Waste It?* Program and introduction of an East Waste wide bin tagging program. With many Council's already undertaking bin tagging, this is designed to complement and 'super-charge' these existing programs.

Draft 2022/23 Budget

The Draft 2022/23 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 and commitment to our efficiency and cost-effective services mantra. Key Assumptions & rationale for the key budget areas are detailed below.

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 3.5% has been applied to all situations where required, which is consistent with the December 2021 quarter, which saw CPI rise 3.5% over the previous 12 months.
- Financial Target 1 of the *East Waste Budget Framework Policy* requires the application of a 1% return on revenue based on the draft FY2023 Common Fleet Costing charges (~\$13,300,000).
- The majority of controlled cost centres have either reduced or had a zero percent increase for the second year in a row.
- East Waste's projected end of year cash position increases to \$2.4m

Waste Collection Activities

- A 4% 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."* It is expected that the LGPI will increase to this rate with the release of new figures. The final percentage will be set following endorsement of the draft budget by the Board.
- **Material Processing Fees** – A number of changes and assumptions in relation to processing fees have been made. Adjustments have been made for reduced tonnes through East Waste's organics processing contract. Recycling processing tonnes and pricing will ultimately be the result of the current recycling contract review and for budgeting purposes has been based on the existing contract and a horizontal scan of international commodity prices. Hard Waste pricing includes assumptions on reduced tonnes through two member councils implementing co-payments and indicative figures from the currently unfinalised mattress collection and recycling tender process.

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.

- **Depreciation** – The Depreciation increase above projected CPI, is driven predominately by the improvements made throughout the last 12 months to the Operations Hub.
- **Fuel Gas and Oil** – A sizeable budget increase is required for Fuel, Gas and Oil. Accounting for approximately 13% of our total budget, significant and unforeseen price increases have been experienced in the current financial year. Fuel use remains stable and consistent with the previous two years. A 33% increase in the Diesel price is being budgeted for and it is expected a surcharge on AdBlue will remain, increasing the budget allocation of this by 60%. These increases are consistent with ABS data and reports. In a recent report the ABS noted *"Following the low point in mid-2020, fuel prices have increased 45 per cent up to the December 2021 quarter."*

Alarming, fuel continues to rise, with no signs of plateauing or declining. The Ukraine tension reportedly add further pressure to the price. This budget line accounts for almost 60% of the total projected budget increase for FY2023.

- **Interest Expense** – An increase in Interest expense is being accounted for as a result of interest rates beginning to climb. East Waste noted an increase (albeit still low) rate increase on borrowings in 2021 and further increases are expected on 2022 borrowings. Advice from the Local Government Finance Authority (LGFA) has been sought and factored into the assumption.

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. Coupled with this, an allowance is required for an additional driver to cater for increased organic and recycling volumes being experienced across a couple of Member Councils and increased rates for all mechanics in order to attract and retain their services.

With respect to the salary increases, the Enterprise Agreement for the Drivers at the time of writing is yet to be finalised and remaining staff budgeted to receiving award or CPI increases only. The wages increase is driven by the increase in personnel to respond to service increases rather than an inflation in wages.

The mandatory increase in Superannuation to 10.5% 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."*
- Beyond vehicle replacements there are no other capital items of note.

Summary

The three cost centres of Fuel, Wages & Superannuation and Depreciation, make up 69% of total expenses yet this year account for just over 90% of the total projected increase. These significant increases see the draft budget as presented, propose a 6.3% increase on Common Fleet Collection Fees.

While this is the most significant increase in recent memory, by some way, it is largely uncontrollable. Beyond the three costs centres listed above the remaining cost centres combined only increase by \$70,000. This demonstrates how highly scrutinised and tight, the overall budget as presented has been.

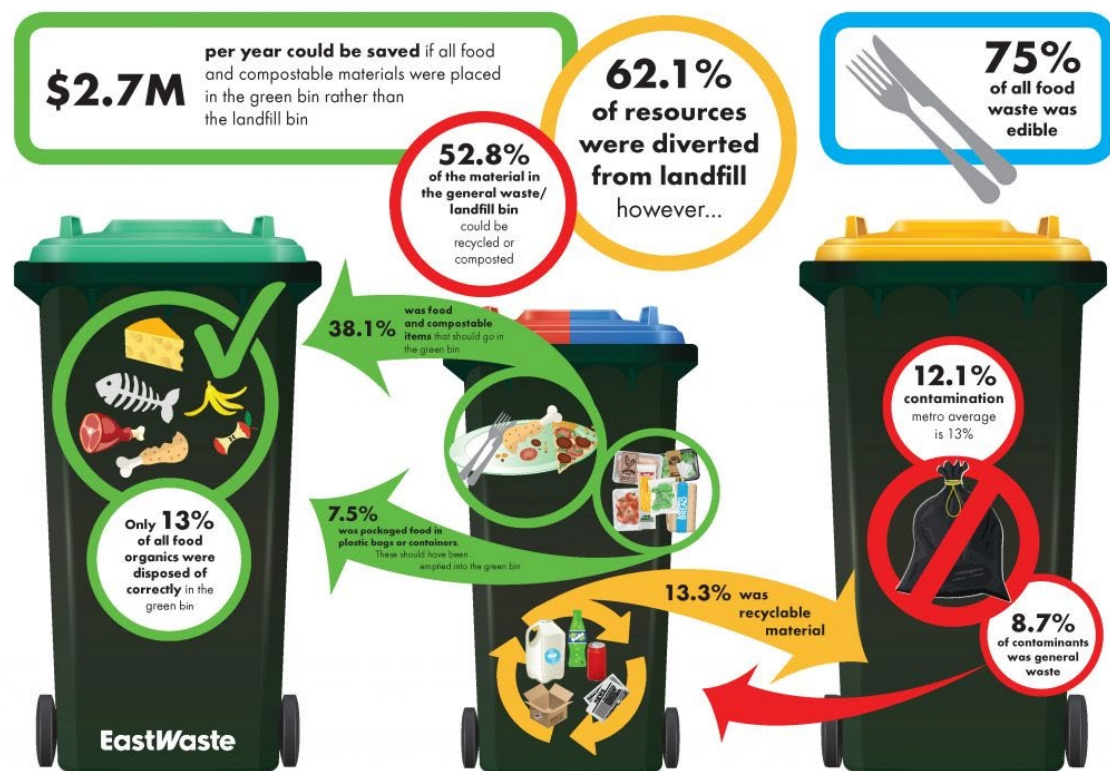
As has been common across recent years, Administration will again pursue with vigour efficiencies and savings as they arise, yet still provide for East Waste to be a leader in innovation, technology and ultimately investment in activities which will work towards the minimisation of material going to landfill.

RECOMMENDATION

That the Board:

1. **Endorse the East Waste 2022/23 Annual Plan, as presented in Attachment A;**
2. **Endorse the associated draft budget and proposed Member Council Fees;**
3. **Authorise the General Manager to distribute to each Member Council for review and comment, the *Draft 2022/23 Annual Plan*, as presented in Attachment A, along with the proposed fees.**

EastWaste



2022/23 Annual Plan

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Vision and Mission	1
Introduction	2
2022/23 Objectives & Activities.....	4
Annual Plan 2022/23 Delivery Schedule	5
Budget Management	11
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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 as well as street and reserve litter bins, East Waste undertakes approximately 9 million collections 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.

Sitting above the Annual Plan is the *East Waste 2030 Strategic Plan* which sets out a series of bold and ambitious targets (Key Performance Indicators) which we aspire to meet through five Key Objectives and a series of Strategies. The *2030 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. East Waste is committed to developing and continuing partnerships which ultimately drive value back to the communities we serve. The value East Waste offers is unique, in that we are continually working with our Member Councils to drive down costs. East Waste have established a model where we are nimble and respond swiftly to external impacts and Member Council requests, in a far more timely manner than industry counterparts. East Waste takes much of the worry and pressures associated with waste away from the Member Councils, allowing them to focus on other key matters of importance to them and their communities.

East Waste 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

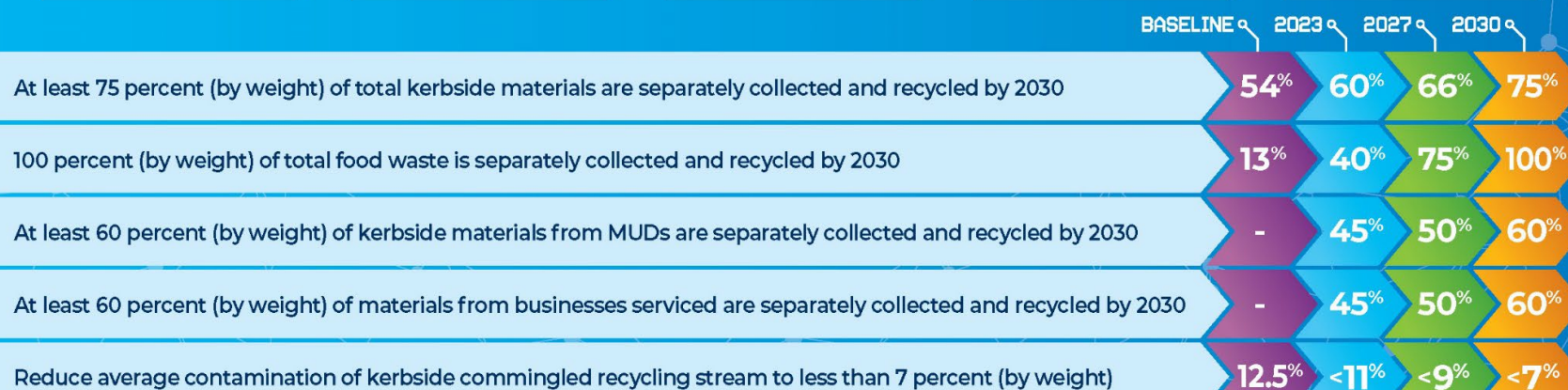
- 1. Deliver cost-effective and efficient services facilities**
- 2. Maximise source separation and recycling**
- 3. Provide leading and innovative behaviour change and education**
- 4. Help develop a local circular economy**
- 5. Provide leadership**

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...



2022/23 Objectives & Activities

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

The KPIs set in the Strategic Plan were deliberately designed to be stretch targets and with the current legislative impediments reaching these goals will be challenging. The programs listed below will drive towards achieving these, however are by no means a silver bullet to addressing the required community-wide behaviour change and perceptions that is required. Achieving these will require a long concerted effort. While challenging, from a waste industry perspective, no one is better placed than East Waste to partner with and drive these changes.

