



Eastern Waste Management Authority Ordinary Board Meeting

Agenda

Thursday 1 May 2025

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 1 May 2025 commencing at 5:30pm.

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 as important to the living Kurna people today.



Agenda

Eastern Waste Management Authority Ordinary Meeting of the Board of Management

Meeting to be held on Thursday 1 May 2025 commencing at 5.30pm
at the City of Norwood, Payneham & St Peters, 175 The Parade, Norwood.

1. Present

2. Acknowledgement of Country

3. Apologies

4. Declarations of Interest

If a Board Director has an interest in a matter before the Board, they are asked to disclose the interest to the Board and provide full and accurate details of the relevant interest. Members are reminded to declare their interest before each item.

5. Confirmation of the Minutes

Recommendation: 1. That the Minutes of the Eastern Waste Management Authority Ordinary East Waste Board Meeting held on held on 27 February 2025 be confirmed as a true and correct record.

6. Matters arising from the Minutes

7. Questions Without Notice

8. Presentations

8.1 Review of East Waste Financial Model & Strategy Update

9. Reports

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9.2	Strategic Risk Register Review	Page 20
9.3	Leave Policy	Page 25
9.4	Review of Sale or Disposal of Assets Policy	Page 39
9.5	Review of the Prudential Management Policy	Page 49
9.6	Information Report for May 2025	Page 59
9.7	Acting General Manager Verbal Update	
9.7.1	FOGO Trials Update	
9.7.2	Service Level Agreement Update	
9.7.3	Organics Tender Update	

10. Confidential Reports

11. Other Business

12. Next Meeting of the Board

The next Ordinary East Waste Board Meeting is proposed to be held on:
Thursday 26 June 2025, at the City of Norwood, Payneham & St Peters, 175 The Parade, Norwood.

13. Closure of Meeting



**Eastern Waste Management Authority
Ordinary Board Meeting**

Minutes

Thursday 27 February 2025

Minutes

Eastern Waste Management Authority Ordinary Meeting of the Board of Management

Meeting to be held on Thursday 27 February 2025 commencing at 5.30pm,
at the City of Norwood, Payneham & St Peters, 175 The Parade Norwood.

The Chair, Mr F Bell declared the meeting open at 5.30pm and that a quorum was present.

1. Acknowledgement of country

2. Present

Directors:

Mr F Bell	Independent Chairperson
Cr C Clutterham	City of Norwood, Payneham & St Peters
Cr T Jennings	City of Burnside
Cr P George	City of Mitcham

Deputy Directors:

Mr D Waters	Adelaide Hills Council
Mr A Wiguna	Campbelltown City Council
Mr S Wellington	City of Prospect
Cr Jay Allanson	Town of Walkerville

In Attendance:

Mr D Maywald	Acting General Manager
Ms K Vandermoer	Manager Human Resources & Financial Services
Mr B Krombholz	Manager Operational Services
Ms V Davison	Executive Administration Officer
Mr J Jovicevic	Director, Dean Newbery

3. Apologies

Cr L Huxter	Adelaide Hills Council
Mayor M Jones	Corporation of the Town of Walkerville
Mr P Di Iulio	Campbelltown City Council
Mr S Dilena	City of Prospect
Mr C Malak	City of Unley

4. Conflicts of interest

Nil.

5. Confirmation of the minutes

5.1 Minutes of the Eastern Waste Management Authority Ordinary Board Meeting

Moved Cr T Jennings that the Minutes of the Eastern Waste Management Authority Ordinary Board Meeting held on 21 November 2024 be confirmed as a true and correct record.

Seconded Cr C Clutterham

Carried

5.2 Minutes of the Eastern Waste Management Authority Special Board Meeting

Moved Cr T Jennings that the Minutes of the Eastern Waste Management Authority Special Board Meeting held on 18 December 2024 be confirmed as a true and correct record.

Seconded Cr C Clutterham

Carried

6. Matters arising from the minutes

Nil.

7. Questions without notice

Nil.

The Chair sought leave of the meeting to bring forward Item 9.4 WHS Incident Management Report. Leave was granted.

9.4 WHS Incident Management Report

Moved Mr D Waters that the East Waste Board:

1. Receives and notes the WHS Incident Management Report.
2. Notes that despite the delay in recording incidents in the Skytrust system the Administration advised that serious incidents have been investigated.

Seconded Cr T Jennings

Carried

8. Presentations

Member Council's Weekly Organics Trial Update

Cr C Clutterham left the meeting at 6.02pm.

Cr C Clutterham returned to the meeting at 6.07pm.

9. Reports

9.1 Financial Report – Budget Review Two

Moved Cr T Jennings that the East Waste Board endorses the forecasted end of year FY2025 result associated with the 2024/25 Budget Review Two.

Seconded Cr P George

Carried

9.2 Draft FY2026 Annual Plan & Budget

Moved Cr T Jennings that the East Waste Board:

1. Adopt the Draft East Waste 2025/26 Annual Plan, as presented in Attachment A.
2. Approve the associated draft 2025/26 Budget and assumptions.
3. Authorise the General Manager to distribute to each Member Council for review and comment, the Draft 2025/26 Annual Plan, as presented in Attachment A, along with the proposed fees.

Seconded Cr C Clutterham

Carried

Mr J Jovicevic left the meeting at 6.29pm.

9.3 Review of Behaviour Standards Policy

Moved Cr T Jennings that the East Waste Board adopts the revised Behaviour Standards Policy (Attachment B, Item 9.3, East Waste Board Meeting, 27 February 2025).

Seconded Cr C Clutterham

Carried

9.5 Information Report for February 2025

Moved Mr A Wiguna that the East Waste Board receives and notes the Information Report for February 2025.

Seconded Cr C Clutterham

Carried

10 Other Business

10.1 Verbal Updates

10.1.1 The Acting General Manager provided verbal update on:

- The Green Organics Tender Process.
- The resignation of Ms Sandra Di Blasio from the Audit & Risk Management Committee and the proposed process for appointing a new member of the Committee

10.1.2 The Acting General Manager thanked the East Waste Management Team for their support and efforts in delivering Budget Review Two, the 2025/2026 Annual Plan and Budget and the FOGO Trial.

10.1.3 The Chairperson provided an overview of the strategic and financial model review being undertaken by BDO and highlighting the relevant provisions of the East Waste Charter that will be looked at as part of the review.

Cr C Clutterham left the meeting at 6.47pm.

11. Closure

The Chairperson declared the meeting closed at 6.58pm.

12. Next Meeting of the Board

The next Ordinary Board Meeting is scheduled to be held on Thursday 1 May 2025, commencing at 5:30pm, at the City of Norwood Payneham & St Peters, 175 The Parade, Norwood.

These minutes have been signed as a true and correct record of the East Waste East Waste Board Meeting of 19 February 2025.

Chairperson

Date ____/____/____

9.1 Financial Statements – 2024/25 Budget Review Three

Report Author Manager Human Resources & Financial Services

Attachments

- A: Summary Budget Movement – Budget Review Three
- B: Budgeted Statement of Comprehensive Income FY2025
- C: Budgeted Balance Sheet FY2025
- D: Budgeted Statement of Cash Flow FY2025
- E: Budgeted Statement of Changes in Equity FY2025
- F: Budgeted Uniform Presentation of Finances Statement FY2025

Purpose and Context

To provide the East Waste Board (the Board) with an opportunity to review the third review undertaken of the budgeted statutory Financial Statements (Budget Review Three) for the financial year ending 30 June 2025 as prescribed by the Regulations.

Recommendation

That the East Waste Board notes and accepts the forecasted end of year FY2025 result associated with the 2024/25 Budget Review Three.

Strategic Link

Objective 5. Provide Leadership

Strategy 5.4 Quality and transparent Corporate (Governance and Financial) activities.

Background

East Waste undertakes quarterly budget reviews in line with the *Local Government (Financial Management) Regulations 2011*, with this being third review of the budget for FY25.

At the meeting held 27 June 2024, the East Waste Board resolved (in part):

9.1 Annual Plan and Budget Endorsement

Moved Cr C Clutterham that the East Waste Board:

1. *Adopts the 2024/25 Annual Business Plan and Budget, inclusive of all projects and expenditure, as presented in Attachment A.*

Seconded Mayor M Jones

Carried

Discussion

The Board will recall no operating surplus was applied to Common Fleet Costing charges when developing the Budget this year, which is atypical of East Waste's usual budget development

framework. The purpose of this was to keep annual increases to a minimum whilst still allowing East Waste to fulfill its strategic objectives within the Annual Plan.

A comparison between the adopted budget forecast result, and year to date result to March 2025 has been completed and reported within the Summary Budget Movement table as presented in Attachment A (**refer attachment A**).

As at 31 March 2025, East Waste has recorded a Net Surplus of \$323K (year-to-date actuals) against a forecast full-year predicted Net Surplus of \$132K as predicted at Budget Review Two for FY25.

Budget variances and assumptions have been reviewed with updated forecasted operating income and expenses represented in the updated Budget Review Three. Key operating income and expense lines remain consistent and continue to align with the assumptions made in Budget Review Two. However, a net increase in expenditure of \$74K is anticipated in the fourth quarter as outlined further below. Despite this, a year-end surplus of \$57K is projected for FY25, compared to the original breakeven adopted budget.

The budgeted Financial Statements are supplied as per attachments B-F (**Refer attachment B-F**) and a summary of the proposed budget movements in income and expenses have been summarised below:

Statement of Comprehensive Income:

1. Bin Services & Maintenance

An additional Increase in income and expenses is forecasted to reflect recent trends in new requests for additional bin permits and hard waste collection services taken up by residents in quarter three. Increases in activities results in \$nil impact on Net Result for the financial year given this is an 'at cost' service provided to Member Councils.

2. Fleet Maintenance

East Waste has experienced increased unforeseen fleet repairs and maintenance throughout quarter three, which has seen maintenance costs absorb 85% of East Waste's full year maintenance budget as at March 2025. An increase has been applied to the forecasted budget to reflect the actual costs recorded year-to-date in FY25 versus the original adopted budget, as well an allowance for additional unexpected maintenance/repairs that may arise in quarter four. Whilst Administration is hopeful that trends in maintenance requirements will remain consistent with original budget assumptions, the adhoc nature of vehicle breakdowns means repair costs remain somewhat out of East Waste's control.

3. Depreciation

Depreciation forecast for FY25 has been updated now that all truck purchases and disposals have been completed. The reduction in depreciation is associated with the delay in acquisition of trucks which was completed in February 2025.

4. Fuel Costs

Due to favourable fuel costs recorded year to date than anticipated, further savings based on actuals are reflected in the revised full-year budget estimate. However, noting the volatile nature of diesel prices, the cost per litre and the total volume of fuel forecasted for quarter four of FY25 remain unchanged from the assumptions used in the original adopted Budget.

5. Other Expenses

A reduction of \$30K in expenses related to consulting is forecasted, resulting from less utilisation of external consultants than anticipated at Budget Review Two to backfill role requirements as a result of the resignation of the General Manager.

Additional other expenses totalling \$45K have been forecasted relating to:

- Registration and Insurance: a \$25K increase has been forecasted to reflect current trends in insurance excess costs year to date.
- Depot Maintenance: an increase of \$15K expenditure is recorded to reflect the costs of unanticipated works carried out at the East Waste depot in quarter three.
- Printing & Stationery: \$5K increase forecasted related to postage costs as a result of increased issuing of Member Council additional bin permits.

6. Fleet Replacement

The budget has been updated to reflect the final acquisition cost of all fleet truck costs which resulted in a minor increase of \$16K which was funded through existing cash reserves held by East Waste.

7. Profit on Sale of Assets

The sale of all truck assets was completed during quarter three. In total, 5 trucks were sold, including 2 RACV trucks and 3 Rear Loader trucks. The proceeds from the disposal of these trucks have updated within the budget estimates and resulted in a favourable \$15K better sale price than forecasted/anticipated at BR2.

Through Budget Review Two, there was consideration amongst the Administration whether to retain a van previously used for bin maintenance activities. Since the service is now being outsourced and there was no assessed need to keep the van, it was decided to dispose of the asset. This decision resulted in an additional \$13K in disposal income.

Noting the above increase in proceeds from disposal of \$28K, there was a loss recorded on the disposal of Truck 93 totalling approximately \$15K. When considering the budget, the variance between the total cash proceeds received versus the profit recorded (being \$15K) is due to the loss on disposal for Truck 93.