The following is not a prescriptive list, rather the key projects East Waste intends to undertake over the 2022/23 year and are detailed below. While these will be the key focus, East Waste will remain as 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	OBJECTIVE	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.	Deliver Cost Effective and efficient services and facilities	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.	Deliver Cost Effective and efficient services and facilities	1.3	Vision Target
3.	Communication System Upgrade	East Waste is a service-based organisation who recognise the importance of providing a great customer experience. Therefore, it is important that our communication systems are designed in a manner that enhances callers experiences whilst also being able to provide accurate data that helps to inform current & future business decisions.	Deliver Cost Effective and efficient services and facilities	1.5	Vision Target

NO.	ACTIVITY/PROJECT	OVERVIEW	OBJECTIVE	STRATEGY	MAIN KPI TARGET
MAXIMISE SOURCE SEPARATION & RECYCLING					
4.	Continue to advance 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.	Maximise Source separation and recycling	2.1	<ul style="list-style-type: none"> • At least 75% of kerbside material separately collected & recycled • 100% of food waste separately collected and recycled.
5.	Multi-Unit Dwelling Research and Source Separation Trial.	<p>Across East Waste approximately 8% of total unit dwellings are Multi-unit. These are typically, challenging to manage, low performing sites which hinder diversion targets.</p> <p>This project will explore the latest international evidence-based guidance to identify ways to increase convenience and effectiveness of source separation for MUD residents and identify or exclude ways to improve performance and help to understand the operational, environmental and community benefits or impacts.</p>	Provide leading and innovative behaviour change and education	2.2	<ul style="list-style-type: none"> • 60% by weight of kerbside materials from MUDs is separately collected and recycled

NO.	ACTIVITY/PROJECT	OVERVIEW	OBJECTIVE	STRATEGY	MAIN KPI TARGET
PROVIDE LEADING AND INNOVATIVE BEHAVIOUR CHANGE AND EDUCATION					
6.	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.	Provide leading and innovative behaviour change and education	3.2	<ul style="list-style-type: none"> • Vision Target
7.	Develop & Implement an East Waste wide bin tagging program.	Several Member Councils conduct bin tagging as part of a broader educational and behaviour change program. East Waste will seek to draw these individual programs together to generate efficiency and data which can be analysed across Councils.	Provide leading and innovative behaviour change and education	3.4	<ul style="list-style-type: none"> • At least 75% of kerbside material separately collected & recycled • 100% of food waste separately collected and recycled. <p>Reduce average contamination of kerbside commingled recycling to less than 7%.</p>

NO.	ACTIVITY/PROJECT	OVERVIEW	OBJECTIVE	STRATEGY	MAIN KPI TARGET
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.	Encourage & support Councils to procure and use recycled content products	4.2	Vision Target
9.	Investigate current and future opportunities for East Waste and Member Council in a carbon market.	The collection and processing of materials generates a significant amount of harmful greenhouse gases. This can be minimised through alternative treatment processes, which in turn may provide opportunities within the carbon market. This project will investigate any such opportunities or additional work required.	Investigate options to process and extract the highest value from collected resources.	4.4	Vision Target

NO.	ACTIVITY/PROJECT	OVERVIEW	OBJECTIVE	STRATEGY	MAIN KPI TARGET
PROVIDE LEADERSHIP					
10.	Fleet Replacement	In line with the Long Term Financial Plan, undertake the replacement of five (5) collection vehicles.	Provide Leadership	5.4	Vision Target
11.	WHS Systems Audit.	East Waste will focus on both internal and external auditing. The purpose and objective of the auditing is to test the validity and the effectiveness of the implementation of the systems within our organisation. East Waste will seek evidence of the implementation process that haven taken place. A strong focus on the auditing process will be focusing on the hierarchy of control (HOC). The decision to focus on the HOC is based on the organisational risk factors and previous audit results.	Provide Leadership	5.1	Implement best practice safety standards

“

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

EastWaste

20
STRATEGIC
PLAN
30

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 2022/23 Financial Papers (refer Attachment 1 – 5).

EAST WASTE**Projected Statement of Comprehensive Income (Budgeted)****for the Financial Year Ending 30 June 2023**

FY2021		FY2022	FY2022	FY2023
Audited Actuals		Adopted Budget	BR2	Proposed Budget
\$'000		\$'000	\$'000	\$'000
	Income			
16,707	User Charges	18,241	16,822	17,949
12	Investment income	2	2	2
-	Grants, subsidies and contributions	-	82	75
917	Other	1,171	956	1,234
17,636	Total	19,414	17,862	19,260
	Expenses			
6,089	Employee Costs	6,309	6,309	6,504
9,149	Materials, contracts & other expenses	10,686	9,520	10,171
1,986	Depreciation, amortisation & impairment	2,122	2,082	2,209
262	Finance costs	281	271	268
17,486	Total	19,398	18,182	19,152
150	Operating Surplus / (Deficit)	16	(320)	108
105	Asset disposals & fair value adjustments	115	45	100
255	Net Surplus / (Deficit)	131	(275)	208
-	Other Comprehensive Income	-	-	-
255	Total Comprehensive Income	131	(275)	208

DRAFT

EAST WASTE**Projected Balance Sheet (Budgeted)****for the Financial Year Ending 30 June 2023**

FY2021		FY2022	FY2022	FY2023
Audited Actuals		Adopted Budget	BR2	Proposed Budget
\$'000		\$'000	\$'000	\$'000
	Assets			
	Current			
3,168	Cash & Cash Equivalents	2,192	2,161	2,420
661	Trade & Other Receivables	1,020	661	661
-	Other Financial Assets	-	-	-
3,829	Total	3,212	2,822	3,081
	Non-Current			
8,098	Infrastructure, Property, Plant & Equipment	8,576	8,513	8,631
8,098	Total	8,576	8,513	8,631
11,927	Total Assets	11,788	11,335	11,712
	Liabilities			
	Current			
1,609	Trade & Other Payables	1,224	1,220	1,145
1,925	Borrowings	2,176	1,850	1,870
654	Provisions	642	694	734
4,188	Total	4,042	3,764	3,749
	Non-Current			
6,423	Borrowings	6,273	6,490	6,634
97	Provisions	123	137	177
6,520	Total	6,396	6,627	6,811
10,708	Total Liabilities	10,438	10,391	10,560
1,219	Net Assets	1,350	944	1,152
	Equity			
1,219	Accumulated Surplus	1,350	944	1,152
1,219	Total Equity	1,350	944	1,152

EAST WASTE

PROJECTED STATEMENT OF CASH FLOWS (BUDGET)

for the Financial Year Ending 30 June 2023

FY2021		FY2022	FY2022	FY2023
Audited Actuals		Adopted Budget	BR2	Proposed Budget
\$'000		\$'000	\$'000	\$'000
Cash Flows from Operating Activities				
Receipts				
18,457	Operating Receipts	19,412	17,940	19,183
7	Investment Receipts	2	2	2
Payments				
(6,012)	Employee costs	(6,309)	(6,229)	(6,424)
(9,243)	Materials, contracts & other expenses	(10,686)	(9,990)	(10,171)
(233)	Interest Payments	(281)	(271)	(268)
2,976	Net Cash Flows from Operating Activities	2,138	1,452	2,322
Cash Flows from Investing Activities				
Receipts				
124	Sale of Replaced Assets	115	115	100
Payments				
(2,452)	Expenditure on Renewal/Replaced Assets	(2,381)	(2,566)	(2,327)
-	Expenditure of New/Upgraded Assets	-	-	-
(2,328)	Net Cash Flows from Investing Activities	(2,266)	(2,451)	(2,227)
Cash Flow from Financing Activities				
Receipts				
2,284	Proceeds from Borrowings	2,200	2,031	2,225
Payments				
(260)	Repayment of Lease Liabilities	(265)	(247)	(263)
(1,826)	Repayment of Borrowings	(1,810)	(1,792)	(1,798)
198	Net Cash Flow from Financing Activities	125	(8)	164
846	Net Increase (Decrease) in cash held	(3)	(1,007)	259
2,322	Cash & cash equivalents at beginning of period	2,195	3,168	2,161
3,168	Cash & cash equivalents at end of period	2,192	2,161	2,420

EAST WASTE**Projected Statement of Changes in Equity (Budgeted)
for the Financial Year Ending 30 June 2023**

FY2021		FY2022	FY2022	FY2023
Audited Actuals		Adopted Budget	BR2	Proposed Budget
\$		\$'000	\$'000	\$'000
964	Opening Balance	1,219	1,219	944
255	Net Surplus / (Deficit) for Year	131	(275)	208
-	Contributed Equity	-	-	-
-	Distribution to Councils	-	-	-
1,219	Closing Balance	1,350	944	1,152

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EAST WASTE

Projected Uniform Presentation of Finances (Budgeted)

for the Financial Year Ending 30 June 2023

FY2021		FY2022	FY2022	FY2023
Audited Actuals		Adopted Budget	BR2	Proposed Budget
\$'000		\$'000	\$'000	\$'000
17,636	Income	19,414	18,848	19,260
(17,486)	Expenses	(19,398)	(18,982)	(19,152)
150	Operating Surplus / (Deficit)	16	(134)	108
Net Outlays on Existing Assets				
(2,452)	Capital Expenditure on Renewal and Replacement of Existing Assets	(2,381)	(2,516)	(2,327)
1,986	Depreciation, Amortisation and Impairment	2,122	2,082	2,209
124	Proceeds from Sale of Replaced Assets	115	115	100
(342)		(144)	(319)	(18)
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	-	-	-
-		-	-	-
(192)	Net Lending / (Borrowing) for Financial Year	(128)	(453)	90

DRAFT

ITEM 8.2 - ATTACHMENT B

BUDGET FRAMEWORK POLICY	EastWaste
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Type	Governance
Category	Finance
First Issued/Adopted	Board:13 December 2018
Minutes Reference	29 April 2021
Review Period	24 months
Last Reviewed	N/A
Next reviewed	April 2023
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 Strategic Plan 2030 • East Waste Long Term Financial Plan
Consultation Undertaken	Audit & Risk Management Committee
Responsible Officer	Manager, Corporate Services

SIGNED:



General Manager

Date: 2/05/2021



Chairperson

Date: 02/05/2021

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 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	<p>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.</p> <p>The Common Fleet Costing Charge also incorporates an additional charge to Member Councils to incorporate any Return on Revenue targets imposed by this Policy.</p>
Common Fleet Costs	Common Fleet Costs represent 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.
Common Fleet Percentage	<p>Calculated from GPS data collected from each East Waste Fleet Truck over the previous 12 months. 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, for the previous 12 months and is used as a basis for the Common Fleet Costing Charge.</p> <p>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	Set fee charged equally across all Member Councils. 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> .

Net Surplus	Refers to the Net Surplus as calculated on the Statement of Comprehensive Income per the Model Financial Statements.
Non-Member Councils	Councils, Organisations, or waste related services, provided outside of existing Constituent Councils (as referred to in <i>Section 1</i> of the <i>East Waste Charter</i>). A differential rate is to be applied to activities provided to non-Member Councils.
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.

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:	Develop Draft Annual Budget
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. Financial Performance Target: 1% of 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. Should East Waste's annual adopted Common Fleet Costing Charges not be sufficient to recover projected costs for the financial year, at each budget review, the Board will determine whether Common Fleet Costing Charges are required to be increased to meet working capital requirements for the financial year. Any changes to Common Fleet Costing Charges are to be done in accordance with the principles set within the East Waste Charter and the *Local Government Act 1999*.
3. All expenditure decisions will align with the East Waste 10-year Strategic Plan.
4. 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.
5. 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.
6. The Budget is to be established and reported upon according to the following four (4) key Business Units:

- Common Fleet Activities:** 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).

Should East Waste expand its services offering to Constituent Councils and/or Non Member Council customer in future years, additional business units may need to be established and recognised in the next update of this Policy when required.

7. External borrowings will be used to fund the acquisition/construction of long-term assets used to provide services and not to fund or support recurrent service delivery costs.
8. Fleet and Motor Vehicle acquisition costs is to be funded via external loan borrowings. An annual review of this principle is to be confirmed by the Board through the budget adoption process.
9. Capitalisation threshold for all assets to be set for items that cost greater than \$3,000;
10. Term of loan borrowings to be taken over a period equal to the expected useful life of the asset. For any items with an indefinite useful life, the period of the loan is to be determined by the Board.
11. 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.
12. 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 14 days payable from the date of the invoice issued.

- 13.** The Common Fleet Costing Charge is determined based on the servicing time of the previous financial year. Where there is a new service or incomplete data (i.e. the service was not undertaken for a full 12 months), an evidence-based approach will be used to calculate the Common Fleet percentage.
- 14.** 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 (e.g. disposal and processing fees) or via the common fleet percentage (e.g. 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: BEHAVIOUR STANDARDS POLICY REVIEW

REPORT AUTHOR: Manager Business Services
ATTACHMENTS: A: Behaviour Standards Policy

Purpose of the Report

To provide the Board with a draft copy of the revised Behaviour Standards Policy (the Policy) for review and endorsement.

Background

Following changes to the *Local Government Act 1999*, the Behaviour Standards Policy (the Policy) was originally drafted and adopted by the Board on the 11 May 2018. As per East Waste's Policy Schedule the Policy was due to be reviewed in 2020. For several reasons this has not occurred and is now brought forward for review and endorsement.

Report

A review of the Policy has been conducted taking into consideration legislative changes, the Local Government Reforms, and the relevance of the Policy content.

Following the review, it has been determined that the legislative references remain applicable and the content of the Policy is still relevant and applicable to East Waste. Therefore, only minor amendments have been made to the Policy including updating it to the current style and format (refer Attachment A). No additions or deletions affecting the scope or intent of the Policy have been made.

RECOMMENDATION

The Board recommend that the draft *Behaviour Standards Policy* is endorsed and adopted, as presented in Attachment A.

BEHAVIOUR STANDARDS POLICY

Type	Governance
Category	Human Resources
Policy Number	014
First Issued/Adopted	11.05.2018
Minutes Reference	
Review Period	36 months
Last Reviewed	N/A
Next Review	February 2025
Applicable Legislation	<ul style="list-style-type: none"> • Independent Commissioner Against Corruption Act 2012 • <i>Ombudsman Act 1972</i> • Public Interest Disclosure Act 2018 • Work Health and Safety Act 2012 • Local Government Act 1999 • <i>Public Corporations Act 1993</i>, • <i>Criminal Law Consolidation Act 1935</i> • <i>Public Sector (Honesty and Accountability) Act 1995</i> • <i>Lobbyists Act 2015</i>
Related Documents	<ul style="list-style-type: none"> • East Waste Code of Conduct • East Waste Charter
Consultation Undertaken	<ul style="list-style-type: none"> • Audit & Risk Committee
Responsible Officer	<ul style="list-style-type: none"> • Manager Business Services

SIGNED:

General Manager

Date: ____/____/____

SIGNED:

Chairperson

Date: ____/____/____

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Introduction / Background

The Eastern Waste Management Authority (herein referred to as East Waste) sets out the standards of behaviour which all staff and contractors, who are employed or engaged by East Waste, are required to demonstrate in the performance of their duties and functions.

In addition to this Policy, East Waste staff and contractors are also bound by the following:

- the applicable Position Description for their role.
- the terms of any contract of employment or engagement.
- the applicable Award or Enterprise Agreement; and
- any other relevant East Waste Policies and Procedures.

Discussion / Purpose

East Waste staff and contractors must use their best endeavours, at all times, to ensure that they have current knowledge of the documents referred to above and any legal requirements and best practices relevant to their position.

East Waste will provide ongoing training and guidance to staff and contractors, regarding the expected behavioural standards which are set out in and required by this Policy and other relevant East Waste Policies and Procedures.

Failure to comply with this Policy, expectations set out in Position Descriptions, or individual employment contracts, may result in investigation being undertaken and disciplinary action being taken.

Key Principles

This Policy is based on the following key principles:

1. East Waste staff and contractors, have a commitment to serve the best interests of all Member Councils and customers in which they provide services to.
2. East Waste staff and contractors will at all times carry out their duties and functions conscientiously, with due care and diligence and to the best of their ability.
3. East Waste staff and contractors, will at all times act honestly in every aspect of their work and be open and transparent when making decisions and providing advice to East Waste.
4. East Waste staff and contractors, will at all times carry out their duties and functions and treat others with professionalism, courtesy and respect.
5. East Waste staff and contractors will at all times carry out their duties and functions in a manner which promotes public confidence and trust in the integrity and professionalism of East Waste; and
6. East Waste staff and contractors, will at all times respect and uphold the law and resolutions made by East Waste.

Policy

Conduct required of East Waste staff and contractors

All East Waste staff and contractors must comply with the following behaviour standards at all times, whilst carrying out their duties and functions:

General standards

- Act honestly at all times in the performance of official duties, as required by Section 109 (1) of the *Local Government Act 1999*.
- Act with reasonable care and diligence at all times in the performance of official duties, as required by Section 109(2) of the *Local Government Act 1999*.
- Act within the parameters of their position and authority at all times.
- Undertake their duties and functions in a professional manner at all times.
- Act in a reasonable, just, respectful and non-discriminatory way at all times when dealing with all people; and
- Comply with any applicable codes of practice, legislation and regulations (as amended from time to time), decisions of East Waste, reasonable lawful direction given in connection with the performance of their duties and functions and relevant East Waste Policies and Procedures.

Use of East Waste resources

- Use East Waste facilities, resources and equipment in a safe, efficient and proper manner, and in accordance with all applicable laws, codes and regulations at all times; and
- Only use East Waste facilities, resources and equipment for East Waste-related and approved purposes (and not for private purposes, unless legally or properly authorised to do so).

Information

- Deal with information which is received in their capacity as an East Waste staff member or contractor, in a responsible manner and in accordance with the East Waste's privacy and confidentiality requirements, and otherwise in accordance with the law.
- Not release or divulge information that the East Waste Board or General Manager has ordered be kept confidential, or that the East Waste staff member or contractor, should reasonably know is information that is confidential, including information that is considered by the Board or the General Manager in confidence, subject to the *Ombudsman Act 1972* and the *Independent Commissioner Against Corruption Act 2012* and where disclosure is otherwise required or authorised by law.
- Not make improper use of information, including confidential information, acquired by virtue of their position.

- Endeavour to provide accurate information (and not provide false or misleading information) to East Waste or to the public.

Use of position

- Not abuse or make use of their authority or position in order to gain a benefit or advantage for, or avoid a detriment to, themselves or another person.

Presentation

- Ensure personal presentation (dress and appearance) is appropriate for the duties and functions required to be undertaken in their respective role; and
- Wear any corporate and/or personal safety equipment as required by reasonable lawful direction or as otherwise required by law.

Health and Safety

- Take reasonable care that their acts and omissions do not adversely affect the health and safety of other persons, as required by the *Work Health and Safety Act 2012*.

Public Comment

- Not make public comment on behalf of East Waste unless specifically authorised to do so; and
- Not engage in any public criticism or make disparaging or denigrating comments (including on social media) about East Waste, its staff and/or any decisions which are made by the East Waste Board.

Whether in relation to their duties, other East Waste staff, contractors, Member Council Management, or any East Waste matter.

** Note – East Waste's Independent Chairperson and General Manager are the only persons who are authorised to make public statements on behalf of East Waste. However, in certain circumstances, the Independent Chairperson or General Manager may authorise another staff member to make a media statement.*

Unacceptable Behaviour

East Waste staff and contractors must not engage in *Unacceptable Behaviour* at any time in carrying out their duties and functions.

Unacceptable Behaviour includes, but is not limited to:

- Nepotism (i.e. abuse of position or authority to further personal interests or interests of friends or relatives).
- Unreasonable, unfair or unlawful influence (i.e. abuse of position or authority to cause injury or detriment to another person).
- Unapproved external work or holding an unapproved external role that creates a conflict of interest with the East Waste role/engagement.
- Breaching confidentiality; and

- Fraud, waste or misuse of East Waste's facilities, equipment and resources.

General Guidelines for Appropriate Conduct and Decision Making

East Waste staff and contractors must follow the guidelines which are set out below, when taking action or making a decision in the course of carrying out their duties and functions (and must maintain reasonable documentation as a corporate record evidencing this):

1. Is the act or decision lawful?

What are the applicable codes of practice, legislation and regulations, policies and procedures, lawful directions given, and East Waste Board resolutions (if any) concerning the act or decision?

If unknown, what further training, research, advice or direction is required?

2. Is the act or decision consistent?

Is the act or decision consistent with previous acts or decisions made by East Waste staff/contractors, East Waste Policies and Procedures, and objectives under East Waste's 10 Year Business Plan?

3. What is the anticipated outcome?

What is the known or reasonably anticipated outcome or effect on other East Waste staff and contractors, the East Waste Board or Member Council's (as applicable)?

This could include, but is not limited to, a financial, political, social, reputational, emotional or physical effect.

4. Does the known or anticipated outcome lead to any real or perceived breach or non-compliance?

Consider potential breach of or non-compliance with of any contract in place, codes of practice, relevant legislation and regulation, Policies and Procedure, East Waste Board resolutions or lawful directions given.

5. Can the act or decision be justified?

Consider legal compliance, the principal roles and functions of East Waste (East Waste Charter, Local Government Act 1999), public interest and reputation of East Waste.

General Guidelines in relation to Conflicts of Interest

An East Waste staff member or contractor, has an '*interest*' in a matter before the East Waste Board if they, or a person closely associated with them (as defined by Section 120(6)), of *the Local Government Act 1999*, would:

- Receive, or have a reasonable expectation of receiving, a benefit (whether direct or indirect, pecuniary or non-pecuniary); or
- Suffer, or have a reasonable expectation of suffering, a detriment (whether direct or indirect, pecuniary or non-pecuniary).

if they were to act in a particular manner in relation to the matter (including, for instance, if they were to make a particular decision).

Where an East Waste staff member or contractor has an '*interest*' in a matter before the Board, and they are required or authorised to act in relation to that matter in the course of their official duties, they must (in accordance with Section 120(2) of the *Local Government Act 1999*):

- Disclose the interest to the General Manager; and
- Must not act in relation to the matter unless the General Manager otherwise determines.

Where an East Waste staff member or contractor, is entitled to act in relation to the matter (by determination of the General Manager) and is providing advice or making recommendations to the East Waste Board or an East Waste committee on that matter, they must also disclose their interest to the Board or committee (as relevant), in accordance with Section 120(4) of the *Local Government Act 1999*.

The above is not intended to cover all requirements relating to conflict of interest under the *Local Government Act 1999* and East Waste staff members and contractors, should familiarise themselves with Section 120 of the Local Government Act.

Register of Interests

East Waste staff must adhere to the statutory requirements to lodge a primary return and submit an ordinary return in accordance with Sections 113, 114 and 115 of the *Local Government Act 1999* if they have been declared by the East Waste Board to be subject to those provisions.