Summary of Variances

As a result of the matters noted above, they have been reflected as following in the key Budgeted Financial Statements as follows:

Table 1: Summary Budget Movement \$'000

Budget Item	Budget Description	Statement of Comprehensive Income Favourable / (Unfavourable)	Cash Flow Statement Increase / (Decrease)
1	Bin Service Income	20	20
1	Bin Service Expenses	(20)	(20)
2	Fleet Maintenance	(210)	(210)
3	Depreciation	23	-
4	Fuel	115	115
5	Depot Maintenance	(15)	(15)
5	Consulting Fees	30	30
5	Printing & Stationery	(5)	(5)
5	Registration & Insurance	(25)	(25)
6	Truck Replacement Cost – CAPEX	-	(16)
7	Profit on Disposal of Assets	12	28
Summary Movement		(75)	(98)

ITEM 9.1 - ATTACHMENT A

EAST WASTE

Summary Budget Movement Worksheet

for the Financial Year Ending 30 June 2025

	Actual as at 31 March 2025	Adopted Budget	BR1	BR2	Proposed Budget (BR3)	Actual YTD / Proposed BR3	Proposed Budget Movement
Administration Fee	217,816	290,421	290,421	290,421	290,421	75%	-
Common Fleet Costing	13,189,714	17,586,287	17,586,287	17,586,287	17,586,287	75%	-
Processing Income	5,123,760	5,827,332	5,827,332	7,482,932	7,482,932	68%	-
Bin Services & Maintenance	1,679,364	1,543,605	1,743,000	1,969,247	1,989,500	84%	20,253
Profit / (Loss) from Disposal	54,544	80,000	97,000	42,000	54,545	100%	12,545
Grant Income	-	-	-	-	-	0%	-
Other Income	226,448	56,000	145,000	280,000	280,000	81%	-
Total	20,491,646	25,383,645	25,689,040	27,650,887	27,683,685	74%	32,798
Processing Expenses	5,124,117	5,827,331	5,827,331	7,482,931	7,482,931	68%	-
Bin Service & Maintenance Expenses	1,679,414	1,543,605	1,743,200	1,969,247	1,989,500	84%	20,253
Employee Costs	6,494,248	8,865,297	8,815,297	8,930,297	8,930,297	73%	-
Fleet Maintenance	1,659,027	1,957,000	1,957,000	1,957,000	2,167,000	77%	210,000
Depreciation	266,463	2,706,973	2,702,973	2,640,000	2,617,000	10%	(23,000)
Interest	449,881	694,000	650,000	625,000	625,000	72%	-
Fuel	1,362,328	2,152,354	2,142,354	1,992,354	1,877,354	73%	(115,000)
Other Expenses	3,132,689	1,637,083	1,794,083	1,922,544	1,937,544	162%	15,000
Total	20,168,168	25,383,643	25,632,238	27,519,373	27,626,626	73%	107,253
Net Surplus	323,478	2	56,802	131,514	57,059		(74,455)
Non Operating Cash Flow	Actual as at 31 March 2025	Adopted Budget	BR1	BR2	Proposed Budget (BR3)	Actual YTD / Proposed BR3	Proposed Budget Movement
Income							
Proceeds from Sale of Assets	53,531	80,000	80,000	25,000	40,491	132%	15,491
Proceeds from the Sale of Motor Vehicles	16,563	-	16,563	17,000	29,595	56%	12,595.00
Proceeds from Borrowings	2,178,539	2,113,500	2,178,600	2,178,600	2,178,600	100%	-
Total	2,248,633	2,193,500	2,275,163	2,220,600	2,248,686	100%	28,086
Expenses							
Fleet Replacement Costs	2,194,669	2,113,500	2,178,539	2,178,539	2,194,669	100%	16,130
Motor Vehicle Replacement	43,056	60,000	43,056	43,056	43,056	100%	-
Office Furniture & Minor Tools	-	50,000	50,000	50,000	50,000	0%	-
Operations Office Upgrade	2,468	60,000	60,000	60,000	60,000	4%	-
Plant Replacement	6,780	25,000	25,000	25,000	25,000	27%	-
Repayment of Borrowings - LGFA	1,324,499	2,065,000	2,065,000	2,079,160	2,079,160	64%	-
Repayment of Borrowings - Leases	162,216	170,000	200,881	200,881	200,881	81%	-
Total	3,733,687	4,543,500	4,622,476	4,636,636	4,652,766	80%	16,130
Net Non-Operating Cash Flow	(1,485,054)	(2,350,000)	(2,347,313)	(2,416,036)	(2,404,080)		11,956

ITEM 9.1 - ATTACHMENT B

EAST WASTE

Projected Statement of Comprehensive Income (Budgeted)
for the Financial Year Ending 30 June 2025

FY24		FY25	FY25	FY25	FY25	FY25
Audited Actuals		Adopted Budget	BR1	BR2	BR3	Movement BR3 v BR2
\$'000		\$'000	\$'000	\$'000	\$'000	\$'000
Income						
22,559	User Charges	23,704	23,704	25,360	25,360	-
66	Investment income	48	60	130	130	-
-	Grants, subsidies and contributions	-	-	-	-	-
1,574	Other	1,552	1,828	2,119	2,139	20
24,199	Total	25,304	25,592	27,609	27,629	20
Expenses						
8,492	Employee Costs	8,865	8,815	8,930	8,930	-
13,123	Materials, contracts & other expenses	13,118	13,464	15,324	15,454	130
2,512	Depreciation, amortisation & impairment	2,707	2,703	2,640	2,617	(23)
442	Finance costs	694	650	625	625	-
24,569	Total	25,384	25,632	27,519	27,626	107
(370)	Operating Surplus / (Deficit)	(80)	(40)	90	3	(87)
81	Asset disposals & fair value adjustments	80	97	42	55	13
(289)	Net Surplus / (Deficit)	-	57	132	58	(74)
-	Other Comprehensive Income	-	-	-	-	-
(289)	Total Comprehensive Income	-	57	132	58	(74)

ITEM 9.1- ATTACHMENT C

EAST WASTE

Projected Balance Sheet (Budgeted)
for the Financial Year Ending 30 June 2025

FY24		FY25	FY25	FY25	FY25	FY25
Audited Actuals		Adopted Budget	BR1	BR2	BR3	Movement BR3 v BR2
\$'000		\$'000	\$'000	\$'000	\$'000	\$'000
	Assets					
	Current					
1,634	Cash & Cash Equivalents	2,508	2,075	1,993	1,895	(98)
1,082	Trade & Other Receivables	746	1,082	1,413	1,413	-
63	Inventory	43	63	63	63	-
2,779	Total	3,297	3,220	3,469	3,371	(98)
	Non-Current					
11,038	Infrastructure, Property, Plant & Equipment	13,721	13,220	13,283	13,307	24
11,038	Total	13,721	13,220	13,283	13,307	24
13,817	Total Assets	17,018	16,440	16,752	16,678	(74)
	Liabilities					
	Current					
1,229	Trade & Other Payables	1,227	1,234	1,565	1,565	-
2,029	Borrowings	2,285	2,485	2,485	2,485	-
1,011	Provisions	991	1,071	1,050	1,050	-
4,269	Total	4,503	4,790	5,100	5,100	-
	Non-Current					
8,546	Borrowings	11,187	10,531	10,517	10,517	-
108	Provisions	256	168	109	109	-
8,654	Total	11,443	10,699	10,626	10,626	-
12,923	Total Liabilities	15,946	15,489	15,726	15,726	-
894	Net Assets	1,072	951	1,026	952	(74)
	Equity					
894	Accumulated Surplus	1,072	951	1,026	952	(74)
894	Total Equity	1,072	951	1,026	952	(74)

ITEM 9.1 - ATTACHMENT D

EAST WASTE

PROJECTED STATEMENT OF CASH FLOWS (BUDGET)
for the Financial Year Ending 30 June 2025

FY24		FY25	FY25	FY25	FY25	FY25
Audited Actuals		Adopted Budget	BR1	BR2	BR3	Movement BR3 v BR2
\$'000		\$'000	\$'000	\$'000	\$'000	\$'000
	Cash Flows from Operating Activities					
	Receipts					
23,801	Operating Receipts	25,256	25,532	27,148	27,168	20
62	Investment Receipts	48	60	130	130	-
	Payments					
(8,380)	Employee costs	(8,745)	(8,695)	(8,890)	(8,890)	-
(13,141)	Materials, contracts & other expenses	(13,118)	(13,464)	(14,993)	(15,123)	(130)
(481)	Interest Payments	(683)	(645)	(620)	(620)	-
1,861	Net Cash Flows from Operating Activities	2,758	2,788	2,775	2,665	(110)
	Cash Flows from Investing Activities					
	Receipts					
81	Sale of Replaced Assets	80	97	42	70	28
	Payments					
(4,040)	Expenditure on Renewal/Replaced Assets	(2,249)	(2,297)	(2,297)	(2,313)	(16)
-	Expenditure of New/Upgraded Assets	(60)	(60)	(60)	(60)	-
(3,959)	Net Cash Flows from Investing Activities	(2,229)	(2,260)	(2,315)	(2,303)	12
	Cash Flow from Financing Activities					
	Receipts					
2,155	Proceeds from Borrowings	2,114	2,179	2,179	2,179	-
	Payments					
(285)	Repayment of Lease Liabilities	(170)	(201)	(201)	(201)	-
(2,091)	Repayment of Borrowings	(2,065)	(2,065)	(2,079)	(2,079)	-
(221)	Net Cash Flow from Financing Activities	(121)	(87)	(101)	(101)	-
(2,319)	Net Increase (Decrease) in cash held	408	441	359	261	(98)
3,953	Cash & cash equivalents at beginning of period	2,100	1,634	1,634	1,634	-
1,634	Cash & cash equivalents at end of period	2,508	2,075	1,993	1,895	(98)

ITEM 9.1 - ATTACHMENT E

EAST WASTE

Projected Statement of Changes in Equity (Budgeted)
for the Financial Year Ending 30 June 2025

FY24		FY25	FY25	FY25	FY25	FY25
Audited Actuals		Adopted Budget	BR1	BR2	BR3	Movement BR3 v BR2
\$		\$'000	\$'000	\$'000	\$'000	\$'000
1,183	Balance at Start of Period - 1 July	1,072	894	894	894	-
(289)	Net Surplus / (Deficit) for Year	-	57	132	58	(74)
-	Contributed Equity	-	-	-	-	-
-	Distribution to Councils	-	-	-	-	-
894	Balance at End of Period - 30 June	1,072	951	1,026	952	(74)

ITEM 9.1 - ATTACHMENT F

EAST WASTE

Projected Uniform Presentation of Finances (Budgeted)
for the Financial Year Ending 30 June 2025

FY24		FY25	FY25	FY25	FY25
Audited Actuals		Adopted Budget	BR1	BR2	BR3
\$'000		\$'000	\$'000	\$'000	\$'000
Income					
22,559	<i>User Charges</i>	23,704	23,704	25,360	25,360
66	<i>Investment income</i>	48	60	130	130
-	<i>Grants, subsidies and contributions</i>	-	-	-	-
1,574	<i>Other</i>	1,552	1,828	2,119	2,139
24,199		25,304	25,592	27,609	27,629
Expenses					
8,492	<i>Employee Costs</i>	8,865	8,815	8,930	8,930
13,123	<i>Materials, contracts & other expenses</i>	13,118	13,464	15,324	15,454
2,512	<i>Depreciation, amortisation & impairment</i>	2,707	2,703	2,640	2,617
442	<i>Finance costs</i>	694	650	625	625
24,569		25,384	25,632	27,519	27,626
(370)	Operating Surplus / (Deficit)	(80)	(40)	90	3
Net Outlays on Existing Assets					
(4,040)	<i>Capital Expenditure on Renewal and Replacement of Existing Assets</i>	(2,249)	(2,297)	(2,297)	(2,313)
2,512	<i>Depreciation, Amortisation and Impairment</i>	2,707	2,703	2,640	2,617
81	<i>Proceeds from Sale of Replaced Assets</i>	80	97	42	70
(1,447)		538	503	385	374
Net Outlays on New and Upgraded Assets					
-	<i>Capital Expenditure on New and Upgraded Assets</i>	(60)	(60)	(60)	(60)
-	<i>Amounts Specifically for New and Upgraded Assets</i>	-	-	-	-
-	<i>Proceeds from Sale of Surplus Assets</i>	-	-	-	-
-		(60)	(60)	(60)	(60)
(1,817)	Annual Net Impact to Financing Activities (surplus/(deficit))	398	403	415	317

9.2 Strategic Risk Register Review

Report Author Acting General Manager

Attachments A: Strategic Risk Summary Report
B: Strategic Risk Register

Purpose and Context

The purpose of this report is to present the findings of a recent review of East Waste's Strategic Risk Register. The review forms part of East Waste's commitment to robust governance, ongoing risk management, and continuous improvement.

This review ensures that strategic risks remain current, relevant, and appropriately aligned with East Waste's strategic objectives, operational environment and external risk landscape.

Recommendation

That the East Waste Board, having considered the updated Strategic Risk Register (Attachment B, Item 9.2, Board Meeting 1 May 2025) notes the updates and adopts the Strategic Risk Register.

Strategic Link

Objective 5. Provide Leadership

Strategy 5.4 Quality and transparent Corporate (Governance and Financial) activities.

Background

East Waste maintains a Strategic Risk Register to identify, assess, and manage risks that could impact the achievement of its strategic objectives.

The register is reviewed annually or as required in response to any change which alters or presents a new strategic risk.

The previous formal review of the Strategic Risk Register was conducted in 2024 and identified ten Strategic risks. Recently East Waste Administration have completed a comprehensive review led by the Executive Management Team in consultation with key staff.

Discussion

The review of the Strategic Risk Register involved:

- Reviewing existing strategic risks for continued relevance.
- Assessing risk ratings and controls based on current mitigation strategies and performance.
- Identifying any new or emerging risks, particularly in the context of economic, environmental, and regulatory developments.
- Ensuring alignment with the East Waste Strategic Plan.

Key Outcomes:

- **Risk Consolidation:** Several risks were reworded to improve clarity.
- **Updated Risk Ratings:** Risk ratings were adjusted following reassessment of likelihood and consequence, reflecting improvements in controls or increased exposure.
- **New Strategic Risk Identified:** Cyber Security has now been incorporated into the Strategic Risk Register as SR11.

The updated Strategic Risk Register provides enhanced visibility of risk ownership, control effectiveness, and planned actions to further mitigate residual risks. It will continue to be monitored by East Waste Administration and presented annually to the Board.

The Strategic Risk Register was presented to the Audit & Risk Management Committee at the meeting held on the 23 April 2025 and feedback received at that meeting has been incorporated into the existing register.

For the Boards reference a Strategic Risk Summary Report has been presented with this report (**refer Attachment A**). For additional information the Board may wish to review the complete Strategic Risk Register which has also been provided (**refer Attachment B**)

ITEM 9.2 -ATTACHMENT A

Risk ID	Risk Description	Inherent Risk Rating	Overall Controls Rating	Current/ Residual Risk Rating	Forecast Risk Rating	Further treatment required (if current/ residual risk rating is not acceptable)	Number of overdue actions	Reason for overdue actions	Comments
SR1	Poor, ineffective or outdated strategic planning and implementation, leading to inconsistencies with Member Council's strategic directions, poor investment decisions and inappropriate usage of resources (both financial and physical resourcing)	Extreme	Effective	Medium	Low	East Waste CEO's / Mayors /Board Member Meeting planned	0	0	Member Councils CEO's have recently provided feedback that it would be beneficial to have an annual meeting to discuss East Waste (not the waste industry as has occurred in previous meetings
SR2	Lack of effective governance and decision making process may result in not meeting community/ Member Council expectations, adversely impacting East Waste's finances and damage to reputation.	Extreme	Effective	Low	Low	Additional Training for Executive Staff on Charter	0	0	0
SR3	Significant demands of legislative compliance and/or changing legislation may lead to inadvertent breach of key legislative obligations resulting in unnecessary legal costs and loss of community confidence in East Waste's transparency, accountability and financial sustainability	Extreme	Effective	Medium	Medium	Executive staff representation at WMMR meetings	0	0	0
SR4	East Waste's inability to respond in an agile way to emerging community changes, industry trends, technology and innovations will result in inefficiencies, ineffective service delivery & missed opportunities	High	Effective	Low	Low	Review of resourcing requirements	0	0	0
SR5	Inefficient or inappropriate budget allocation may impact the delivery of key services and financial sustainability of the Authority	Extreme	Effective	Low	Low	East Waste Board Financial Briefing	1	Change of Executive resources have impacted the priorities.	Future plans may also include involving our member Councils in the annual plan process to ensure annual plan budget complimenst the Councils budget.
SR6	East Waste are unable to attract and retain sufficient appropriately skilled staff and Board Member's to effectively deliver the breadth of services required in a timely manner.	Extreme	Effective	High	Low	1. Develop and promote organisational values 2. Performance review process -to be conducted in a Timely Manner 3. Review update PDs to ensure they reflect current roles and have adequate information	0	0	0

Risk ID	Risk Description	Inherent Risk Rating	Overall Controls Rating	Current/Residual Risk Rating	Forecast Risk Rating	Further treatment required (if current/residual risk rating is not acceptable)	Number of overdue actions	Reason for overdue actions	Comments
SR7	A significant unplanned/emergency/adverse event may prevent East Waste from delivering key services/functions (e.g. fire, natural disaster, pandemic)	Extreme	Effective	High	High	1. Investigating opportunities for the minimising the risk of fire spreading between truck and other assets 2. Development of SLA's with member Councils to incorporate Natural Disasters	0	0	Councils are currently undertaking a final review of the draft SLA's
SR8	Failure to adequately protect the health and safety of workers and members of the public which may lead to significant injury, disablement or death, shut down of operational fleet and significant adverse attention.	Extreme	Effective	Medium	Medium	Additional Training on the WHS Systems (Focusing on Incident Reporting)	0	0	WHS Key principle training has been developed for staff and implementation is underway.
SR9	Member Council exits from East Waste due to having stronger relationships with other similar organisations, leading to both reputational and financial damage. or Weekend relationship with key stakeholders within Member Councils may lead to Member Council exiting East Waste, impacting East Waste's financial sustainability.	High	Effective	Medium	Medium	Annual Plan development consultation with member councils	0	0	Recent feedback from member councils has been that they would like to have some more input into East Waste's Annual plan.
SR10	Existing Assets fail to meet the minimum requirements for current operating needs and future growth.	Extreme	Effective	Medium	Medium		0	0	0
SR11	A cyber security incident such as a ransomware attack, system infiltration, or malicious activity—could compromise East Waste's digital systems, restrict access to operational records, and disrupt the delivery of services to Constituent Councils and their residents.	Extreme	Effective	Medium	Medium	Additional Cyber Security Training	0	0	0

Risk Register																							
										Inherent Risk		Controls		Current/ Residual Risk			Forecast Risk			Additional controls			
Date of risk identification	Risk ID	Strategic Plan Reference	Risk Type	Risk Category	Risk Description	Consequence Type(s)	Risk Owner	Causes	Consequence	Likelihood	Inherent Risk Rating	Description	Overall Controls Rating	Consequence	Likelihood	Current Risk Rating	Consequence	Likelihood	Forecast Risk Rating	Further treatment required (if current/ residual risk rating is not acceptable)	Number of overdue actions	Reason for overdue actions	Comments
13-Jul-23	SR1	All Objectives (specifically objective 5)	Strategic	Governance, Legal & Compliance	Poor, ineffective or outdated strategic planning and implementation, leading to inconsistencies with Member Council's strategic directions, poor investment decisions and inappropriate usage of resources (both financial and physical resourcing)	Financial/ Infrastructure Legal/ Regulatory/ Policy People Reputation Environmental/ Cultural/ Site Disturbance Reputation	General Manager	1. Lack of consultation and engagement with Member Councils 2. Lack of understanding of the strategic planning process 3. Lack of an effective/coordinated framework to deliver on the various strategic/ operational plans and legislative reporting requirements - as well as delivering demonstrable customer outcomes 4. Some resistance to change at staff and community level - and an understanding across the community and Board Members (and within EW staff) of the reasons for change 5. Challenges in understanding of 'discretionary' vs 'mandatory' requirements of East Waste (both external and internal) 6. Elections (State and Local) can affect implementation: Risk of political disruption to admin & operations 7. If defined Service Levels (external service delivery as well as internal activities) 8. Lack of ownership, 'buy-in' and understanding of strategic and business plans 9. lack of coordinated data/research/evidence to support decision making and determining specific strategies 10. Chasing the 'shiny new' opportunity and diverting from approved strategy	Major	Very likely	Extreme	1. Induction/ briefings/ training to ensure that Management and Board have strong understanding and knowledge of LG Act 1999, LG Financial Regulations and East Waste Charter 2. 10 Strategic Plan year plan in place and reviewed as stipulated 3. Strong working relationship between East Waste Management and Board/ Committees 4. System of reporting to member councils 5. Budget linked to strategic and business plans	Effective	Minor	Possible	Medium	Minor	Unlikely	Low	East Waste CEO's / Mayors /Board Member Meeting planned	0	0	Member Councils CEO's have recently provided feedback that it would be beneficial to have an annual meeting to discuss East Waste (not the waste industry as has occurred in previous meetings
13-Jul-23	SR2	Objective 5 (specifically 5.4)	Strategic	Governance, Legal & Compliance	Lack of effective governance and decision making process may result in not meeting community/ Member Council expectations, adversely impacting East Waste's finances and damage to reputation.	Financial/ Infrastructure Reputation Service Delivery Legal/ Regulatory/ Policy Financial/ Infrastructure Reputation Legal/ Regulatory/ Policy	General Manager	1. Lack of understanding/ knowledge/ skills (Employees and Board level); 2. Lack of training; 3. Poor culture; 4. Lack of business strategy; 5. Organisational structure doesn't match business strategy; 6. Lack of performance review; 7. Lack of resourcing review; 8. Lack of risk reporting; 9.Lack of governance framework;	Significant	Very likely	Extreme	1. Reporting structure, risk reporting and action framework adopted by Board 2. Board monitors risk management framework and reporting structure 3. Restriction of \$ amount of variance to budget without Member Council consent. 4. Management and Board have full working understanding of Charter requirements, policy/ procedure requirements 5. Robust recruitment process to ensure management have required experience 6. Annual report 7. Delegations documented & reviewed frequently 8. Annual Executive Officer Performance reviews 9. Suite of policy/ procedure which are reviewed/ updated as per schedule	Effective	Minor	Unlikely	Low	Minor	Unlikely	Low	Additional Training for Executive Staff on Charter	0	0	0
13-Jul-23	SR3	Objective 5 (specifically 5.4)	Strategic	Governance, Legal & Compliance	Significant demands of legislative compliance and/or changing legislation may lead to inadvertent breach of key legislative obligations resulting in unnecessary legal costs and loss of community confidence in East Waste's transparency, accountability and financial sustainability	Financial/ Infrastructure Reputation Legal/ Regulatory/ Policy Financial/ Infrastructure Reputation Legal/ Regulatory/ Policy	General Manager	1. Inadequate oversight of compliance required in key functions; 2. Lack of resources; 3. The rate of legislative change; 4. Lack of understanding/ knowledge/ awareness of key legislative obligations; 5. Lack of documented processes/ documentation not reflecting legislation; 6. Lack of appropriate auditing; 7. The breadth & complexity of legislation;	Significant	Very likely	Extreme	1. Current Policies & Procedures in place which capture legislative obligations 2. External & internal auditors audit in line with audit plan, with gaps identified and recommendations actioned within allocated timeframes 3. Updates received from LGA, WMRR, NVHR, ACCOR & EPA which are forwarded to appropriate person and actioned 4. Training requirements (including induction) captured in the TNA 5. Training plan (linked to TNA) is updated in line with new/ updated legislative/ policy/ procedural requirements	Effective	Moderate	Unlikely	Medium	Moderate	Unlikely	Medium	Executive staff representation at WMRR meetings	0	0	0
13-Jul-23	SR4	Objective 1; Objective 3	Strategic	Service Delivery	East Waste's inability to respond in an agile way to emerging community changes, industry trends, technology and innovations will result in inefficiencies, ineffective service delivery & missed opportunities	Legal/ Regulatory/ Policy Financial/ Infrastructure Service Delivery	General Manager	1. Significant change on an ongoing basis results in change fatigue; 2. A lack of alignment of the strategic and business planning processes; 3. A lack of translation of strategic plans throughout the organisation (line of sight); 4. Availability/ loss/ lack of resources (human and financial) to successfully implement any change programs required; 5. Variability in change management skills - impacts success of organisational change; 6. Lack of inadequate oversight to recognise that change is required; 7. Dramatic technological change that influences the waste collection industry;	Minor	Very likely	High	1. Current Policies & Procedures in place which capture legislative obligations (resulting in changes required) 2. Updates received from LGA, WMRR, NVHR, ACCOR & EPA which are forwarded to appropriate person and actioned (including keeping abreast of advancing technologies) 3. Budget review process in place which considers upcoming change 4. Annual business plans linked to budget 5. Resource commitment by Board and Management to understanding and updating knowledge of changing trends in industry 6. Ability and commitment by Board to changing operations to cope with technological changes	Effective	Minor	Unlikely	Low	Minor	Unlikely	Low	Review of resourcing requirements	0	0	0
13-Jul-23	SR5	Objective 1	Strategic	Financial	Inefficient or inappropriate budget allocation may impact the delivery of key services and financial sustainability of the Authority	Financial/ Infrastructure Service Delivery Reputation	General Manager	1. Not recognising or responding to global/national/regional downturn; 2. Inability to increase revenue - loss of member council contract etc; 3. Breach / lack of adherence / inadequate financial controls and budgeting; 4. Unrealistic strategic / asset plans - not aligned to long term financial plan; 5. Lack of skills/ knowledge/ experience staff and/ or board members; 6. Not managing relationships with key contacts within member councils (loss of contract/member);	Significant	Very likely	Extreme	1. Long term financial plan aligned with strategic direction 2. Planning of asset replacement 3. Robust financial reporting framework (legislation, policies - Treasury Management & Procurement, controls etc.) 4. Management and Board have full working understanding of budgeting/ financial requirements. 5. Robust recruitment process to ensure management have required experience 6. Comprehensive and timely reporting of finances to Board and Audit & Risk Committee frequency	Effective	Minor	Unlikely	Low	Minor	Unlikely	Low	East Waste Board Financial Briefing	1	Change of Executive resources have impacted the priorities.	Future plans may also include involving our member Councils in the annual plan process to ensure annual plan budget complement the Councils budget
13-Jul-23	SR6	Objective 5 (specifically 5.3)	Strategic	People & Culture (incl. WHS)	East Waste are unable to attract and retain sufficient appropriately skilled staff and Board Member's to effectively deliver the breadth of services required in a timely manner.	People Service Delivery Reputation Financial/ Infrastructure Legal/ Regulatory/ Policy Environmental/ Cultural/ Site Disturbance	General Manager	1. Financial - not keeping up with wages/ not competitive in current market; 2. Workplace culture and reputation; 3. No having competitive employee benefits/ incentives; 4. Lack of skilled resource pool; 5. Not having flexible recruitment strategies; 6. No succession planning/ workforce in place; 7. Council elections - change to board members; 8. Limited control/ influence over Board appointments; 9. Contract positions may not supply ongoing employment security; 10. Current employment climate makes it difficult to attract/ retain staff; 11. HR issues being managed reactively, not proactively; 12. Limited ability for career progression	Significant	Certain to occur	Extreme	1. Develop and promote organisational values 2. Performance review process to be conducted in a timely manner 3. Review update P&PD's to ensure they reflect current roles and have adequate information.	Effective	Moderate	Possible	High	Minor	Unlikely	Low	#REF!	0	0	0
13-Jul-23	SR7	All Objectives (specifically objective 5)	Strategic	Service Delivery	A significant unplanned/emergency/adverse event may prevent East Waste from delivering key services/functions (e.g. fire, natural disaster, pandemic)	Financial/ Infrastructure Service Delivery Environmental/ Cultural/ Site Disturbance Reputation Legal/ Regulatory/ Policy	General Manager	1. Pandemic; 2. Fire - losing assets (trucks/ building etc); 3. No BCP in place; 4. Lack of BCP testing and training; 5. Driver strike; 6. No workplace emergency management plan in place; 7. Bushfire (which affects people's ability to come to work); 8. Lack of staff who have experienced significant BCP/ emergency events; 9. Staff responsibilities in the case of an incident are not defined; 10. Staff are not trained appropriately in the case of an incident;	Significant	Unlikely	Extreme	1. Current BCP in place, tested annually 2. Current workplace EM Plan tested 3. Current WEEPs in place 4. EBA with mediation framework contained within (untested at this stage) 5. Battery isolators on the trucks, trucks are empty each night 6. Security patrols in place on a daily basis (for early pick up of issues) 7. Staff training requirement captured in TNA and training delivered in line with the training plan 8. Staff P&PD's include responsibilities appropriate to their role - reviewed and kept current 9. Arrangements in place in EW and with member councils for changes in activity due to natural disasters.	Effective	Significant	Rare	High	Significant	Rare	High	1. Investigating opportunities for the minimising the risk of fire spreading between truck and other assets 2. Development of SLA's with member Councils to incorporate Natural Disasters	0	0	Councils are currently undertaking a final review of the draft SLA's
13-Jul-23	SR8	Objective 5 (specifically 5.1)	Strategic	People & Culture (incl. WHS)	Failure to adequately protect the health and safety of workers and members of the public which may lead to significant injury, disablement or death, shut down of operational fleet and significant adverse attention.	People Financial/ Infrastructure Reputation Legal/ Regulatory/ Policy Service Delivery	General Manager	1. Lack of WHS systems in place; 2. Lack of staffing/resources to implement systems (people and financial); 3. Lack of training; 4. Cultural opposition to implementation of WHS systems; 5. Increasing urban infill creating access issues for larger fleet; 6. Significant Depot/Truck fire; 7. Drug and alcohol issues; 8. Lack of fleet & Asset maintenance/repairs;	Significant	Possible	Extreme	1. Implementation of robust WHS Management System 2. TNA and training systems in place, including driver training 3. Budget allocations to WHS, including staff resourcing 4. Robust drug & alcohol testing process in place 5. Staff have appropriate, current licences which are checked Frequently for currency & conditions 6. Staff medical assessment & monitoring program (check for fitness for work) 7. Fleet Maintenance Schedule (programmed Maintenance) 8. Asset Inspection Program	Effective	Moderate	Unlikely	Medium	Moderate	Unlikely	Medium	Additional Training on the WHS Systems (Focusing on Incident Reporting)	0	0	WHS Key principle training has been developed for staff and implementation is underway.
13-Jul-23	SR9	Objective 5 (specifically 5.2)	Strategic	People & Culture (incl. WHS)	Member Council exits from East Waste due to having stronger relationships with other similar organisations, leading to both reputational and financial damage. or Weakend relationship with key stakeholders within Member Councils may lead to Member Council exiting East Waste, impacting East Waste's financial sustainability.	Reputation Financial/ Infrastructure Service Delivery	General Manager	1. Member Council contact coming into Council with their own relationships with other provider and having influence over Council to change provider and exit East Waste; 2. Member Council contacts not understanding the value of, and the relationship with East Waste; 3. Lack of stakeholder engagement framework;	Moderate	Very likely	High	Strategic/ Annual Plans in place which help to promote EW value Annual Strategy Day with All Member Councils Annual / Financial Reporting back to Councils. Multiple Contact Points with Member Councils Quarterly Statistical Report	Effective	Moderate	Rare	Medium	Moderate	Rare	Medium	Annual Plan development consultation with member councils	0	0	Recent feedback from member councils has been that they would like to have some more input into East Waste's Annual plan.
1-Dec-24	SR10	Objective 1 (specifically 1.5)	Strategic	Assets & Infrastructure	Existing Assets fail to meet the minimum requirements for current operating needs and future growth.	Financial/ Infrastructure Reputation Environmental/ Cultural/ Site Disturbance	General Manager	1. Aging Infrastructure 2. Lack of Preventative Maintenance 3. Inaccurate Forecasting 4. Repeat change in Services or Demand for Services	Significant	Certain to occur	Extreme	Asset Management Plan: Maintenance Contract(s) Appropriately trained/skilled staff undertaking maintenance of fleet vehicles	Effective	Moderate	Unlikely	Medium	Moderate	Unlikely	Medium		0	0	0
1-Apr-25	SR11	Objective 1 (specifically 1.5)	Strategic	Information Technology	A cyber security incident such as a ransomware attack, system infiltration, or malicious activity—could compromise East Waste's digital systems, restrict access to operational records, and disrupt the delivery of services to Constituent Councils and their residents.	Service Delivery Financial/ Infrastructure Reputation Legal/ Regulatory/ Policy	Manager Business Services	1. Phishing or social engineering attacks 2. Outdated or vulnerable software/hardware 3. Inadequate data security protocols 4. Human error or insufficient staff training	Major	Very likely	Extreme	Firewalls & Antivirus Software Secure cloud based storage Offsite back ups Multi Factor Authentication for key systems Cyber Security training for staff External ICT support Penetration testing	Effective	Moderate	Unlikely	Medium	Moderate	Unlikely	Medium	Additional Cyber Security Training	0	0	0