Gifts and Benefits

East Waste requires employees to report gifts or benefits which are received (including hospitality). The threshold of the declaration of gifts and benefits at East Waste has been set at \$0. This means that all and any gifts and benefits, irrespective of the value, must be declared to the General Manager.

A Register of Gifts and Benefits must also be maintained by the General Manager.

General Guidelines

East Waste staff and contractors must not:

- Seek gifts or benefits of any kind.
- Seek out or accept any gift or benefit that is (or could reasonably be taken to be) intended or likely to:
 - create a sense of obligation on the part of the staff member or contractor to another person; or
 - influence the staff member or contractor in the performance or discharge of their functions or duties.
- seek out or accept any gift or benefit from any person who is in, or who seeks to be in, any contractual relationship with East Waste.

East Waste staff and contractors must declare and surrender all gifts and benefits of **any value** which they may be offered or receive (including those gifts and benefits which they decline) to the General Manager. Gifts and benefits of any value may not be kept by the recipient unless authorised by the General Manager.

Bribes and Improper Inducements

East Waste staff and contractors must not:

- Accept or solicit a bribe or other improper inducement that would or might reasonably be perceived to influence the performance of their East Waste duties and functions; and
- Accept or solicit a benefit from any person or organisation where there is a real or perceived risk of compromise or conflict of interest in the performance of their East Waste duties and functions.

'Benefit', 'bribe' and 'other improper inducement' include, but shall not be limited to, the offer or provision of:

- Free or reduced entertainment costs (i.e. paid tickets), meals or drinks.
- Free or reduced travel costs and/or accommodation; or
- Free or reduced cost of goods or services of any kind, including vouchers and payment plans.

None of the above prevents East Waste staff and contractors from accepting reasonable hospitality provided in the context of performing their duties or functions in conjunction with:

- East Waste functions or events.
- East Waste work-related events such as training, education sessions, workshops and conferences.
- Social functions organised by groups such as community organisations (subject to approval from the General Manager); and
- Attendance at local social, cultural or sporting events (subject to approval from the General Manager).

Criminal Matters

General

East Waste staff and contractors are required to notify their respective Manager, of any criminal charges or convictions made or pending against them (including driving offences and loss of drivers' licence, but excluding expiable offences) at any time during the course of their employment or engagement by East Waste. This information will be treated as confidential.

Where criminal proceedings are taken against staff, unrelated to their employment with East Waste, and which result in a conviction, this may be considered a breach of this Policy, in addition to a breach of any contract of employment, and disciplinary action (including termination of employment) may be taken by East Waste.

All new Staff and contractors are required to undertake a National Police Check (including criminal history assessment), prior to commencing employment with East Waste.

Independent Commissioner Against Corruption Act 2012

Acting in their capacity as a Public Officer, an East Waste staff member or contractor, must not engage in conduct (whether within or outside the State) that constitutes '*corruption in public administration*' as defined by Section 5 of the *Independent Commissioner Against Corruption Act 2012*, including:

- an offence against Part 7 Division 4 (Offences relating to public officers) of the *Criminal Law Consolidation Act 1935*, which includes the following offences:
 - Bribery or corruption of public officers.
 - Threats or reprisals against public officers.
 - Abuse of public office.
 - Demanding or requiring benefit on basis of public office; and
 - Offences relating to appointment to public office.
- An offence against the *Public Sector (Honesty and Accountability) Act 1995*, or the *Public Corporations Act 1993*, or an attempt to commit such an offence;
- an offence against the *Lobbyists Act 2015*, or an attempt to commit such an offence;
- any other offence, including an offence against Part 5 (Offences of dishonesty) of the *Criminal Law Consolidation Act 1935*, committed by a public officer while acting in his or her capacity as a public officer, or by a former public officer and related to his or her former capacity as a public officer, or by a person before becoming a public officer, and related to his or her capacity as a public officer, or an attempt to commit such an offence; or
- any of the following in relation to an offence referred to in a preceding paragraph:
 - aiding, abetting, counselling or procuring the commission of the offence;
 - inducing, whether by threats or promises or otherwise, the commission of the offence;
 - being in any way, directly or indirectly, knowingly concerned in, or party to, the commission of the offence; and
 - conspiring with others to effect the commission of the offence.

The above is not a comprehensive list of all possible conduct that may contravene the *Independent Commissioner Against Corruption Act 2012*.

Allegations of conduct breaching the above matters will be investigated in accordance with the legislation governing that conduct and are included in this Policy for the sake of completeness. Alleged breaches of these matters should be reported to the Office for Public Integrity in the first instance.

8.4: AUDIT & RISK MANAGEMENT COMMITTEE TERMS OF REFERENCE

REPORT AUTHOR: Manager Business Services

ATTACHMENTS: A: Audit & Risk Management Committee Terms of Reference

Purpose of the Report

To provide the Board with a draft copy of the revised Audit & Risk Management Committee Terms of Reference (TOR's) for review and endorsement.

Background

On the 25 November 2021 the Board endorsed and adopted the TOR's. However, at the Audit & Risk Management Committee (the Committee) meeting held on the 15 February 2022 the Committee recommended a change to clause 11.1 to provide further clarity regarding sitting fees.

Report

Section 11.1 of the TOR's currently states:

11.1 Independent Members (excluding the Chairperson) of the Committee, when attending committee Meetings will be paid a sitting fee for their attendance.

The Committee has recommended that the above clause is changed to:

11.1 Independent Members (excluding the Chairperson of the Board) of the Committee, when attending committee Meetings will be paid a sitting fee for their attendance.

The minor wording change helps to clarify that the Chairperson of the Committee will still be paid a sitting fee whereas the Chairperson of the Board does not receive a sitting fee at the Audit & Risk Management Committee Meetings.

The TOR's have been amended to reflect the above-mentioned recommendation and a draft version has been provided as presented in Attachment A.

RECOMMENDATION

The Board recommend that the draft Audit & Risk Management Committee Terms of Reference is endorsed and adopted, as presented in Attachment A.

AUDIT & RISK MANAGEMENT COMMITTEE TERMS OF REFERENCE



Type	Governance
Category	Audit & Risk
First Issued/Adopted	November 2021
Minutes Reference	
Review Period	36 months
Last Reviewed	N/A
Next Review	November 2024
Applicable Legislation	<ul style="list-style-type: none"> • <i>Local Government Act 1999</i> • <i>Local Government (Financial Management) Regulations 2011</i> • <i>State Records Act 1997</i>
Related Documents	<ul style="list-style-type: none"> • <i>East Waste Charter</i>
Consultation Undertaken	<ul style="list-style-type: none"> • Audit & Risk Committee
Responsible Officer	Manager Business Services

SIGNED:

General Manager

Date: ____/____/____

SIGNED:

Chairperson

Date: ____/____/____

1. Establishment

- 1.1 The Audit & Risk Management Committee is established under sections 41 and 126 of the *Local Government Act 1999* (the Act) and in compliance with Regulation 17 of the *Local Government (Financial Management) Regulations 2011*.
- 1.2 The Committee is established to provide independent assurance and advice to the Board on accounting, financial management, internal controls, risk management and governance matters.

2. Objectives

- 2.1 The Committee is established to:
 - 2.1.1 Review financial statements to ensure that they present fairly, the state of affairs of East Waste.
 - 2.1.2 Propose and provide information relevant to reviewing East Waste's strategic management plans or annual business plans.
 - 2.1.3 Monitor the responsiveness of East Waste to recommendations for improvements based on previous audits and risk assessments.
 - 2.1.4 Propose and review the exercise of powers under section 130A of the Act.
 - 2.1.5 Liaise with East Waste's external auditor.
 - 2.1.6 Review the adequacy of the accounting, internal control, reporting and other financial management systems and processes of East Waste.
 - 2.1.7 Provide oversight of planning and scoping of the internal audit work plan and review and comment on reports provided by the person primarily responsible for the internal audit function.
 - 2.1.8 Recommend to East Waste the appointment of and oversee any external auditor appointed by East Waste.
 - 2.1.9 Review and evaluate the effectiveness of policies, systems and procedures established and maintained to identify, assess, monitor, manage and review strategic, operational risks.
 - 2.1.10 Review any reports prepared for the Board under section 48(1) of the Act (Prudential requirements for certain activities).

3. Role of the Committee

3.1 Financial Reporting and Sustainability

- 3.1.1 Review the Annual Report including the Annual Financial Statements and application of accounting policies and provide an opinion to the Board on whether they present fairly the state of affairs of East Waste and where appropriate, recommend the approval of any material to be included in the Annual Report concerning internal controls and risk management.
- 3.1.2 Review and make recommendations to the Board regarding the assumptions, financial ratios and financial targets in the Long Term Financial Plan.
- 3.1.3 Provide commentary and advice on the financial sustainability of East Waste and any risks concerning, and as part of the adoption of the Strategic Plans, Long Term Financial Plan, Annual Budget and periodic Budget Reviews.
- 3.1.4 Review and provide recommendations and comments to the Board on East Waste's Asset Management Plans.
- 3.1.5 Review and make recommendations to the Board regarding any other significant financial, accounting, and reporting issues deemed necessary by the Committee, East Waste or Administration.
- 3.1.6 Consider and provide comment on the financial and risk-related issues associated with any business referred to it by the Board for such comment.

3.2 Internal Controls and Risk Management

- 3.2.1 Monitor, review and evaluate the effectiveness of policies, systems and procedures established and maintained to identify, assess, monitor, manage and review financial and strategic operational risks.
- 3.2.2 Monitor and review the effectiveness of East Waste's internal control environment.
- 3.2.3 Review any reports prepared for the Board under section 48(1) of the Act (Prudential requirements for certain activities).
- 3.2.4 Monitor and review the effectiveness of East Waste's internal audit function.

3.3 Internal Audit

- 3.3.1 Provide oversight of planning and scoping of the internal audit work plan and review and comment on reports provided by the person primarily responsible for the internal audit function.
- 3.3.2 Monitor the responsiveness to recommendations for improvements based on previous audits and risk assessments, including those raised by East Waste's auditor.

3.4 External Audit

- 3.4.1 Oversee East Waste's engagement with the external auditor including but not limited to:
 - 3.4.2 assessing the external auditor's qualifications and expertise.
 - 3.4.3 recommending the approval of the external auditor's remuneration and terms of engagement to East Waste.
 - 3.4.4 assessing the external auditor's independence and objectivity and monitoring the external auditor's compliance with legislative requirements on the rotation of audit partners.
 - 3.4.5 consider and make recommendations to the Board concerning the appointment, reappointment and removal of the East Waste's external auditor.
 - 3.4.6 If an auditor resigns, the Committee shall investigate the issues leading to this and decide whether any action is required.
 - 3.4.7 Liaise with East Waste's external auditor.
 - 3.4.8 Review and make recommendations on the annual audit plan, and in particular its consistency with the scope of the external audit engagement as well as the internal audit plan.
 - 3.4.9 Review the findings of the audit, paying particular attention to any accounting and audit judgements, any adjusted or unadjusted differences and any other significant issues arising from the audit.
 - 3.4.10 Review any representation letter requested by the external auditor before they are signed by management; and
 - 3.4.11 Review Administration's response to reviews, recommendations and audit letters provided by the External Auditor.