9.3 Leave Policy

Report Author Manager Human Resources & Financial Services

Attachments A: Proposed Leave Policy

Purpose and Context

To provide the East Waste Board (the Board) with an opportunity to review the newly drafted proposed Leave Policy and provide feedback and/or request any changes prior to seeking the Boards endorsement to adopt the Leave Policy.

Recommendation

The East Waste Board adopts the proposed East Waste Leave Policy as presented (Attachment A, Item 9.3, Board Meeting. 1 May 2025).

Strategic Link

Objective 5. Provide Leadership

Strategy 5.4 Quality and transparent Corporate (Governance and Financial) activities.

Background

Historically, East Waste has operated without a formal Leave Policy in place. Managing leave in an environment with staff employed under two separate Industrial Awards, an Enterprise Bargaining Agreement and individual contracts has proved challenging and created some inconsistencies in the application of leave entitlements at times. A Leave Policy is proposed by Administration which defines the obligations of both employees and Managers in relation to the management and taking of leave entitlements.

Discussion

As of April 2025, East Waste employs seventy-six (76) staff, with nearly all being permanent employees who are eligible to accrue and take leave. With the formalisation of a dedicated Human Resource (HR) role in 2024, internal processes have undergone significant review to identify gaps and ensure consistency across key HR functions. Whilst East Waste has had informal practices in place to manage employee leave, particularly excessive employee leave balances, a Leave Policy sets clear expectations, ensures fairness, and supports both employee well-being and business continuity.

The proposed Leave Policy is provided at Attachment A (**refer Attachment A**) for the Board's review, and incorporates feedback from Human Resource Consultants, Red Wagon Solutions, as well as East Waste's Audit & Risk Management Committee.

The Policy defines the key leave types available to eligible staff in line with applicable Awards and is aligned to East Waste's existing Enterprise Bargaining Agreement (EBA), which 80% of East Waste's workforce is employed under. Whilst the Policy does not detail all entitlements available to employees it has been designed to cover the leave entitlements most commonly utilised and is specific in relation to the processes for applying and authorising of leave for both employees and managers of East Waste.

The implementation of this Policy is expected to assist with resolving key operational challenges faced in relation to the entitlement to and taking of leave. In particular allowing staff to better understand their rights under their respective Awards and their obligations as an employee of East Waste.

In summary, the Policy aims to assist East Waste to remain compliant with applicable Awards and Regulations, encourage employees to rest and recharge, and reduce unplanned absenteeism by encouraging planned leave and setting clear expectations of all employees.

Leave Policy

1. Introduction

- 1.1. East Waste recognises the importance of leave and its role in promoting work life balance and ensuring the well-being of its employees.
- 1.2. This policy aims to ensure a fair and equitable approach to taking and management of leave entitlements, ensuring employees are supported, well, and fit for work.
- 1.3. Any breach of this policy may result in counselling, and/or disciplinary action. This may include provision of warnings, termination of employment, or both.

2. Scope

- 2.1. This policy applies to all casual, permanent and fixed term employees.
- 2.2. This policy operates in conjunction with other relevant Company policies and applicable Awards/Agreements and/or applicable legislation. Relevant Award/Agreement provisions will generally override this policy to the extent of any inconsistency.
- 2.3. This policy may be amended from time to time or withdrawn by East Waste at its discretion and does not form part of employment agreements.

3. Responsibilities

- 3.1. It is the responsibility of the General Manager to communicate the content of this policy to all employees.
- 3.2. It is the responsibility of all employees to abide by the conditions of the policy and seek assistance from their manager when required.

4. Annual Leave

4.1. Leave Entitlement

- 4.1.1. Full-time employees are entitled to four weeks (20 days equivalent) of paid annual leave per year, unless otherwise stated in their contract of employment or applicable Award/Agreement.
- 4.1.2. Annual leave entitlements accrue throughout the year of service and accumulate from year to year.
- 4.1.3. Part-time employees are entitled to the prorated equivalent, based on their contracted ordinary hours of work.

- 4.1.4. Casual employees are not entitled to paid annual leave, as they receive a casual loading in lieu of this entitlement.
- 4.1.5. Annual leave loading will be paid in accordance with the employee's Award/Agreement and/or contract of employment.

4.2. Taking Annual Leave

- 4.2.1. Employee's requests for annual leave should be made to their approving Manager via the UKG platform, as early as practical prior to the leave to ensure adequate staffing during periods of leave. Management will endeavour to respond to applications for annual leave as soon as reasonably practicable, or within five (5) business days.
- 4.2.2. Employees may take annual leave only at a time agreed between themselves and their approving Manager, or otherwise in accordance with the relevant Award/Agreement.
- 4.2.3. Annual leave may be taken as either the full accrued entitlement or as part of the accrued entitlement. Employees are encouraged to take annual leave in blocks of at least one week to ensure a sufficient break from work. Shorter periods of leave such as single or half-days, may be taken by agreement between the employee and their approving Manager.
- 4.2.4. Where possible it is advisable for employees to take accrued annual leave within twelve (12) months of it being accrued to ensure they have sufficient time away from work for rest and recreation.
- 4.2.5. Employees are encouraged to apply for annual leave considering the accrued hours they have available at that time, as opposed to future leave they intend to have accrued, immediately prior to taking the scheduled leave, to prevent leave accrual shortfall.
- 4.2.6. The employee has a responsibility to be aware of their annual leave balance and ensure that they have sufficient annual leave accrual available, immediately the scheduled period leave.
- 4.2.7. Where an employee has a period of annual leave scheduled but does not have sufficient annual leave accrued at the time of taking the Leave, and an alternative Leave application is not submitted to account for the shortfall, this portion of leave may be deemed as unauthorised leave and subject to disciplinary action.
- 4.2.8. If a leave application is not approved, the approving Manager will explain the reasons for not authorising the leave and may explore alternative options with the employee.
- 4.2.9. Annual leave continues to accrue during any period of paid leave granted by the Company. Other periods of leave taken without pay (unpaid leave) do not count as service for the purposes of accumulating annual leave unless specified in the relevant Award/Agreement.

4.3. Cancellation of Annual Leave

- 4.3.1. Employees wishing to request to cancel an application for annual leave not yet approved, must cancel their leave application via the UKG platform as soon as practical and should notify their direct line Manager.
- 4.3.2. Where an employee requests to cancel an approved request for annual leave, they must apply to their approving Manager either directly or by email as soon as practical advising of their circumstances. The approving Manager will assess the application for cancellation on a case by case basis and notify the employee of the outcome.

4.4. Excessive Annual Leave

- 4.4.1. Employees who accrue in excess of six weeks (30 working days) of annual leave, but less than eight weeks (40 working days), will be encouraged by their direct line Manager to apply for a period of annual leave to reduce their balance to no more than six weeks (30 working days).
- 4.4.2. The East Waste General Manager may, subject to any applicable Award or Agreement provisions, direct an employee who has accrued in excess of eight weeks of annual leave (40 working days) to take a portion of the annual leave, by giving the employee no less than four (4) weeks' written notice beforehand.

4.5. Public Holidays and Annual Leave

Unless otherwise prescribed in the employees Award/Agreement, any statutory public holidays that fall during a period of authorised annual leave are recognised as a public holiday and not considered to be annual leave.

4.6. Personal/ Carer's Leave While on Annual Leave

If an employee suffers from a personal illness, personal injury or for the purposes of carer's leave, they may apply to take paid personal leave while on annual leave in accordance with the applicable Award/Agreement. Employee's must do so via the UKG platform.

4.7. Payment of Annual Leave

- 4.7.1. Unless otherwise stated within an applicable Award/Agreement, annual leave is generally paid at your ordinary rate of pay (base pay) received immediately prior to the time of taking leave. This doesn't include extra payments such as overtime rates, penalties, allowances and bonuses.
- 4.7.2. Any annual leave loading will be paid in accordance with the relevant Award/Agreement or Contract of Employment.

4.8. Payment of Annual Leave on Termination

- 4.8.1. On termination of employment, employees will receive payment for any accrued but untaken annual leave.

- 4.8.2. Where annual leave has been taken in advance of it accruing, resulting in a negative leave balance, then, to the extent permitted by law, this amount will be deducted from the employee's final pay.

5. Personal Leave (Carer's/Family Leave)

5.1. Leave Entitlements

- 5.1.1. Full-time employees are entitled to two weeks (10 days equivalent) of paid personal leave (including carer's/family leave) per year, unless otherwise stated in their contract of employment, or applicable Award/Agreement.
- 5.1.2. Personal Leave entitlements accrue throughout the year of service and accumulate from year to year.
- 5.1.3. Part-time employees are entitled to the prorated equivalent, based on their contracted ordinary hours of work.
- 5.1.4. Casual employees are not entitled to paid personal leave, as they receive a loading in lieu of this entitlement.

5.2. Taking Personal Leave

- 5.2.1. Personal leave may be taken when an employee is not fit for work because of a personal illness or personal injury; or in order for an employee to provide care or support to a member of their immediate family or a member of their household who requires care because of an illness or personal injury affecting that person or unexpected emergency affecting that person.
- 5.2.2. Where an employee has exhausted the accrued entitlement to paid personal leave, any further period of personal leave may be authorised as unpaid personal leave, subject to the authorisation by the employees approving Manager. In this instance, medical evidence is required in order to substantiate the reason for being away from the workplace. If medical evidence is not provided, the absence may be regarded as unauthorised leave and subject to disciplinary action.
- 5.2.3. Alternatively, rather than accessing unpaid leave, an employee may wish to apply to access their annual leave (or other relevant leave) via the UKG platform.
- 5.2.4. Personal leave may not be cashed out and is not payable on termination of employment.

5.3. Personal leave when you have family or carer's responsibilities (family/carers' leave)

- 5.3.1. An employee is entitled to take paid personal leave to provide care or support of a member of their immediate family or household who is temporarily ill or injured, or if there is an unexpected emergency affecting an immediate family member.

- 5.3.2. In normal circumstances, an employee may not take carer's leave where another person has taken leave to care for the same person. If required, an employee may be asked to provide satisfactory evidence that the leave is taken for the reason stated above, by way of a medical certificate or statutory declaration
- 5.4. Notification of absence**
- 5.4.1. In all instances where an employee is absent from work due to illness, injury, or carer's responsibilities, they must contact their manager or designated contact directly and inform them prior to, or as soon as practical after, the employee's scheduled start time (including where you are leaving work due to illness, injury or carer's responsibilities).
- 5.4.2. All paid and unpaid personal leave should be applied for via the UKG platform.
- 5.5. Evidence of personal leave**
- 5.5.1. Employees may be required to provide evidence such as medical certificate or statutory declaration, supporting a request for personal/ carer's leave in accordance with their relevant Award/Agreement.
- 5.5.2. Failure to notify a manager of any absence, or failure to provide required medical certificate in the appropriate timeframe without reasonable explanation, may result in no payment being made for the day(s) of absence.
- 5.6. Work-related illness or injury**
- If you suffer a workplace injury or illness, you must report the injury or illness in line with the East Waste Incident & Investigation Procedure.
- 5.7. Monitoring long term or excessive absence**
- 5.7.1. East Waste recognises there are several workplace and personal factors that impact the use of personal leave and will take a proactive approach to monitoring excessive absences. Examples of concerning absences may include repeated patterns of absence, inadequate notice, unsupported (reasonable evidence not provided) and exhausted personal leave entitlements.
- 5.7.2. If a concerning absence is noticed, Managers will have an informal discussion to further understand the reasons for an employee's absence and determine the best course of action to support them.
- 5.7.3. Where a Manager suspects inappropriate use of personal leave or there is an ongoing concerning absence despite initial conversations, an employee may be subject to disciplinary action.

6. Compassionate (or Bereavement) Leave

- 6.1. Unless otherwise stated in the relevant Award/Agreement, employees are entitled to paid compassionate leave (generally up to 2 ordinary days per occasion) in the event that an immediate family member or household member contracts or develops a life-threatening illness or injury or dies.

- 6.2. Compassionate leave is separate from personal leave balances, it does not accrue.
- 6.3. Employees may be required to provide reasonable evidence when applying to take compassionate leave. supporting evidence may include (but is not limited to) a medical certificate, a death certificate, an obituary notice, an appropriate letter from the funeral home or, a statutory declaration including confirmation of the relationship to the deceased, ill or injured.

7. Long Service Leave

- 7.1. Employees are entitled to long service leave in accordance with the *Long Service Leave Act 1987*.
- 7.2. **Eligibility**
 - 7.2.1. Employees who have completed at least 10 years of continuous service are entitled to accrue and take long service leave.
 - 7.2.2. Pro-rata entitlements apply to employees who have completed at least 7 years of continuous service, except in cases of serious misconduct. Employees may apply to take long service leave after 7 years of continuous service only by mutual agreement of the employee and Manager.
 - 7.2.3. This long service leave clause applies to full-time, part-time, and eligible casual employees.
- 7.3. **Entitlement**
 - 7.3.1. Fulltime employees are entitled to 13 weeks of paid long service leave after 10 years of fulltime equivalent (FTE) continuous service.
 - 7.3.2. For each subsequent completed year of service beyond 10 years (FTE), employees accrue an additional 1.3 weeks of leave.
 - 7.3.3. Part-time and casual employees, are entitled to the prorated equivalent, calculated on hours worked over the last three years. This calculation also applies to fulltime employees that were employed on a part-time or casual basis during their period of continuous service.
- 7.4. **Taking long service leave**
 - 7.4.1. Employees must provide reasonable notice when requesting long service leave and apply via the UKG platform, as early as practical prior to the leave to ensure adequate staffing during periods of leave.
 - 7.4.2. Prior to authorising any long service leave, the approving manager will consult with payroll and human resources staff to ensure adequate long service leave entitlements available to fund the proposed leave.
 - 7.4.3. Employees are encouraged to apply for periods of long service leave in blocks of at least 4 weeks to allow sufficient time to rest and recuperate.

- 7.4.4. The timing of leave is subject to mutual agreement between the employee and the employer, considering operational requirements and the employee's personal circumstances.
- 7.5. **Payment of long service leave**
 - 7.5.1. Long service leave is generally paid at the employee's ordinary rate of pay immediately prior to the taking of long service leave.
 - 7.5.2. Payment of pro-rata entitlements will be made upon termination of employment, where applicable.
- 7.6. **Transfer of long service leave entitlements**
 - 7.6.1. If an employee leaves the service of East Waste and, within 13 weeks of having done so, enters the service of another council (or subsidiary) without having commenced other remunerated employment within that intervening period, the periods of service will, for the purpose of calculating present and accruing rights to long service leave and sick leave, be taken to be a single continuous period of service.
 - 7.6.2. If an employee engaged by a council, or subsidiary, is entitled to the benefit of clause 7.6.1 that council or subsidiary is entitled to receive from the other council or subsidiary a contribution of an amount as calculated in accordance with the Regulation 23 of the *Local Government (Financial Management) Regulations 2011*.

8. Unpaid Leave

- 8.1. Employees may apply for periods of unpaid leave, only in circumstances where they do not have sufficient suitable accrued leave entitlements to fund the proposed time off.
- 8.2. Applications for unpaid leave must be made in writing, as soon as reasonably practical, to the General Manager, outlining the employee's circumstances and reasons for applying for the period of unpaid leave.
- 8.3. The General Manager will respond to the request for unpaid leave within five (5) business days.
- 8.4. The General Manager has the right to refuse requests for periods of unpaid leave, where it is deemed that the employees' circumstances do not substantiate the need for applying for the period of unpaid leave.
- 8.5. The General Manager will not unreasonably refuse requests for unpaid leave and will take into consideration the employee's personal circumstances, performance, history of absence, and East Waste's operational requirements.

9. Parental Leave

- 9.1. East Waste recognises the importance of assisting our employees with combining family life with the opportunity for continued career development.

9.2. Entitlement

- 9.2.1. Parental leave is an entitlement in line with the employees applicable Award/Agreement.
- 9.2.2. Parental leave (for the birth or adoption of a child) is available to permanent employees who have been continuously employed by the Company for at least twelve months either prior to the expected date of birth, time of leave or placement of the child as prescribed in the relevant Award/Agreement.
- 9.2.3. If an employee is eligible for parental leave in accordance with the relevant Award/Agreement, they will be entitled to up to 52 weeks unpaid leave in connection with the birth or adoption of a child.

9.3. Requesting parental leave

To apply for parental leave, an employee must:

- 9.3.1. provide written notice of at least 10 weeks before the start date of the intended leave (unless it is not possible to do so due to a premature birth or miscarriage for example); and
- 9.3.2. confirm the details provided with their Manager at least four (4) weeks before commencement of the leave.

9.4. Accruing and taking other types of leave

- 9.4.1. Parental leave does not break an employee's continuity of service. However, there is no accrual of leave (such as annual or long service leave) during the unpaid parental leave period.
- 9.4.2. During the period of parental leave, subject to the provisions in the relevant Award/Agreement, an employee may take any accrued annual or long service leave. Such leave does not mean the total period of 52 weeks parental leave is extended.

9.5. Return to work

- 9.5.1. Employees should confirm their return-to-work date, in writing at least 4 weeks prior to the end date of the period of leave.
- 9.5.2. After parental leave has been taken, employees are entitled to their pre-parental leave position (or the position held prior to any transfer to a safe job). If, for some reason, this position no longer exists, they are entitled to an available position for which they are qualified and suited, which is nearest in status and pay to their pre-parental leave position.
- 9.5.3. East Waste may temporarily replace the employee while they are absent on parental leave. The replacement employee will be advised of the temporary nature of the position and the period of employment

10. Family and Domestic Violence Leave

- 10.1. East Waste is committed to supporting employees who may face situations of violence or abuse in their personal life which may affect their attendance and/or performance at work.
- 10.2. Employees are encouraged to approach their Manager to discuss a range of support options available as set out in this Policy should they be experiencing difficulties performing tasks at work.
- 10.3. Attendance and performance at work that suffers as a result of experiencing family and domestic violence will not be subject to disciplinary processes and employees will not be discriminated against or have adverse action taken against them because of their disclosure of, experience of, or perceived experience of, family violence.

10.4. Entitlement

- 10.4.1. In accordance with the SA Fair Work Act 1994, if an employee is experiencing family and domestic violence they are entitled to 15 days per service year of paid family and domestic violence leave for the purpose of:
 - (a) attending legal proceedings, counselling, appointments with a medical, financial or legal practitioner
 - (b) relocation or making other safety arrangements; or
 - (c) other activities associated with the experience of family and domestic violence and as prescribed by the regulations.
- 10.4.2. This leave is in addition to existing leave entitlements and policies and may be taken as consecutive or single days or as a fraction of a day and can be taken without prior approval.
- 10.4.3. This leave is available immediately and does not need to be accumulated over time and renews each year on your work anniversary.
- 10.4.4. The 15 days leave will not be prorated for part time or casual employees.

10.5. How to apply for Family and Domestic Violence Leave

- 10.5.1. Employees should provide their Manager with notice as soon as reasonably practicable of any request to take leave under this policy, this could be after the leave has started. Where possible this notice should also include how long they expect the leave to last.
- 10.5.2. Employees may be asked to provide evidence that would satisfy a reasonable person that leave is for the purpose as set out in clause 9. This evidence may, for example, include a document issued by the police, a court, a health professional, a family violence support service, a lawyer, a financial institution, an accountant, or a statutory declaration.

- 10.5.3. East Waste will ensure any personal information provided by employees to us concerning any experience of family and domestic violence is kept confidentially and lawfully and will not be kept on an employee's personal file.

10.6. Other support available measures

Should an employee be experiencing family and domestic violence, East Waste will work with the employee to provide necessary workplace support. Primary areas of support which can be provided are:

- 10.6.1. Flexible working arrangements, such as changes to the employee's span of hours, pattern of work or, location of work.
- 10.6.2. Workplace adjustments, such adjustments may include changes to the employee's work contact details i.e. phone number, email address, internal 'intranet' contact details.
- 10.6.3. Employees can also access 1800RESPECT (1800 737 732) which is the national domestic, family and sexual violence counselling, information and support service. This is a confidential service available 24 hours a day, 7 days a week. Further information can be found at www.1800respect.org.au.

11. Other Leave

- 11.1. Subject to the provisions within the relevant Award/Agreement employees may be entitled to other leave such as jury service, trade union training leave and study leave. Employees should refer to their Award/Agreement for future details.

12. Definitions

- 12.1. **Act** means the Fair Work Act 1994 (SA).
- 12.2. **Adoption** means the adoption of a child who is not the natural child of the employee or the employee's spouse or domestic partner, who is less than five years of age, and who has not lived continuously with the employee for six months or longer.
- 12.3. **Award/Agreement** means an industrial agreement, such as an award, enterprise bargaining agreement, or workplace agreement.
- 12.4. **Compassionate leave** also includes bereavement leave.
- 12.5. **Continuous service** means continuous service under a contract of employment and includes a period of paid leave or absence taken under the Award/Agreement or *Fair Work Act 1994 (SA)*.
- 12.6. **Immediate family means:**
- (a) spouse or former spouse;
 - (b) de facto partner or former de facto partner;
 - (c) child;
 - (d) parent;
 - (e) grandparent;

- (f) grandchild;
- (g) sibling, or a
- (h) child, parent, grandparent, grandchild or sibling of the employee's spouse or de facto partner (or former spouse or de facto partner).

This definition includes step-relations (for example, step-parents and step-children) as well as adoptive relations.

- 12.7. **A de facto partner or relationship** is a relationship in which a couple lives together on a genuine domestic basis.
- 12.8. **Placement** means the date the expected date the child will come into the employee's care by means of adoption, surrogacy, guardianship, kinship, or foster care.
- 12.9. **Surrogacy** means a legally recognised arrangement under the relevant state law where a woman agrees to carry and give birth to a child on behalf of another person or couple who will become the intended parent(s) of the child.
- 12.10. **A member of an employee's household** includes anyone that lives with in their house or other accommodation.
- 12.11. **Personal leave** incorporates both sick leave and carer's leave.

13. Legislation

- 13.1. *Fair Work Act 1994 (SA)*
- 13.2. *Long Service Leave Act 1987 (SA)*
- 13.3. *Return to Work Act 2014*
- 13.4. *Work Health Safety Act 2012 (SA).*
- 13.5. *Fair Work (Family and Domestic Violence Leave) Amendment Act 2023.*

14. Related Documents

- 14.1. Local Government Employees Award
- 14.2. South Australian Municipal Salaried Officers Award
- 14.3. Eastern Waste Management Authority (East Waste) Enterprise Agreement.

15. Review

This policy will be reviewed once in every four years unless necessitated earlier by legislative change.

Signed _____
General Manager

Date ____/____/____

Signed _____
Manager Human Resources & Financial Services

Date ____/____/____

16. Document History

Version No:	Issue Date:	Description of Change:
1.0	April 2025	New Document, April 2025

9.4 Review of Sale or Disposal of Assets Policy

Report Author Executive Assistant

Attachments A: Current East Waste Sale or Disposal of Assets Policy
B: Revised East Waste Sale or Disposal of Assets Policy.

Purpose and Context

East Waste's Sale or Disposal of Assets Policy (**Attachment A**) has undergone a scheduled review and is presented to the East Waste Board for or consideration and adoption.

The revised Sale or Disposal of Assets Policy (revised Policy) is the fourth version of the Policy to be presented to the East Waste Board and is included at **Attachment B** to this report.

Recommendation

That the East Waste Board adopt the Sale or Disposal of Assets Policy v4.0 (Attachment B, Item 9.4, East Waste Board Meeting, 1 May 2025).

Strategic Link

Objective 5. Provide Leadership

Strategy 5.4 Quality and transparent Corporate (Governance and Financial) activities.

Background

The Sale or Disposal of Assets Policy (existing Policy) details the processes by which East Waste is to dispose of or sell assets. The existing Policy was first adopted in April 2018 and most recently reviewed in May 2022.

This is the fourth version of the Sale or Disposal of Assets Policy to be considered by the East Waste Board. The Audit & Risk Management Committee considered the revised Policy at their meeting of 23 April 2025 and have recommended that the East Waste Board adopt the revised Policy.

Discussion

The existing Sale or Disposal of Assets Policy has undergone significant change to reflect East Waste's commitment to ensure a consistent, fair, transparent and accountable approach is maintained with regards to the sale or disposal of any assets which are owed by East Waste.