4. Membership

- 4.1 Members of the Committee shall be appointed by the Board of East Waste.
- 4.2 The Committee shall consist of five (5) members, two (2) of whom shall be members of the Board and three (3) members who are not a member of the board (independent members).
- 4.3 One (1) independent member of the Committee must have financial experience relevant to the functions of the Committee as determined by the Board.
- 4.4 One (1) independent member of the Committee must have experience in the field of legal practitioner and / or risk management and/or governance as determined by the Board.

- 4.5 Expressions of Interest for the Independent Members shall be sought by the Board and be for a maximum term of two (2) years. The terms of the appointment should be arranged to ensure an orderly rotation and continuity of membership despite changes to the Board's Elected Members, hence their terms will expire in alternate years.
- 4.6 Independent Members are eligible for reappointment at the expiration of their term of office at the sole discretion of the Board. An independent Member may be appointed for a maximum of three (3) consecutive terms. An Independent Member who has served three (3) consecutive terms is eligible to reapply two (2) years after the expiry of their three (3) terms unless, appointed by the board following an expression of interest.
- 4.7 Board Members are appointed to the Committee for two (2) years.

5. Voting

- 5.1 Only members of the Committee are entitled to vote in Committee meetings. Unless otherwise required by the Act not to vote, each member must vote on every matter that is before the Committee for decision. The Chairperson has a deliberative vote but does not, in the event of an equality of votes, have a casting vote.
- 5.2 All decisions of the Committee shall be made based on the majority decision of the members present.
- 5.3 In the event of a tied vote where the members have not decided, the question is neither carried nor lost.
- 5.4 If a vote is tied, the matter may be referred back to the Committee (with or without additional information to inform the debate and decision making) or referred to the Board for a resolution.

6. Conflict of Interest

- 6.1 Members of the Committee must comply with the conduct and conflict of interest provisions of the Act. In particular, sections 62, 63, 64, 73 and 74 must be observed.

7. Register of Interests

- 7.1 All independent members on section 41 Committees need to complete a Register of Interest in accordance with chapter 5 part 4 – Division 2 of the Local Government Act 1999.

8. Meetings

- 8.1 The Committee shall meet at least quarterly prior to Board meetings.
- 8.2 Ordinary Meetings of the Committee will be held at times and places determined by the Committee.
- 8.3 Special Meetings of the Committee may be called in accordance with the Act.
- 8.4 Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, the

board and any observers. No later than three (3) clear days before the date of the meeting. Supporting Papers shall be sent to Committee members and other attendees as appropriate at the same time.

- 8.5 Members of the public can attend Committee meetings unless prohibited by the resolution of the Committee under the confidentiality provisions of section 90 of the Act.
- 8.6 Minutes of the Committee meetings shall be circulated within five (5) days after the meeting to all members of the committee.
- 8.7 East Waste's General Manager may direct employees or contractors to attend any meeting as observers or be responsible for preparing papers for the Committee.
- 8.8 East Waste's auditor may be invited to attend meetings of the Committee but is required to attend meetings considering the draft annual financial report and results of the external audit.
- 8.9 Part 2 of Local Government (Procedures at Meetings) Regulations 2013 apply to his Committee.
- 8.10 A member of a Committee can participate in the meeting via electronic means provided advance notice has been provided and facilities are available.

9. Quorum

- 9.1 The quorum necessary for the transaction of business shall be three (3) members. A duly convened meetings of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

10. Administrative Resources

- 10.1 The General Manager shall provide administrative resources to the Committee to enable it to adequately carry out its functions.

11. Sitting Fees

- 11.1 Independent Members (excluding the Chairperson of the Board) of the Committee, when attending committee Meetings will be paid a sitting fee for their attendance.
- 11.2 The sitting fee will be determined by the Board every four (4) years.
- 11.3 Sitting fees are paid following each meeting.

12. Reimbursement of Expenses

- 12.1 Reimbursement of Expenses incurred by members of the Committee will be paid in accordance with East Waste's reimbursement process.

12 Conduct and Disclosure of Interests

- 13.1 Members of the Committee must comply with the conduct and conflict of interest provisions of the Act. In particular, Sections 62,63,64,73 and 74 must be observed.

DRAFT

8.5: TURNING THE TIDE: THE FUTURE OF SINGLE-USE PLASTIC IN SOUTH AUSTRALIA SUBMISSION.

REPORT AUTHOR: General Manager
ATTACHMENTS: A: Turning the Tide Submission

Purpose of the Report

To provide the Board with a copy of East Waste's submission to the State Government's *Turning the Tide: The future of single use plastic in South Australia* Submission.

Background

After becoming the first state in Australia to ban single-use plastic bags in 2009 and prohibit single use plastic items like plastic straws and cutlery in March 2021, South Australia will be prohibiting polystyrene items like cups, bowls, plates and 'clamshell' containers and all oxo-degradable products from March 1, 2022.

Report

The Government is canvassing opinions and ideas from South Australians about products to be considered for possible future phase outs. Specifically, input is sought in relation to nine 'problematic' plastic products identified in the legislation alongside a range of other products.

East Waste has received an extension of time until 25 February 2022 for its submission in order to have a Board endorsed submission. East Waste's submission is attached (refer Attachment A) and is consistent with East Waste's Strategic Plan targets, focussing on reducing contamination streams and ensuring ease of messaging and recycling for the community.

RECOMMENDATION

That the Board endorse the *Turning the Tide: The future of single use plastic in South Australia* submission, as presented in Attachment A.



24 February 2022

Attn: SUP Review Discussion Paper

Green Industries SA
GPO Box 1047
Adelaide SA 5001
greenindustries@sa.gov.au

Dear Sir/Madam,

Turning the Tide: The Future of Single-Use Plastic in South Australia

The East Waste Board once again congratulates the South Australian Government on taking a leadership role in becoming the first state in Australia to ban single-use plastic bags in 2009, and prohibiting single use plastic items like plastic straws and cutlery in March 2021. We look forward to seeing the second phase implemented very soon with expanded polystyrene items like cups, bowls, plates and clamshell containers as well as all oxo-degradable products banned from March 1, 2022.

We welcome the opportunity to provide feedback and consideration of what additional single-use products may need to be included in future stages of the bans. Our response provides a focus on single-use items that are problematic in terms of their recyclability as well as presenting issues with contamination of co-mingled recycling and organics streams. Reducing contamination is a key focus area for our Member Councils and is highlighted in the Key Performance Indicators (KPIs) outlined in our Strategic Plan; *Reduce average contamination of kerbside co-mingled recycling stream to less than 7 percent (by weight)*.

Diverting waste from landfill waste offers significant financial and carbon emission savings to Member Councils. *Replacing the Waste* with recyclable or compostable alternatives is an important step in reducing the amount of waste sent to landfill. We also consider that priority should be given to options further up the waste hierarchy and enable more reusable and returnable packaging items to be supported.

For context, East Waste is a regional subsidiary of seven 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 manage 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 every year. East Waste has long been involved in the waste industry with our origins commencing 94 years ago in 1928.

In terms of addressing the items listed for consideration in future bans or restrictions, our key priority of reducing contamination and improving the value and recyclability of our co-mingled recyclables, we consider that coffee cups and lids, plastic bags, including barrier bags, plastic takeaway containers, plastic bowls, EPS foam meat trays and other EPS containers should be given a high priority and included in next tranche of bans and ideally be introduced within six to twelve months, i.e. no later than 1 March 2023.

Each of the items being considered, are discussed in the table below.

Products	Ban or restrict?	Implementation stage / timeframes to be considered	Comments <ul style="list-style-type: none"> Viable alternatives What exemptions are needed What factors should inform decision Timeline for businesses, industry and supply chains to prepare
Single-use plastic cups (including coffee cups)	Ban	Stage 3	<p>Coffee cups and lids are the principal contamination issue for public place recycling bins and community event bins. There is a lot of confusion and misinformation information in the community regarding the recyclability of coffee cups.</p> <p>The RecycleMe coffee and cold drink cups cannot be recycled through all South Australian-based Material Recycling Facilities as they contaminate the paper stream. A dedicated separate collection and recycling process is required for these. Although coffee cups and cold drink cups can be recycled through dedicated recycling bins, these are not readily accessible to the public and additional bin infrastructure and dedicated collections is problematic.</p> <p>Reusable cups and lids should be widely promoted and supported as the preferred and safe option. KeepCups and mug libraries were becoming a popular waste free alternative up until the pandemic due to COVID safety concerns. The ‘contactless pour’ is a very easy and practical solution to this and eliminates contact, risk and waste.</p> <p>State Government are also assisting businesses to encourage reusables as the preferred option. In early October 2021, in a national first, the South Australian Upper House backed a Greens’ bill to encourage BYO containers at food businesses. The bill amends the <i>Civil Liabilities Act</i> 1936 to protect businesses that accept BYO containers from liability and will encourage waste reduction.</p> <p>Following the waste hierarchy principals, reusable or returnable options are endorsed as the best options. Where this is not possible then the disposable takeaway options should be compostable.</p> <p>Certified compostable cups and lids are widely available. This however still presents two challenges; 1) education and raising public awareness of the correct disposal of these items into a green bin. A simple, consistent message that ‘coffee cups are compostable’ needs to be widely promoted <i>without the confusion caused by recyclable coffee cups</i>. 2) There is currently very limited available public place green bins so compostable</p>

Products	Ban or restrict?	Implementation stage / timeframes to be considered	Comments <ul style="list-style-type: none"> Viable alternatives What exemptions are needed What factors should inform decision Timeline for businesses, industry and supply chains to prepare
			<p>cups and lids are ending up in landfill or contaminating comingled recycling bins.</p> <p>East Waste will shortly commence a trial in conjunction with Detmold regarding public place recycling in 4 precincts (King William Road, Unley, Newton Shopping Centre, Prospect Road and Walkerville Terrace). The City of Adelaide have also committed to a public place green bin trial in Rundle Mall. Outcomes from these trials will determine how green bins, education and signage may be provided successfully more broadly in the future.</p>
Single-use plastic food containers	Ban	Stage 3	<p>One of the most common contaminants also found in kerbside co-mingled recycling bins is food waste. This is commonly contained in plastic food containers. Eliminating plastic takeaway food containers and replacing them with clearly marked compostable containers indicating that they are to be placed in the green bin, would be a positive step in reducing the amount of food waste contamination in yellow bins.</p> <p>Compostable food containers are readily available. However like compostable cups and lids, there needs to be more education on placing these items in the green bin. There also needs to be green bins available in public places for people to dispose of them correctly.</p> <p>Promoting and accepting of reusable and refillable options should also be a priority. Initiatives such as Returnr offer solutions for takeaway outlets and businesses to have their own stock of reusable containers and cups.</p> <p>TrashlessTakeaway and BYOContainers provide platforms for businesses to actively promote and encourage consumers to byo containers.</p>
Single-use plastic bowls	Ban	Stage 3	Same as above
Single-use plastic plates	Ban	Stage 3	<p>Compostable alternatives are readily available. Many food vendors, workplaces, schools and households have already made the changeover to compostable plates.</p> <p>Most Councils require food vendors to provide these at all events.</p>