The changes to the existing Policy have not been tracked, rather they are detailed below:

1. Introduction

The *Overview* clause has been renamed **Introduction** and includes a sentence detailing East Waste's commitment to probity and transparency when selling or disposing of assets.

2. Definitions

Interpretation has been renamed **Definitions** and definitions for the following items have been included:

- Asset
- Major and minor plant and equipment.

3. Objectives

The Policy **objectives** Set out the matters that will be considered on the sale or disposal of an asset.

4. Policy Scope and Implementation

This section of the Policy replaces and broadens out the *Sale or disposal principles* in the existing policy applying robustness, transparency and probity in the sale and/ or disposal process. Matters considered include:

- Reasons to dispose of an asset
- Sale or disposal principles.
- A register of interest for the sale or disposal of minor plant, stock and equipment.
- A process for dealing with unsolicited bids for the sale or disposal of assets.

Conclusion

The revised Policy is based on the Local Government Association (SA) model policy for the sale and disposal of assets, while considering the uniqueness of East Waste in that is owned by eight Constituent Councils and their interests in the disposal and sale of assets. The revised Policy has been reviewed by Dean Newbery & Partners to ensure compliance with best practice accounting and financial requirements.

SALE OR DISPOSAL OF ASSETS POLICY



Type	Policy
Category	Finance
Policy Number	004
First Issued/Adopted	April 2018
Minutes Reference	5 May 2022
Review Period	36 months
Last Reviewed	May 2022
Next Review	May 2025
Applicable Legislation	<ul style="list-style-type: none"> • <i>Local Government Act 1999</i>
Related Documents	<ul style="list-style-type: none"> • East Waste Charter • Asset Management Register
Consultation Undertaken	<ul style="list-style-type: none"> • Audit & Risk Committee
Responsible Officer	Manager Business Services

SIGNED:



.....
General Manager

Date: 5/05/2022



.....
Chairperson

Date: 5/05/2022

Overview

This policy provides a framework relating to the sale or disposal of assets and outlines East Waste's approach in preparing an asset for sale or disposal in accordance with Clauses 10.9¹ and 64² of the East Waste Charter.

Interpretation

2.1 For the purpose of this Policy:

- 2.1.1 "Employee" means a person employed by East Waste.
- 2.1.2 "Open Tender" means a tender that is advertised to the entire market via an open invitation process e.g. SA Tenders website accompanied by an advertisement.
- 2.1.3 "Public Auction" a sale of property/asset where the property/asset is held for sale to the market and sold to the highest bidder.
- 2.1.4 "Expression of Interest" means an Expression of Interest (EOI) is advertised to the entire market e.g. SA Tenders website accompanied by an advertisement.
- 2.1.5 "Trade-in" involves including an asset owned by East Waste in the purchase of another asset, usually of similar characteristics, in order to achieve an efficient asset change-over transaction.

Sale or Disposal Principles

- 3.1 Prior to commencing any process, the following key principles will apply:
 - 3.1.1 Consistency with and relevant to East Waste's Annual Plan and Strategic Plan;
 - 3.1.2 Transparency and accountability in the sale and disposal procedures and practices, ensuring that East Waste obtains the best possible price in the circumstances surrounding the sale, and that all potential purchasers are given equal opportunity to purchase the asset(s);
 - 3.1.3 Compliance with the transaction amounts stipulated in the East Waste Charter and/or Instrument of Financial Sub-delegations (whichever is relevant to the sale or disposal);
 - 3.1.4 Compliance with statutory and other obligations;
 - 3.1.5 Where applicable, compliance with East Waste's Procurement Policy;

- 1. Clause 10.9 of the East Waste Charter states (in part) that the Authority may dispose of any real or personal property in accordance with the Business Plan or otherwise with a Unanimous Decision of the Constituent Councils.
- 2. Clause 64 of the East Waste Charter states that the Authority may dispose of (personal) assets as its Business Plan provides, or at the end of the asset's economic life.

3.1.6 Commercial confidentiality within legislative constraints; and

3.1.7 Other relevant factors deemed appropriate by East Waste.

3.2 East Waste may utilise one or more of the following methods to sell or dispose of an asset(s):

3.2.1 Trade-in;

3.2.2 Public auction;

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- 3.2.3 Expression of Interest; or
- 3.2.4 Open tender.
- 3.3 East Waste will evaluate the most appropriate method for the sale or disposal of asset(s) that includes:
 - 3.3.1 As far as possible, surplus assets or materials should be disposed of in a way that maximises returns whilst maximising open, transparent and effective competition;
 - 3.3.2 East Waste approaching the market using a formal tender process for the sale of an asset where the value exceeds \$50,000;
 - 3.3.3 East Waste, at its discretion, may determine not to call for tenders (clause 3.3.2) in respect of a particular sale or disposal where it is deemed it is in the best commercial and/or strategic interests of East Waste and its Constituent Councils;
 - 3.3.4 East Waste will however record, and report to the Board, the reasons for utilising an alternative disposal method; and
 - 3.3.5 East Waste's General Manager must ensure that no conflict of interest occurs in or as a result of the asset disposal process.

Unsolicited Proposals To East Waste For the Sale Or Disposal of Assets

- 4.1 In the event that an unsolicited proposal for the purchase of an asset is received; it should be directed to East Waste's General Manager in the first instance. The proposal should then follow the sale and disposal principles in section 3.3 of this Policy.

Sale or Disposal to Employee/Board Members

- 5.1 Sale or disposal of assets to individual employees and Board Members is not to occur outside of a public process, except where the item(s) is valued at less than \$100 and authorised by the General Manager.
- 5.2 In accordance with the Independent Commission Against Corruption (ICAC) it is recommended that invitations to bid for the purchase of any surplus East Waste assets should not be limited to employee or to Board Members. Members of the public must also be allowed to compete for the purchase.

Document History:	Version No:	Issue Date:	Description of Change:
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Sale or Disposal of Assets Policy

	1.0	APRIL 2018	New Document (superseded Sale and Disposal of Land and other Major Assets
	1.2	JUNE 2020	As per Agenda Item 7.4 East Waste Board Meeting held 25 June 2020. Endorsed by Board,
	1.3	May 2022	Minor amendments.

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Sale or Disposal of Assets Policy

1. Introduction

- 1.1. The Eastern Waste Management Authority herein referred to as East Waste is committed to ensure a consistent, fair, transparent and accountable approach is maintained with regards to the sale or disposal of any assets which are owed by East Waste.
- 1.2. This Policy provides a framework relating to the sale and disposal of East Waste owned assets and outlines East Waste's approach in preparing an asset for sale or disposal in accordance with the Eastern Waste Management Authority Charter (Charter).

2. Definitions

- 2.1. **Asset** means all assets contained within East Waste's Asset Register (other than assets which are held under a lease). It includes all plant, vehicles, furniture and equipment, fit outs of facilities including offices and workshops.
- 2.2. **Employee** means a person employed by East Waste.
- 2.3. **Major plant and equipment** refers to all trucks, vehicles, operating machinery and other major plant items owned by East Waste.
- 2.4. **Minor plant and equipment** includes all loose tools, store items, inventory stock, furniture, art, gifts, minor information technology equipment. These assets have a value which is less than East Waste's capitalisation threshold and are not recorded on the Asset Register.
- 2.5. **Open Tender** means a tender that is advertised to the entire market via an open invitation process e.g. SA Tenders website accompanied by an advertisement.

3. Objectives

- 3.1. East Waste will consider disposal of assets when formulating its annual budget to determine whether there are any assets held which are either deemed no longer meeting operational needs and/or are surplus to East Waste's strategic requirements. Any assets which are held which are deemed no longer operationally or strategically required to be held by East Waste will be considered for disposal. The disposal process will consider:
 - Encouraging open and effective competition
 - Obtaining value for money by assessing:
 - Services provided to the Constituent Councils.
 - Impact on East Waste's strategic management plans and long-term financial plan.
 - Relevant direct and indirect risks to East Waste.

- Cost benefit of various disposal methods.
- Internal administration costs.
- Demonstrating impartiality, fairness, independence, openness and integrity in all discussion and negotiations.

4. Policy Scope and Implementation

4.1. Reasons to Dispose of an Asset

A decision to dispose of an asset may be based on one or more of the following:

- 4.1.1. Obsolescence.
- 4.1.2. Non-compliance with work health and safety standards.
- 4.1.3. Considered surplus to East Waste's requirements.
- 4.1.4. Asset has not been used in the previous 12 months.
- 4.1.5. Uneconomical to repair.
- 4.1.6. Has reached the end of its useful life.

4.2. Sale or Disposal Principles

- 4.2.1. The disposal of assets (both major plant and equipment and minor plant, stock, and equipment) will be the responsibility of the General Manager in accordance with the provisions of the East Waste Charter and Act.
- 4.2.2. The following factors will be considered when determining a method of disposal:
 - 4.2.2.1. Public demand and interest in the asset.
 - 4.2.2.2. The method likely to return the highest revenue.
 - 4.2.2.3. The value of the asset and whether it is major plant and equipment or minor plant, stock, and equipment.
 - 4.2.2.4. The costs of the disposal method compared to the expected returns, and compliance with statutory and other obligations.
 - 4.2.2.5. The optimum method to reuse or recycle the asset or its components.
- 4.2.3. Assets will be disposed of using the following methods:
 - 4.2.3.1. Trade-in – trading in equipment to suppliers.
 - 4.2.3.2. Expressions of interest – seeking tenders from a selected group of persons, community groups or companies.
 - 4.2.3.3. Public tender – openly seeking bids through tenders.
 - 4.2.3.4. Public auctions – advertisement for auction through the local paper and, where appropriate, a paper circulating in the state, or procuring the services of an auctioneer (following compliance with East Waste's Procurement Policy).
 - 4.2.3.5. Reuse or recycling of the asset or its components – or if this cannot be done, then safe disposal methods that minimise environmental harm.

- 4.2.3.6. Destruction – minor plant, stock and equipment which are not cost effective to dispose may be destroyed and binned.
- 4.2.3.7. East Waste will not dispose of assets to any Board Member, employee of East Waste, employee of a Constituent Council or a East Waste contractor unless the purchase is via a public tender process or a public auction, and the tender submitted, or bid made is the highest.
- 4.2.3.8. The sale and/or disposal of assets to Board Members/employees is not to occur unless it is done through an approved public process.
- 4.2.3.9. Purchasers of assets must be required to agree in writing before purchasing any assets that no warranties will be given by East Waste in respect of the suitability and condition of the asset for the purchaser and that East Waste will not be responsible for the asset in any respect following the sale.

4.2.4. Minor Plant, Stock and Equipment: Register of Interest

- 4.2.4.1. The sale and/or disposal of any assets valued below East Waste's capitalisation threshold will be disposed of at the direction of the General Manager after taking into consideration what method will likely result in the most favourable financial return to East Waste.
- 4.2.4.2. The Independent Commission Against Corruption (ICAC) recommends that invitations to bid for the purchase of any surplus public assets should not be limited to employees or to members of the Board or the Constituent Councils. Members of the public must also be allowed to compete for the purchase.
- 4.2.4.3. If the above process does not yield a preferable result as indicated, a random draw will be conducted, and no further correspondence entered.

4.3. Unsolicited Proposals to East Waste for the sale or disposal of land or other assets.

In the event that an unsolicited proposal for the purchase of an asset is received; it should be directed to East Waste's General Manager in the first instance. The proposal should then follow the sale and disposal principles in Clause 4.2 of this Policy.

5. Legislation

Local Government Act 1999

6. Related Documents

Eastern Waste Management Authority Charter

East Waste Annual Business Plan and Budget

East Waste Long Term Financial Plan

Procurement Policy

7. Review

This Disposal and Sale of Assets Policy shall be reviewed within three (3) years of issued date or more frequently if legislation or organisational needs change.

Signed _____

General Manager

Date ____/____/____

Signed _____

Chair East Waste Board

Date ____/____/____

8. Document History

Version No:	Issue Date:	Description of Change:
1.0	April 2018	New Document (superseded Sale and Disposal of Land and other Major Assets
2.0	June 2022	As per Agenda Item 7.4 East Waste Board Meeting held 25 June 2020. Endorsed by Board,
3.0	May2022	Minor amendments.
4.0	April 2025	Full review; aligned with LGA Model Policy.

9.5 Review of the Prudential Review Policy

Report Author Executive Assistant

Attachments A: Existing East Waste Prudential Review Policy
B: Proposed East Waste Prudential Management Policy

Purpose and Context

East Waste's Prudential Review Policy (existing Policy) (**Attachment A**) has undergone a scheduled review and is presented to the East Waste Board for consideration and adoption. The revised Policy has been named as the Prudential Management Policy and is presented at (**Attachment B**) to this report.

Recommendation

1. ***That the East Waste Board revoke the Prudential Review Policy.***
2. ***That the East Waste Board adopt the Prudential Management Policy (Attachment B, Item 9.5, East Waste Board Meeting, 1 May 2025).***

Strategic Link

Objective 5. Provide Leadership

Strategy 5.4 Quality and transparent Corporate (Governance and Financial) activities.

Background

The Prudential Review Policy was adopted by the East Waste Board in May 2022 and has undergone its first scheduled review. The Policy sets out prudential management requirements in accordance with Section 48(1) of the *Local Government Act 1999*.

Discussion

The existing Prudential Review Policy has undergone significant changes, with the most notable being the name of the Policy being changed to Prudential Management Policy (revised Policy) as this better describes the purpose of the policy in managing prudential matters.

The revised Policy has been aligned to the LGA model Prudential Management Policy and has a strong focus on risk management and due diligence.

The Audit & Risk Management Committee having considered the Prudential Management Policy at their meeting of 23 April 2025 requested that an additional subclause be added to clause 7 of the revised policy to clearly stipulate the characteristics of persons suitable to prepare a Prudential Report. This information has been included at subclause 7.3 of the revised Policy.