Products	Ban or restrict?	Implementation stage / timeframes to be considered	Comments <ul style="list-style-type: none"> Viable alternatives What exemptions are needed What factors should inform decision Timeline for businesses, industry and supply chains to prepare
Plastic lids of single-use coffee cups	ban	Stage 3	<p>Plastic coffee cup lids (commonly polypropylene or polystyrene) contaminate both recycling and green organics bins. Due to the confusion with coffee cups being recyclable they often end up with coffee cups in the comingled recycle bins, particularly public place recycle bins. The lids crush and break up through the collection and sorting process which then contaminate other recyclable materials.</p> <p>As they are commonly a slightly cheaper option to certified compostable lids, many coffee vendors purchase and supply them with compostable cups. If these end up in a green bin, they contaminate the compostable items. It is unlikely and impractical to expect patrons to remove the plastic lids before placing them into a green bin. This is a significant issue when managing waste streams at events.</p> <p>Eliminating plastic lids (along with non-compostable coffee cups) and replacing them with available certified compostable alternatives is imperative in solving this issue.</p> <p>Ahead of the ban there is a need to have a minimum standard on the quality/thickness of the compostable lids as in some instances vendors have advised that the compostable lids do not fit as securely to the cups, due to expansion/warping, which poses a safety issue.</p>
Plastic balloon sticks	ban	Stage 4	<p>Although this item is not regularly supplied or used, the issues it presents in regards to litter and marine pollution could be easily avoided if these were banned in favour of cardboard holders and wooden or bamboo sticks. It is also seen as a very easy simply decision to implement.</p>
Plastic balloon ties	ban	Stage 4	<p>Same as above. Although it is mentioned that balloons themselves are controlled through the Litter Prevention Act. Plastic balloons continue to be released (intentionally through ceremonies or unintentionally) and pose a significant threat to wildlife through ingestion and entanglement. There doesn't appear to be any compostable alternatives. More education and awareness is needed about the negative impacts of releasing balloons.</p>

Products	Ban or restrict?	Implementation stage / timeframes to be considered	Comments <ul style="list-style-type: none"> Viable alternatives What exemptions are needed What factors should inform decision Timeline for businesses, industry and supply chains to prepare
Plastic-stemmed cotton buds	ban	Stage 4	Alternative reusable and compostable bamboo options are available. The compostable alternatives however are not certified or suitable for commercial composting due to the time they take to fully compost. Banning these would incentivise the market to improve the composability of alternative options and make them more readily available for consumers.
Plastic bags	ban	Stage 3	<p>Plastic bags placed loosely in the recycle bin as well as bagged recycling continue to be one of the main contamination issues found in kerbside recycling bins. East Waste's Household Bin Audit in 2019 identified Soft Plastic (plastic film, loose plastic bags) as the fourth highest contaminant by weight, out of the top five making up 0.7% of the total weight of the recycle bin materials. From a count perspective it is significantly higher, given the weight of soft plastics.</p> <p>Although single-use plastic bags were banned in 2009, these were replaced with thicker 'reusable' bags which has not solved the issue and they are rarely reused by consumers. Instead, plastic bags are contaminating comingled recycled bins as well as causing significant litter and marine health issues. At best, they are ending up in supermarket soft-plastic recycling bins however there are issues with contamination as well as an over-supply of soft plastics which are not yet being met by demand for recycled plastic products.</p> <p>As there has been alternative options available for more than 13 years now, it is certainly time to fully 'ban the bag'.</p> <p>Timing of this, should align with banning plastic barrier/produce bags as compostable or reusable alternatives are readily available. Banning of both forms of plastic bags would allow for a consistent education campaign. The increase in demand for alternative (compostable) options would effectively lower the per-unit cost which is currently a barrier for some supermarkets and green grocers to supply them.</p> <p>Further to this, providing compostable produce bags has proven to increase food waste recycling which is a key priority in reducing waste to landfill.</p>

Products	Ban or restrict?	Implementation stage / timeframes to be considered	Comments <ul style="list-style-type: none"> Viable alternatives What exemptions are needed What factors should inform decision Timeline for businesses, industry and supply chains to prepare
Others			
Fruit stickers	Ban	Stage 5	<p>Some compostable options are now emerging in the market. Banning these would allow for further development and certified compostable options to be more readily available and affordable.</p> <p>Certified compostable stickers would eliminate the current contamination issues experienced through commercial composting.</p>
Plastic confetti	Ban	Stage 5	<p>Similar to balloon holders and sticks, plastic confetti does not appear to be widely used however it causes significant issues associated with micro plastics in the environment. As paper confetti is readily available it should not be an issue to ban the plastic version.</p>
Plastic pizza savers	Ban	Stage 5	<p>As cardboard inserts or 'dough ball' alternatives exist, these should be adopted easily. Banning these will prevent contamination issues if placed in the green or recycling bin.</p> <p>Although the current plastic pizza savers are recyclable if placed inside of plastic bottle along with lids and other small plastic items, it is not a commonly known or practiced by consumers.</p>
Plastic soy sauce fish	Restrict in stage 4. Ban in stage 5.	Stage 5	<p>As there aren't yet any suitable alternative options for takeaway serves of sushi, it isn't practical to ban them yet. However an education campaign to both sushi vendors and consumers about responsible use of them, encouraging people to apply soy sauce from a refillable bottle at point of sale instead, may be an effective way to reduce their use.</p> <p>As public awareness is increased, alternative solutions may enter the market which will allow for these to eventually be phased out.</p>
Plastic beverage plugs	Ban stage 4	Stage 4	<p>Plastic lids and accessories should be banned. Compostable lid alternatives can be manufactured to include a built in stopper.</p>
Plastic bread tags	Ban stage 4	Stage 4	<p>As cardboard alternatives are now available these should be easily banned.</p>

Products	Ban or restrict?	Implementation stage / timeframes to be considered	Comments <ul style="list-style-type: none"> Viable alternatives What exemptions are needed What factors should inform decision Timeline for businesses, industry and supply chains to prepare
Other EPS consumer food and beverage containers	Ban stage 3	Stage 3	As other EPS items are banned in stage 2, it makes sense to ban these other problematic EPS containers within a similar timeframe. EPS meat trays and other EPS containers are a prevalent
EPS trays used for meat, fruit and other items for retail sale.	Ban stage 3	Stage 3	Contamination issue in recycle bins as they commonly include the chasing arrows symbol, plastic identification code, which misleads consumers to believe that they can be recycled. As there are recyclable rigid (clear or coloured) PET plastic options as well as compostable alternatives, EPS meat trays and other containers should be banned. Black plastic trays should also be eliminated due to the difficulties in detecting and recovering these at the MRF. Although Woolworths offer a <u>recyclable paper meat tray</u> , these have the potential to cause contamination if the plastic film isn't peeled off completely. Meat juices may also cause contamination, so they may not be that suitable or practical for comingled recycling. However composting the cardboard/paper components through the green bin may be a better option if all plastic is removed.

Should you wish to discuss any element of this submission further, please don't hesitate to contact East Waste's General Manager, Rob Gregory on 0417 466 929 or robg@eastwaste.com.

Yours sincerely,

ROB GREGORY
GENERAL MANAGER

8.7: FOOD ORGANICS CAMPAIGN REPORT 2021

REPORT AUTHOR: Manager Business Services

ATTACHMENTS: A: Food Organics Campaign Report 2021

Purpose of the Report

To provide the Board with a copy of the Food Organics Campaign report, for reference and noting.

Background

From July 2021 until mid-December 2021 East Waste partnered with Green Industries South Australia (GISA) to deliver an advertising campaign focussing on education and behaviour change around the promotion of kitchen caddies and diverting food waste from waste bins to green organics bins. Administration was able to secure 50% of the cost of the program through a grant from GISA.

During the campaign more than 140 signs and banners were installed across East Waste's seven Member Council areas promoting the option for residents to obtain Kitchen Caddies from their Council and that food scraps should be disposed of in the organics bin.

In addition to the signage and banners a social media campaign and a competition were run to assist with the education and behaviour change regarding food waste and the use of kitchen caddies.

Report

The Food Organics Campaign Report 2001 (refer attachment A) provides a detailed overview of the campaign including details about:

- Take up Rates of Kitchen caddies / BIO Bags during the Campaign.
- Feedback from Member Council's.
- Key Messages & Art Work utilised throughout the Campaign.
- The Cost of the Campaign.
- Total Reach / Target Audience; and
- Website Traffic.

Due to a separate matter at the time, promotion was delayed in Campbelltown City Council which is reflected in the reach data listed on Page 4 of the report (refer pg.4 Attachment A). The reach reflects the percentage of the Target Audience that were exposed to the campaign. As the campaign wasn't running in neighbouring Councils at the time it was running in CCC, the exposure was reduced. There is an argument however that the CCC Target Audience were exposed for a longer period of messaging given they may have seen it in other Council areas, prior to the commencement of the CCC campaign.

Overall the report highlights a positive awareness response in the community stemming from the campaign.

RECOMMENDATION

That the Board notes the Food Organics Campaign Report 2021, as presented in Attachment A.



Food Scraps to Green Bin and Kitchen Caddy Advertising Campaign

July—December 2021

Delivered by East Waste and Green Industries SA



Campaign background

Uneaten and discarded food is the largest stream disposed to landfill. Diverting food waste into the green organics bin presents the biggest environmental and economic opportunity for Local Governments. As such, it is a primary focus of East Waste and our Member Councils. Education and behaviour change plays an integral part in attaining our strategic goal of recycling 100% of food waste by 2030.

As part of our education and behaviour change program, East Waste partnered with Green Industries SA in July 2021 to deliver a *'Food scraps to Green Bin'* and *'Kitchen caddy'* advertising campaign promoted through bus shelters, street banners and signage as well as social media.

Key messages and artwork

Behaviour change messages of ***'Food Scraps? Which Bin? Feed 'em to the Green Bin'*** and ***'Grab a Kitchen Caddy from Council today'*** were displayed on bus shelters, large corflute signs and banners displayed along main arterial roads, in front of Council Civic Centres, Shopping Centres, Schools and in public parks and reserves.

Clear simple messages provided a call to action; *'Feed food scraps to the Green Bin'* with reference to best practice *'Grab a kitchen caddy from Council today.'*

'Educational messages must have consistency and continuity as mental availability takes time to build and requires reinforcing as it erodes if it is not refreshed.'⁽¹⁾ This means there is a need to be everywhere to everyone and if and where possible at the time that the behaviour is taking place.

As stated in the Which Bin? market research report by Ehrenberg-Bass; 'establishing a direct causal effect between advertising exposure and resultant behaviour change is challenging. Between the point of exposure to advertising and the behaviour of interest, there are a myriad of other situational influences and internal and external factors affecting a person which makes it hard to establish a clear Return on Investment.'⁽²⁾

Evidence of this however can be linked to an increase in the uptake of kitchen caddies and compostable bags, as well as maintaining or increasing collection tonnages of food and garden organics. Visits to the Which Bin? website were also included as a measure of success in raising awareness of the campaign.

Timing

The campaign commenced in July 2021 with bus shelter posters installed from 13 July until mid October for the majority of East Waste Councils. Some bonus sites were offered through Ooh! Media which extended the timing into November. Campbelltown City Council's campaign commenced 20 September running through until 19 December. Street Banners and signs were also supplied to Councils to increase the visibility of the campaign across each Council area during this time with some still being displayed in various locations. Campbelltown City Council extended some of the bus shelter advertising along Montacute Road.