Due to the extensive proposed changes to the existing Policy, the changes have not been tracked, rather they are summarised below:

1. Purpose

The Purpose has been expanded out to detail that East Waste is committed to ensuring each of East Waste's projects:

- are undertaken with an appropriate level of due diligence.
- are managed appropriately during the project and evaluated after the project is completed in terms of use of East Waste resources used to achieve identified public benefit or needs and to minimise financial risks.

2. Objectives

This is a new clause which outlines the objectives of the revised Policy being:

- To ensure that a project is only undertaken after an appropriate level of due diligence is applied to the project; and,
- To ensure that each project is:
 - managed during the project; and,
 - evaluated after the project
 to achieve identified public benefits or needs and to minimise financial risks.

3. Legislative Requirements

This clause sets out legislative obligations under Section 48(aa1) of the Local Government Act 1999. This information is set out in the *Purpose* section of the existing Policy.

4. Definitions

Is a new policy clause that defines terms used within the Policy.

5. Risk Management Framework

This is a proposed new clause and sets out a risk management approach to potential new projects. Any proposed project must first be assessed as to the level of risk and due diligence considerations where East Waste considers it appropriate.

6. Due Diligence Reports.

Clause 6 sets out the requirement to undertake a due diligence report on any new project to ascertain:

- an analysis of the need or demand.
- identification and quantification of the expected financial and other benefits.
- identification and quantification of the likely whole of life financial and other costs; including staffing and project management costs.
- an assessment of the associated financial risks (including the financial risks of not proceeding or delaying the proposed project) and considering ways they can be managed and/or mitigated.
- an evaluation that weighs up the factors above.

7. Proceeding to Full Prudential Report

This clause sets out when a full prudential report should be prepared.

8. Due Diligence After a Project

After a project has been completed, it will be evaluated, according to the principles of due diligence to determine the extent to which the project:

- has achieved the public benefits or needs identified in the Due Diligence Report.
- has avoided or mitigated the financial risks identified in the Due Diligence Report.

Conclusion

The revised Policy has been reviewed by Dean Newbery & Partners to ensure compliance with best practice accounting and financial requirements.

The Prudential Management Policy was presented to the Audit & Risk Management Committee for consideration and comment. The feedback from the Committee has been incorporated within the Prudential Management Policy. The proposed Prudential Management Policy is now presented prior to the East Waste Board for consideration and adoption.

PRUDENTIAL REVIEW POLICY

Type	Policy
Category	Governance
Policy Number	016
First Issued/Adopted	May 2022
Minutes Reference	
Review Period	36 months
Last Reviewed	N/A
Next Review	May 2025
Applicable Legislation	<ul style="list-style-type: none"> • <i>Local Government Act 1999</i>
Related Documents	<ul style="list-style-type: none"> • Procurement Policy
Consultation Undertaken	<ul style="list-style-type: none"> • Audit & Risk Committee
Responsible Officer	Manager Business Services

SIGNED:

A stylized blue ink signature of the General Manager.

General Manager

Date: 5/05/2022

A stylized blue ink signature of the Chairperson.

Chairperson

Date: 5/05/2022

Purpose

- 1.1 Section 48 (aa1) of the *Local Government Act 1999* prescribes that:

A Council must develop and maintain prudential policies practices and procedures for the assessment of projects to ensure that the Council:

- a) Acts with due care, diligence and foresight; and*
- b) Identifies and manages risks associated with a project; and*
- c) Makes informed decisions; and*
- d) Is accountable for the use of Council and other public resources.*

**The provisions of this section extend to subsidiaries as if a subsidiary were a council subject to any modifications, exclusions or additions prescribed by the regulations.*

- 1.2 This policy seeks to enhance East Waste's existing policies and procedures governing East Waste's strategic management processes.

Scope

- 2.1 This policy covers the prudential review requirements when consideration is being given to a project that falls within the requirements of Section 48 (1) of the *Local Government Act 1999*. These requirements are:
- *where the expected operating expenses calculated on an accrual basis of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or*
 - *Where the expected capital cost of the project over the ensuring five years is likely to exceed \$4,000,000 (indexed) [\$5,104,478 as of January 2022]; or*
 - *where the council considers that it is necessary or appropriate.*

Policy Statement

- 3.1 Projects falling within the scope of this policy require a Prudential Report and the following criteria will be applied.

3.2 **Prudential Report Author**

The General Manager will make a determination on the most appropriate person to undertake the prudential review in accordance with this policy. This may be a suitably qualified independent author or suitable experienced author from East Waste or a member Council. Selection will be made in alignment with East Waste's Procurement Policy.

*Electronic version on the Intranet is the controlled version.
Printed copies are considered uncontrolled.
Before using a printed copy, verify that it is the current version.*

3.3 **Consideration of the Prudential Report**

The engaged author will prepare a Prudential Report in accordance with this policy and the legislation for consideration of the Board prior to the commencement of the project.

The preparation of a prudential report should be commenced as soon as practical following East Waste's decision to investigate a project that meets the criteria of section 2.1 above. While a prudential report is not required to be received until East Waste makes an irreversible decision, the commencement of the prudential process should commence as soon as possible in order to identify potential project risks in the decision-making process.

3.4 **Public Access to the Prudential Report**

The Prudential Review Report will form part of the East Waste's Agenda papers and will be a public document unless it been determined otherwise by the Board in accordance with Section 90 of *the Local Government Act 1999*.

A copy of the report will be made available for public viewing during the implementation and delivery of the project.

Confidentiality

- 4.1 East Waste will maintain the confidentiality of information, so far as possible, provided by suppliers in any procurement process both during the process and for the period after until documents are destroyed in accordance with statutory requirements.

Records

- 5.1 East Waste will ensure an appropriate written audit trail of the procurement process, including supporting documentation rationale for procurement activity, decisions throughout the entire life of the procurement.

Complaints

- 6.1 Any complaint about the way in which a procurement process was undertaken will be dealt with in accordance with East Waste's Complaint Handling Policy.

Prudential Management Policy

1. Purpose

The Eastern Waste Management Authority, herein referred to as East Waste, is committed to ensuring each of East Waste's projects:

- are undertaken with an appropriate level of due diligence.
- are managed appropriately during the project and evaluated after the project is completed in terms of use of East Waste resources used to achieve identified public benefit or needs and to minimise financial risks.
- meet the prudential report requirements when consideration is being to a project that falls within the requirements of Section 48(1)(b) of the *Local Government Act 1999* (the Act).

2. Objectives

2.1 This Policy has two (2) objectives being:

2.1.1 To ensure that a project is only undertaken after an appropriate level of due diligence is applied to the project; and,

2.1.2 To ensure that each project is:

- managed during the project; and,
- evaluated after the project

to achieve identified public benefits or needs and to minimise financial risks.

2.2 The objectives of this Policy shall be considered in a report on any potential project, regardless of the financial impact or size of the project.

3. Legislative Requirements

Section 48(aa1) of the Act requires that East Waste, being a Council subsidiary, has prudential management policies, practices and procedures for the assessment of projects to ensure the Authority:

- acts with due care and diligence.
- identifies and manages risks associated with a project.
- makes informed decisions.
- is accountable for the expenditure of public monies.

4. Definitions

- 4.1 Due diligence** means the conduct of a systematic review of a transaction, prior to entering the transaction.
- 4.2 Project** means a new and discrete undertaking or activity that would involve the expenditure of money, deployment of resources, incurring or assuming a liability, or accepting an asset.
- 4.3 Prudential Report** means a formal report with specific due diligence and formal requirements in accordance with Section 48(2) of the Act.

5. Risk Management Framework

- 5.1 Any proposed project must first be assessed as to the level of risk and due diligence considerations where East Waste considers it appropriate.
- 5.2 East Waste's record of delegations lists the powers that the East Waste Board has delegated to the General Manager, including the power (subject to conditions) to approve some projects. Other projects will require approval of the East Waste Board.
- 5.3 Where approval is being sought for a specific proposed project, information must be prepared to indicate approximately, at the first instance:
 - 5.3.1 The specific benefits or strategic needs to be addressed by the proposed project.
 - 5.3.2 The extent to which the proposed project may be substantially similar to other past projects.
 - 5.3.3 The expected whole of life costs of the proposed project.
 - 5.3.4 What, if anything, is known about the levels of financial risk that may be involved.
- 5.4 The decision maker accordingly should make an evaluation as to whether:
 - 5.4.1 funding of the whole of life costs of the proposed project will (or might) require additional allocations beyond those already accommodated in East Waste's strategic plans.
 - 5.4.2 whether the proposed project will (or might generate any additional financial risk for East Waste or its Member Councils.

before any subsequent decision is made as to whether to proceed with the proposed project.

6. Due Diligence Report

- 6.1 Before a decision to proceed is made, a due diligence report, must be prepared for, the Board, in relation to the project detailing (but not limited to):
 - 6.1.1 an analysis of the need or demand.
 - 6.1.2 identification and quantification of the expected financial and other benefits.
 - 6.1.3 identification and quantification of the likely whole of life financial and other costs; including staffing and project management costs.

6.1.4 an assessment of the associated financial risks (including the financial risks of not proceeding or delaying the proposed project) and considering ways they can be managed and/or mitigated.

6.1.5 an evaluation that weighs up the factors above.

7. Proceeding to Full Prudential Report

- 7.1 For commercial or non-commercial projects Section 48(1) of the Act requires that a Prudential Report be prepared for the East Waste Board.
- 7.2 A Prudential Report will be prepared which adheres to the scope of matters to be considered under Section 48 of the Act.
- 7.3 The Prudential Report must be prepared by a person whom East Waste reasonably believes to be qualified to address the prudential issues set out in section 48(2) of the Act. The person may be an employee of East Waste but must not be a person (or be closely associated to a person) who has an interest in the relevant project.
- 7.4 The Prudential Report will be presented to the Audit & Risk Management Committee for consideration prior to presentation to the East Waste Board.
- 7.5 A Prudential Report may be commissioned for any other project for which the General Manager and/ or East Waste Board considers that it is necessary or appropriate.
- 7.6 The preparation of a Prudential Report by East Waste does not relieve Member Council's responsibilities for themselves obtaining a Prudential Report for any project that East Waste may undertake, if required. Prudential compliance activities of Member Councils are to be the responsibility of each respective Member Council to assess and manage individually.

8. Due Diligence After a Project

- 8.1 After a project has been completed, it will be evaluated, according to the principles of due diligence to determine the extent to which the project:
 - 8.1.1 has achieved the public benefits or needs identified in the Due Diligence Report.
 - 8.1.2 has avoided or mitigated the financial risks identified in the Due Diligence Report.

9. Legislation

Local Government Act 1999

10. Related Documents

Eastern Waste Management Authority Charter

Internal Financial Controls Policy

Procurement Policy

Risk Management Policy and Framework

Register of Delegations

11. Review

This Prudential Management Policy shall be reviewed by the East Waste Board at minimum within three (3) years of issued date or more frequently if legislation or organisational needs change.

Signed _____
General Manager

Signed _____
Chair of East Waste Board

Date ____/____/____

Date ____/____/____

12. Document History

Version No:	Issue Date:	Description of Change:
1.0		
2.0		

9.6 Information Report for May 2025

Report Author	Executive Assistant
Attachments	A: Unconfirmed Minutes of the Audit & Risk Management Committee B: Outstanding Resolutions Register C: Annual Plan Progress Report D: Annual Reporting Calendar

Purpose and Context

The Information Report for May 2025 presents updates on standing items and other items that are relevant to the business of the East Waste Board. The matters have been listed in one report as an efficiency as Administration recommend that the East Waste Board receives and notes the information contained within the report. This does not limit the ability of the Board to remove a specific item from this report and resolve that a particular action be taken.

Recommendation

That the East Waste Board receives and notes the Information Report for May 2025.

Strategic Link

Objective 5. Provide Leadership

Strategy 5.4 Quality and transparent Corporate (Governance and Financial) activities.

Background

The Information Report is a Standing Item that presents information that the Administration recommend that the East Waste Board receive and note.

Discussion

The following items are presented for the information of the East Waste Board:

1. Unconfirmed Minutes of the Audit & Risk Management Committee Meeting held 23 April 2025.

Clause 31 of the Eastern Waste Management Authority Charter requires the Authority to establish an Audit Committee which is to be governed by the provisions of Schedule 2, Clause 30 of the *Local Government Act 1999* (Act).

The functions of the Audit & Risk Management Committee are to include:

- (a) reviewing annual financial statements to ensure that they provide a timely and fair view of the state of affairs of the subsidiary; and
- (b) liaising with external auditors; and

- (c) reviewing the adequacy of the accounting, internal auditing, reporting and other financial management systems and practices of the subsidiary on a regular basis.

The (unconfirmed) Minutes of the East Waste Audit & Risk Management Committee Meeting of 23 April 2025 are included at **Attachment A** of this report for the Board's information and consideration.

2. Resignation of Ms Sandra Di Blasio from the Audit and Risk Management Committee

Ms Sandra Di Blasio has tendered her resignation from the Audit and Risk Management Committee effective 20 February 2025. In accordance with the Audit & Risk Management Committee's Terms of Reference:

Recruitment of Independent Members will take place by the General Manager calling for expressions of interest. A selection panel will be formed by the General Manager to assess the applications and recommend to the Board the preferred candidate for appointment to the Committee.

The term of the appointment for Independent Members, subject to the Act and these Terms of Reference, shall be a period of two (2) years.

East Waste Administration are currently in the process of recruiting a new independent member and the Committee can expect to see an advertisement for the role in the coming weeks. The role will be advertised via Seek and Australian Institute of Company Directors.

3. Outstanding Resolutions Register

The presentation of the Outstanding Resolutions Register to the East Waste Board is considered a good governance practice. The Outstanding Resolutions Register (**refer Attachment B**) depicts the status of past resolutions of the Board for the period to 25 April 2025.

At this time, as indicated on the attached Register, activities associated with three resolutions remain ongoing, with the status noted in the far right column.

One resolution relates to the closing out of actions recommended through the review of East Waste's internal controls, undertaken in conjunction with the FY2024 interim financial audit. Whilst initially reported to be closed out by December 2024, Administration is still working to finalise one outstanding recommendation within the Management letter issued by Galpins through the review of Internal controls, being:

'The Authority ensures that there are formal agreements with suppliers with significant cumulative spend, and that works are not commenced prior to signing of contracts.'