Reference 1 & 2: Which Bin? Advertising Campaign Market Research Highlights; University of South Australia; Ehrenberg-Bass Institute for Marketing Science;
Published by Green Industries SA 2020



Bus shelter advertising

A total of **41 bus shelter sites** were installed across East Waste's seven member council areas. (Refer to attached site lists).

Street signs and banners

A total of **86 corflute street signs** and **16 street banners** were provided to Councils to place up in various locations. (Refer to attached street banner and signs list).



Ooh! Media Bus shelter Reach & Frequency Report

According to the MOVE (Measure of Outdoor Visibility and Exposure) Report supplied by Ooh! Media, the campaign reached (total reach) 85.5% of the target audience of 'Main Grocery Buyers' (MGB) an average of 18.8 times with an average of 12,800 in each Council area and total of 76,800 MGB's reached. Please refer to the attached report for more details. The table below summarises the total reach of Main Grocery Buyers in each Council area.

	Total Reach %	Total Reach (000's)	Frequency (number of times seen)
Campbelltown City Council	67%	10.4	15.3
City of Burnside	92.8%	18.1	19.8
City of Mitcham	80.4%	22	13.3
City of Norwood Payneham & St Peters	88.2%	13.8	17.3
City of Prospect	85.9%	8.3	19.2
Town of Walkerville	98.4%	4.2	28
Average	85.5	12.8	18.8

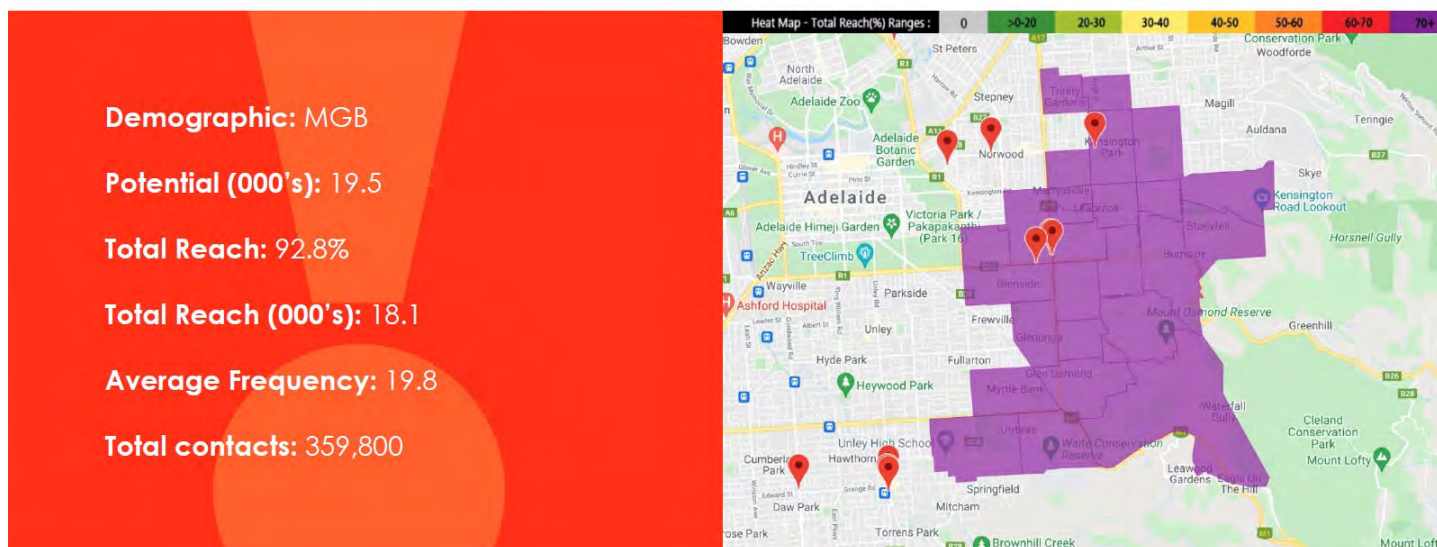
*Adelaide Hills Council didn't have any Ooh! Media bus shelter sites. They had 1 bus shelter located at the Crafers exit however was a Claude Outdoor site. Claude Outdoor do not provide MOVE reports.

The report the heat maps also show panels outside the target council area. This demonstrates the power of the councils working simultaneously together and effectively helping each other to increase visibility and awareness. Although the measured reach/frequency is reported for each council area, people move in and outside of their Council areas. For example, people who live in the Burnside council area, will likely see panels within the City of Norwood Payneham & St Peters which will amplify the impact of the campaigns visibility. Town Walkerville had the highest reach and frequency of 98.4% which can be attributed to being a central location with flow through from most Councils.

Due to external factors, Campbelltown City Council's campaign was run a few months later which meant that they did not reap the full benefit of the flow through from other Council areas. Their frequency and reach was therefore lower at 67%.

Reach & Frequency

Report on **Burnside** council area – includes bonus display



Number of Kitchen Caddies and compostable bags kits collected by residents during the campaign (July-November 2021)

Adelaide Hills Council	64 kitchen caddy kits were collected compared with 75 during the same period in 2020.
City of Burnside	108 kitchen caddies and 1537 rolls of compostable bags were collected between July and end of November 2021. During the same time period of 2020, there were 1734 rolls of compostable bags however the number of kitchen caddies was not available due to a change in the recording data.
Campbelltown City Council	Council supplied Kitchen Caddies to all residents in 2020 and have programmed times for people to collect their refill rolls. They also contact new residents to invite them to collect a caddy and bags. For this reason we only used the 'Food scraps to green bin' message.
City of Mitcham	231 kitchen caddy kits were collected compared with 177 during the same period in 2020.
City of Norwood Payneham St Peters	Due to the overwhelming response from their rates notice campaign (April-June) it was difficult to determine if the bus shelters and signs had any further influence following this. However an additional 161 kitchen caddy kits were supplied during the campaign.
City of Prospect	165 kitchen caddy kits were collected compared to 134 for the same period in 2020.
Town of Walkerville	162 kitchen caddy kits were supplied to residents compared to 181 for 2020. The slightly higher result for 2020 may have been attributed to an article in the About Town newsletter highlighting the findings of the 2019 audit and the importance of composting food waste. Click here to read article. (pg.6)

An increase in the uptake of kitchen caddies and compostable bags was recorded for the City of Mitcham with an additional 54 kitchen caddy kits collected between July and November 2021 compared to July to November 2020. The City of Prospect also had an increase with an additional 30 kitchen caddy kits being supplied during this time.

Adelaide Hills Council, City of Burnside and Town of Walkerville recorded lower numbers compared with the same time period in 2020. However there has been an increase in kitchen caddies and bags being supplied overall each year. This can be attributed to the ongoing promotion and public awareness being driven through social media, My Local Services, newsletter articles, Which Bin?, Council and East Waste websites, information sessions and events such as International Compost Awareness Week in May.



Visits to the Which Bin? website

There was an increase in visitors to the Which Bin? website during July, August and September 2021. As the Which Bin? website and brand was promoted on the campaign artwork, it can be assumed that this helped to drive awareness and traffic to the website during this time. The number of people visiting the website between July and December 2021 varied between 300 to 610 per day with the highest number of 610 visitors being recorded on 23 September. This aligns with the middle of the campaign timing.

1 December 2020 - 30 November 2021

SESSIONS FROM ORGANIC (TREND)



NEW VS RETURNING

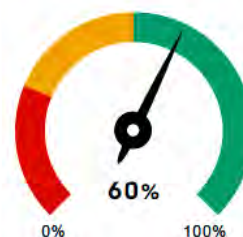
Visitor Type

- New Visitor
- Returning Visitor

Users

64,200
10,350

ORGANIC SESSIONS RATE



Audience Overview



For comparison, visitation to the Which Bin? website earlier in the year, between January and June 2021, was lower and varied between 280 to 520 visitors per day. The peak of 710 visitors in late May and early June 2021 could be attributed to TV advertising and news reports of the Recycling Modernisation Funding at the time.

Visitation to the website in the previous year, between July 2020 and December 2020, was noticeably lower varying between 220 and 505 visitors per day. The increase this year could well be attributed to the street advertising, however other contributors including TV advertising, social media, weekly tips through My Local Services and various other Council promotions would also be contributing factors.

Visits to the Which Bin? website January-June 2021

Audience Overview



Visits to the Which Bin? website July –December 2020

Audience Overview



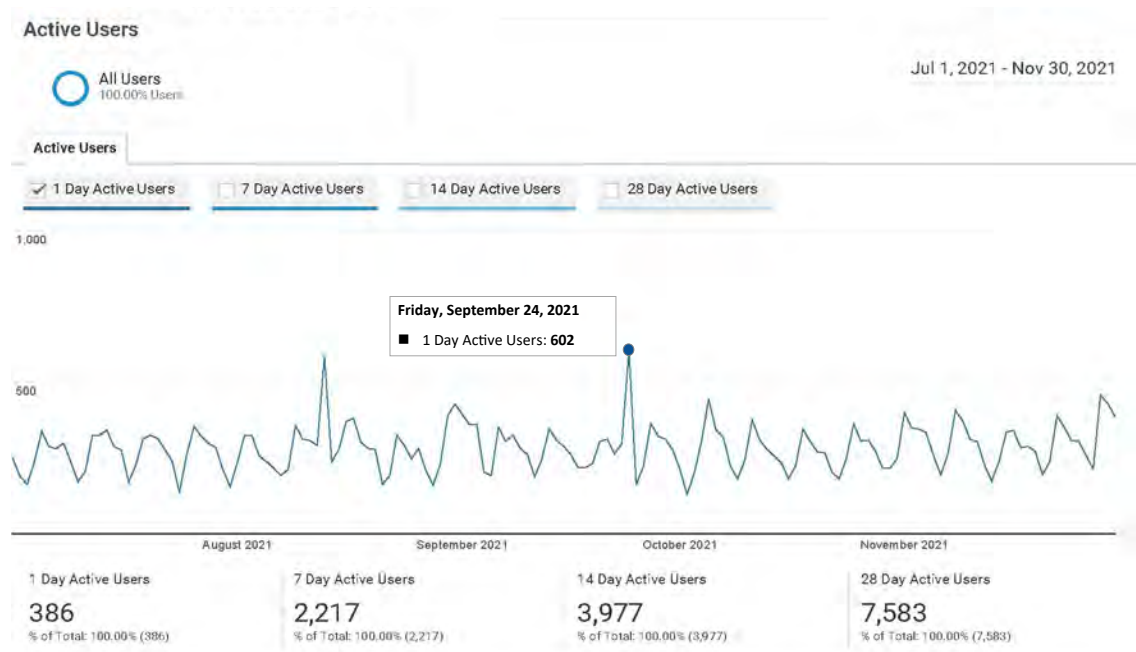
Visits to East Waste website

There was a slight increase in visits to the East Waste website from July through to the end of November 2021. The number of visits to the website during July to August varied between 135 to 352 visits per day. This gradually increased to varying between 129 to 457 visits per day from October to the end of November. Interestingly there was a peak of 602 visits observed on 24 September which aligns with very similar number of visits to the Which Bin? website on 23 September with just over 610 visitors recorded.

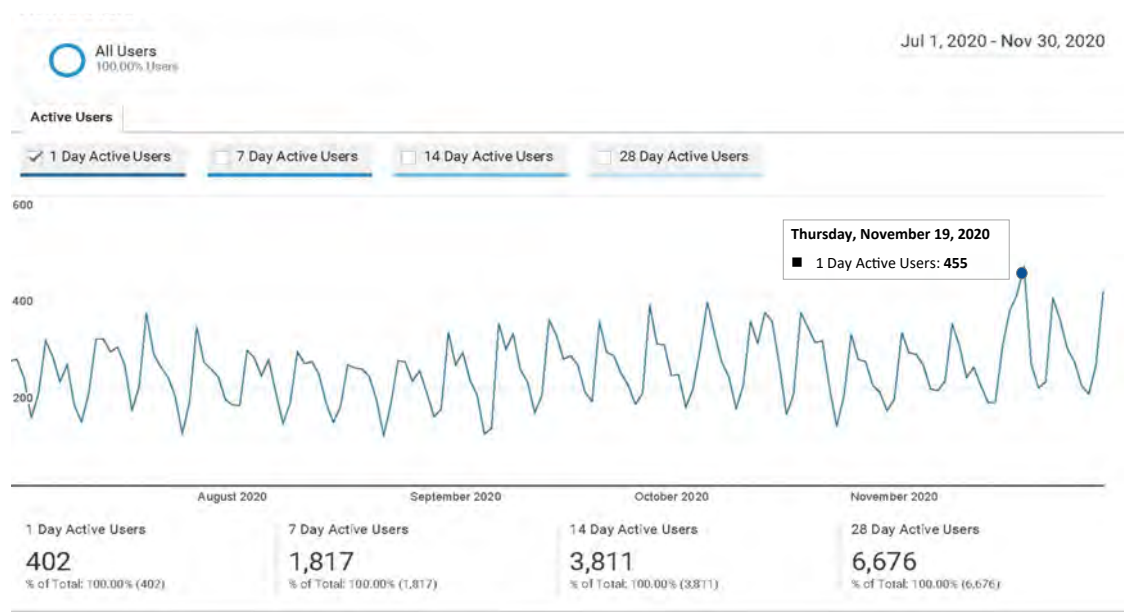
There were less visitors to the East Waste website during July-December 2020. Visitation to the website varied between 107 to 357 per day between July and August 2020. This gradually increased to vary between 123 to 389 per day with a peak of 455 visits on 18 November 2020.

Although the East Waste website was not promoted, the campaign artwork included East Waste and Council logo branding which may have encouraged visits to the East Waste and Council website during this time.

Visits to the East Waste website July–December 2021



Visits to the East Waste website July–December 2020



Competition

East Waste ran a competition to encourage engagement with the bus shelter and street signs. Residents were asked to 'snap a selfie next to a bus shelter or street sign and tell us what they put in their kitchen caddy and green bin and why, for a chance to win a \$200 Foodland voucher.'



🏆 1st Prize of a \$200 Foodland Voucher was awarded to Pamela Adam for her wonderful song, photographed by a bus shelter poster also wearing a compostable BioBag as a scarf. ❤️

Song by Pamela: (To be sung lustily to the tune of "What A Wonderful World")

"I see carrot tops & tissues too,
Asian greens & gravy too,
& I think to myself, I'm helping our world.
I see leaves & grass, & pruning's too,
dead heads of flowers, & doggie poo,
& I think to myself, I am helping our world.
Green bins are great, the caddies too,
so let's all try to use them both,
so I can think to myself, we all help our world."

🏆 2nd Prize was awarded to Alea Rock's two girls Lucy and Molly, who use the green bin for their sandwich crusts. As bread is one of the top wasted foods that we find wrongly placed in the landfill (blue/red lid) bins, it was great to see that these girls are doing the right thing and choosing the right bin - the GREEN BIN! ❤️ They will receive a voucher to 'The Beachouse' at Glenelg, mini-bins and bin stickers for their efforts.



Pamela Adam

September 28, 2021 · 🌐



(To be sung lustily to the tune of "What A Wonderful World") I see carrot tops & tissues too, Asian greens & gravy too, & I think to myself, I'm helping our world. I see leaves & grass, & prunings too, dead heads of flowers, & doggie poo, & I think to myself, I am helping our world. Green bins are great, the caddies too, so lets all try to use them both, so I can think to myself, we all help our world.



You and 2 others

2 Comments



Alea Rock

We use our green bin for sandwich 🍞 crusts 😊



Leanne Austin

I love entertaining so my kitchen caddy really comes in handy for all my salad and veggie scraps when preparing for guests. When I tidy up I also place the used serviettes in there as well.

Isn't Vin the best guy to show us how to compost.



Love Reply 14w



Feedback from Councils

City of Mitcham:

I thought the Messaging and the artwork were great. Nice and bright and very easy to read.

I think the point about using the caddy for food waste got across, however I think the message to grab a caddy for Mitcham was a bit confusing for our residents. Our residents assumed that they could get one for free rather than having to pay which resulted in a few angry customers. In the future we will need to be very clear with our messaging. We heard from a lot of residents that that had seen the signs both street advertising and the bus shelters so they were certainly seen out in the public.

Communication and management of the campaign was well managed however we did have a few issues with the printing and timing of receiving the banners but this was resolved with minimum of fuss.

I think running street advertising campaigns again in the future would be a great idea. Overall it was a successful campaign.

Campbelltown City Council

I like for us that the campaign is simple and just reminding people to put it in the green bin as we have rolled out all of our caddies but still want to make sure people are a) using them and b) putting it into the correct bin. That is our key priority at this point!

I like the bus stop advertising along Montacute Road as it has a wide exposure as a very busy bus stop (less so with Covid but still used daily) as well as a variety of passers by that have to wait or drive past including to and from library and Council.

Town of Walkerville

I personally thought it was a great campaign. The marketing with Vin is always quirky, bright and interesting, and having them on bus shelters drew more attention to the cause (it did for me anyway 😊). I would be in favour of future "street" campaigns in future.

City of Burnside

I liked the clear simple messaging. I think this is important and would like to continue to use this style of messaging. Coverage and exposure of the street advertising was great! I was really impressed to see signs across many Council areas. Communication and management of the campaign was good, you made it very easy for us to use the promotional material.

I thought the competition was a great idea and I liked how the prize was something that anyone would use. I think we should continue to have these type of incentives

I think the campaign was successful and had a good range. We are very keen to support ongoing bus shelter and other street advertising campaigns that are focused on food waste going in the green bin.

Thanks for your amazing work as always. 😊

City of Prospect

I like that it was simple and leveraged the State Government's Which Bin campaign. The two designs worked well I thought – eye catching. The combination of bus shelters and park signage worked well and ensured we had coverage across the whole Council area.

I think you kept us well informed. All requests for us were clearly communicated, posters ordered with no fuss, knew exactly what was happening and when. You were also able to help with photos of the bus stops when I needed them as I hadn't been out to check out the bus stops. BTW. I didn't notice bus stops in Prospect, but I certainly did in the Adelaide Hills and Mitcham every time I drove around my local neighbourhood!

I think it is a helpful reinforcement of our messaging and another way to engage with residents who might not follow us on socials etc.

Conclusion and recommendations

A total investment of the street advertising campaign was \$54,124. The cost of the bus shelter advertising (\$49,628) was shared between East Waste and Green Industries SA.

It is challenging to determine a return on investment, in terms of behaviour change during the campaign period of four months (July–November 2021) as behaviour change is gradual and ongoing. Essentially what we aim to achieve through the street advertising, is maintaining of the status quo, consistency in messaging and further imbedding of social norms which lead to longer term positive behaviour change outcomes.

If we relate this to BDO Economic Assessment of the Why waste it? education program the minimum benefit-cost ratio (BCR) of the investment was estimated at a minimum return on investment equivalent of \$3.10 for every \$1.00 of investment expenditures incurred.

So this would infer that the ROI of this investment could be \$167,784.

As previously stated, in order to maintain the status quo and peoples mental awareness of desired behaviour, it requires consistent reminders as it erodes if it is not refreshed. Having a wide spread of bus shelters (41), street signs (86) and banners (16) on display simultaneously throughout Councils, fulfils the objective to 'be everywhere to everyone.'

Impactful advertising campaigns with repetitive and clear simple messaging has been proven to get good cut through and lead to the desired behaviours being adopted. Proof of this can be seen by the increase in the uptake of kitchen caddies and compostable bags.

Interestingly City of Mitcham had the highest increase in kitchen caddy uptake, despite the small fee of \$12. This Council appeared to have the highest exposure of signage as well as being in a central location with flow through from other East Waste Councils.

The campaign artwork was clearly branded with the Which Bin? East Waste and Council logos. This clearly demonstrated the commitment that state government, Council and industry have in waste diversion and educating the public. This in turn helps to create confidence and reciprocated commitment from residents.

The feedback from Councils was positive with most Council in favour of running similar advertising campaigns again in the future. It should also be noted that Campbelltown City Council also extended their bus shelter campaign using their own budget to do so.

In 2020-21 financial year, 34.5% of material was organics collected through the green bins. This diversion rate continues to increase each year from baseline data of 31.4% in 2017-18 when the Why waste it? education campaign commenced. Maintaining awareness of desired behaviours through strong advertising campaigns is an important aspect of the broader overall delivery of the education and behaviour change program delivery.

East Waste are also considering how integrating an incentives-based behaviour change program may further drive down waste to landfill. Advertising and promotions of this and other behaviour change initiatives through bus shelters, street signs and banners would be recommended as an effective communication method for this when coupled with other strategies including a strong social media campaign.

8.8: 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 *East Waste 2021/22 Annual Plan*.

Background

At the June 2021 Board meeting the Board resolved (in part):

8.2 2021/22 ANNUAL BUSINESS PLAN & BUDGET

Moved Mr Di Iulio that the Board endorse the 2021/22 Annual Business Plan and Budget, as presented in Attachment A.

Seconded Cr Ashby

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.

NO.	ACTIVITY/PROJECT	OVERVIEW	STRAT	MAIN KPI TARGET	STATUS UPDATE
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	Two opportunites assessed and formally responded to
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	Opportunites assessed and responded to where appropriate
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	All units received and units have commenced being installed.
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.	Consultant engaged. Draft report delivered and being assessed.
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 of materials from businesses serviced are separately collected and recycled	Auditor engaged for multi-unit dwellings Audit to be undertaken in Q3.
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%.	Auditor selected and draft program developed Audits scheduled to be undertaken in Q4.
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	Contrinue to develop long term integrated education and behaviour change programs.	Ongoing
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.	Not yet commenced

9	Hard waste Reuse trial	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). A strategic principle of East Waste is to ensure where possible that collected material is retained/processed at is 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.	4.4	Investigate options to process and extract the highest value from collected resources	Not yet commenced
PROVIDE LEADERSHIP					
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.	Copmpleted. New trucks received.
11	IT and Cyber Security Enhancement	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.	5.1	Risk mitigation is integrated into all activities.	Transition to exteral server completed. External penetration testing undertaken. Training of all staff commenced.