Administration is still in the process of reviewing supplier cumulative spend, to ensure appropriate contractual agreements are in place with vendors and in line with East Waste's Procurement requirements. In conjunction with this, Administration is reviewing the Procurement Policy to better represent East Waste's procurement requirements, and a series of new internal processes are expected to result. Administration has notified external auditors Galpins ahead of the interim audit and expect to present a revised Procurement Policy at the June meeting cycles. UHY Haines Norton, East Waste's appointed internal auditing firm will also likely monitor the close out of external audit recommendations via the internal audit function. All other recommendations have been implemented and are currently in practice.

4. Annual Plan Progress Report

This report provides the East Waste Board with an update on the implementation of the activities endorsed in the East Waste 2024/25 Annual Plan.

The attached matrix (**refer Attachment C**) provides a snapshot update as to the progress of the Annual Plan activities as of 24 April 2025.

5. Annual Reporting Calendar

This report provides the Board with an update of the progress of East Waste's key reporting requirements via the Annual Reporting Calendar.

The attached Annual Reporting Calendar (**refer Attachment D**) provides a snapshot update of the progress of East Waste's key legislative and governance reporting requirements for the 2025 calendar year.

This is a standing item on the Agenda.



**Eastern Waste Management Authority
Ordinary Audit & Risk Management Committee**

Minutes

Wednesday 23 April 2025

Minutes

Eastern Waste Management Authority

Ordinary Meeting of the Audit & Risk Management Committee

Meeting to be held on Wednesday 23 April 2025 commencing at 8:00am,
Electronically via Zoom.

The Chair, Mrs E Hinchey, declared the meeting open at 8.00 am and that a quorum was present.

1. Acknowledgement of country

2. Present

Directors:

Mrs E Hinchey	Independent Chairperson
Mr F Bell	East Waste Board Representative
Mr P Di Iulio	East Waste Board Representative (<i>entered the meeting at 8.04am</i>)
Ms L Green	Independent Member

In Attendance:

Mr D Maywald	Acting General Manager
Ms K Vandermoer	Manager Human Resources & Financial Services
Ms V Davidson	Executive Administration Officer
Mr J Jovicevic	Director, Dean Newbery
Ms Corinne Garret	UHY Haines Norton
Ms Karen Peake	UHY Haines Norton

3. Apologies

Nil.

4. Conflicts of interest

Nil.

5. Confirmation of the minutes

Moved Mr F Bell that the Minutes of the East Waste Audit and Risk Management Committee meeting held on 19 February 2025 be confirmed as a true and correct record.

Seconded Ms L Green

Carried

6. Matters arising from the minutes

Nil.

7. Questions without notice

Nil.

8. Presentations

Internal Audit Draft Assurance Map

Corinne Garrett and Karen Peake

UHY Haines Norton

The Chair sought and was granted leave of the meeting to bring forward Item 9.2 Internal Audit Draft Assurance Map.

9.2 Internal Audit Draft Assurance Map

Moved Mr F Bell that the Audit and Risk Management Committee receives and notes the draft assurance map as presented by UHY Haines Norton (Attachment A & B Item 9.2, Audit & Risk Management Committee Meeting 23 April 2025).

Seconded Ms L Green

Carried

Ms Garrett and Ms Peake left the meeting at 8.37am.

9 Reports

9.1 Financial Report – Budget Review Three

Moved Mr F Bell that the Audit & Risk Management Committee notes and accepts the forecasted end of year FY2025 result associated with the 2024/25 Budget Review Three and recommends to the East Waste Board for endorsement.

Seconded Mr P Dilulio

Carried

9.3 External Audit Plan

Moved Mr F Bell that the Audit & Risk Management Committee receives and notes the FY2025 External Audit Plan prepared by Galpins (Attachment A, Item 9.3, Audit & Risk Management Committee Meeting 23 April 2025).

Seconded Mr P Di Iulio

Carried

9.4 Strategic Risk Register Review

Moved Mr P Di Iulio that the Audit & Risk Management Committee having considered the updated Strategic Risk Register (Attachment B, Item 9.4, Audit & Risk Management Committee Meeting 23 April 2025) notes the updates and recommends the revised Strategic Risk Register for presentation to the East Waste Board

Seconded Mr F Bell

Carried

9.5 Leave Policy

Moved Ms L Green that the Audit & Risk Management Committee notes and endorses the proposed East Waste Leave Policy (Attachment A, Item 9.5, Audit & Risk Management Committee Meeting 23 April 2025) and recommends to the East Waste Board for adoption.

Seconded Mr P Di Iulio

Carried

9.6 Review of Sale or Disposal of Assets Policy

Moved Ms L Green that the Audit & Risk Management Committee having considered the revised Sale or Disposal of Assets Policy (Attachment B, Item 9.6, Audit & Risk Management Committee Meeting 23 April 2025) recommend the revised Sale or Disposal of Assets Policy to the East Waste Board for adoption.

Seconded Mr F Bell

Carried

9.7 Review of the Prudential Review Policy

Moved Mr F Bell that the Audit & Risk Management Committee having considered the Prudential Management Policy (Attachment B, Item 9.7, Audit & Risk Management Committee Meeting 23 April 2025) recommend the Prudential Management Policy to the East Waste Board for adoption.

Seconded Mr P Di Iulio

Carried

9.8 Information Report for April 2025

Moved Ms L Green that the Audit & Risk Management Committee receives and notes the Information Report for April 2025.

Seconded Mr F Bell

Carried

9.9 Acting General Manager Verbal Update

1. FOGO Trial Update
2. Financial Model and Strategy Review Update
3. Service Level Agreement Update
4. Organics Tender Update

10 Confidential Items

10.1 Financial Model and Strategy Review Verbal Update

Recommendation

Moved Mr F Bell

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999* the Audit & Risk Management Committee orders that the public be excluded from the meeting on the basis that the Audit & Risk Management Committee will, discuss and consider:

- (b) information the disclosure of which –
- (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of East Waste; and
 - (ii) would, on balance, be contrary to the public interest;

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

Seconded Ms L Green

Carried

Mr J Jovicevic left the meeting at 9.29am

Mr D Maywald, Ms K Vandermoer and Ms V Davidson left the meeting at 9.30am.

11. Closure

The Chairperson declared the meeting closed at 9.45am.

- 12.** The next Ordinary Audit & Risk Management Committee Meeting is proposed to be held on:
Wednesday 18 June 2025, HenderCare, Level 3/81 Flinders Street, Adelaide at 8.00am.

These minutes have been signed as a true and correct record of the East Waste Audit & Risk Management Committee Meeting of 23 April 2025.

Chairperson

Date ____/____/____

ITEM 9.6 - ATTACHMENT B

East Waste Board Outstanding Resolutions Register - as at 24 April 2025				
27/06/2024	9.2	Interim Audit Report	That the East Waste Board endorses the Interim Audit Management Report and acknowledges all matters of note will be addressed prior to 30 September 2024.	ONGOING: Matters relating to one action remain ongoing, as detailed in information report. Remaining actions are complete and currently in practice.
27/06/2024	9.5	East Waste Strategic Plan Review – Next Steps	That the Board notes and endorses the broad process to be undertaken in order to deliver a comprehensive review of the 2030 East Waste Strategic Plan and development of a revised document.	ONGOING: Communication Plan to be developed following finalisation of Review of East Waste's Strategy & Financial Model.
21/11/2024	9.3	Review of Long Term Financial Plan	That the Board endorse the draft principles and assumptions presented within the draft Long Term Financial Plan (Attachment A, Item 9.2, Board Meeting, 21 November 2024), with the expectation that Administration review East Waste's working capital requirement as a mechanism for retaining an appropriate cash balance over the life of the Plan.	ONGOING: Further review of working capital requirements will be undertaken following outcome of review of East Waste's Financial Model & Strategy.
21/11/2024	9.6	Communication Systems Upgrade - Customer Services Metrics	that the Board: 1.Receives and notes the Customer Service Telephone Metrics Report (Attachment A of Report 9.6 Board Meeting 21 November 2024). 2.Presents the report to the East Waste Board annually including comparison data.	COMPLETE: Future report to be presented to the East Waste Board November 2025, as detailed in Annual Reporting calendar.
20/02/2025	9.2	Draft FY2026 Annual Plan & Budget	Authorise the General Manager to distribute to each Member Council for review and comment, the Draft 2025/26 Annual Plan, as presented in Attachment A, along with the proposed fees.	COMPLETE : Copies of the Draft 2025/26 Annual Plan and proposed fees were distributed to Councils on 31 March 2025.

FY25 Annual Plan Implementation Summary Matrix

NO.	ACTIVITY/PROJECT	OVERVIEW	STRATEGY	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 present detailed business cases for the Council's consideration in a bid to secure these services.	1.1	Vision Target	Commenced management of several Council's second bin permits processes. Several discussion with City of Mitcham regarding collection of their landfill bins.
2	Investigate opportunities outside of existing Member Councils.	When potential opportunities arise, East Waste will investigate service provision to non-member Councils and subsidiaries where the benefit and/or the fostering of partnerships can drive value to Member Councils.	1.1	Vision Target	No suitable opportunities presented to date.
3	'Landfill' Bin Contract	Member Councils have historically held their own contracts for the disposal/processing of the red/blue bin. As a subsidiary focussed on aggregation, East Waste will investigate, and if feasible, pursue an East Waste-led red/blue bin processing contract	1.2	At least 75% of kerbside material separately collected & recycled	In January 2025 three (3) member Councils landfill bin material commenced being processed under the East Waste - Cleanaway Contract. With another member Council considering joining the contract.
4	Increase Customer Engagement Opportunities	East Waste has implemented a number of customer service engagement systems in recent years and this work will continue with the consolidation of Customer Service Systems; ultimately creating an improved work management flow.	1.5	Vision Target	East Waste has enhanced our customer service systems using data from our new phone system to improve customer interactions. This has increased our efficiency and responsiveness. Additionally, updates to our online portal have improved its usability, making it easier for customers to access services. Administration are also in the

MAXIMISE SOURCE SEPARATION & RECYCLING

5	Advance trials and rollout of weekly organics collections	Through the success of current trials undertaken by East Waste and more broadly across metropolitan Adelaide, East Waste will pursue the design and implementation of at least one further weekly organics collection trial and a full Council rollout.	2.1	At least 75% of kerbside material separately collected & recycled 100% of food waste separately collected and recycled.	Currently working with AHC on their planned rollout of FOGO to all townships. Worked closely with City of Burnside for rollout of trial across 1,300 properties on 2 September. Built on the learnings and success of previous East Waste trials. Assistance to NPSP in consideration of strategic direction. In discussions with a number of member Councils regarding increasing their existing trials. General Manager continues to be active in advocating for revised legislation to assist Member Councils rolling out long lasting FOGO collections.
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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 biennial kerbside audits undertaken over the past 6 years, refine and deliver the ongoing successful "Why Waste It?" program, with a strong food waste separation focus	3.2	Vision Target	The Why Waste It Education Campaign, delivered across both schools and the general community, has been a key initiative of East Waste. Recently, the program has been enhanced with the addition of the OZHARVETS Feast program. This integration extends the campaign's reach and impact, incorporating new resources and activities that focus on food waste reduction and sustainable practices.
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HELP DRIVE A LOCAL CIRCULAR ECONOMY

7	Develop and Procure high value processing contracts	East Waste on behalf of engaged Member Councils will procure new long-term organic and co-mingled recycling contracts with a focus on ensuring the collected material is processed in a manner which retains and utilises the material at its highest order and so far as possible, locally.	4.4	Vision Target	Tender Processes has recently commenced for Organics Contract with Recycling Contract planned to commence soon.
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PROVIDE LEADERSHIP

8	Fleet Replacement	In line with the Long Term Financial Plan, undertake the replacement of five (5) collection vehicles.	5.4	Provide Leadership	New Tender Process has been completed and awarded to new supplier (Superiorpak) for commencement in FY26.
9	WHS System Responsibility and Accountability	Continuation of ongoing Risk Management and Work Health & Safety systems and processes to provide a safe and healthy workplace for all employees and those which interact with us	5.1	Provide Leadership	Current WHS action plan has been delivered and EW Administration received a 100% result. New 2024/ 2025 plan still currently under development.
10	Develop Carbon Accounting	With a strong focus on emissions and carbon reporting, East Waste will undertake a project to identify the extent of its carbon emissions and future projects to target reduction.	5.4	Provide Leadership	Currently seeking suitable consultant to assist with the work required to deliver this project.

ITEM 9.6 - ATTACHMENT D

East Waste Annual Reporting Calendar Board and Audit & Risk Management Committee 2025

	Feb	Apr/May	Jun	Sep	Nov
Audit & Risk Management Committee Meeting	Feb 19	Apr 23	Jun 18	Sep 17	Nov 12
Board Meeting	Feb 27	May 1	Jun 26	Sep 25	Nov 27

✓	Item previously presented/endorsed
✓	Item included in current meeting Agenda
•	Item deferred to a future meeting
■	Item not presented this calendar year

Meeting	Financial						Notes
B	A&R	Budget Review 2	✓				
B	A&R	Draft Annual Plan & Budget Assumptions	✓				
	A&R	Review of Proposed External Audit Work Plan		■			Prepared by Galpins
	A&R	Review of Porposed Internal Audit Work Plan		■			Prepared by UHY Haines Norton. First Internal audit cycle commences 1 July 2025.
B	A&R	Budget Review 3		■			
B	A&R	Interim External Audit Report		■			
B	A&R	Annual Plan and Budget Endorsement		■			
B		Review of Confidential Orders		■			
B	A&R	Draft Audited Financial Statements & Meeting with Auditor			■		
B	A&R	Regulation 10 Financial Report			■		
B	A&R	Review of Asset Management Plan			■		
B	A&R	Draft Annual Report for Endorsement			■		
B	A&R	Budget Review 1				■	
B	A&R	Long Term Financial Plan Review				■	
B	A&R	Treasury Management Performance Report				■	
B	A&R	Customer Service Metrix Report				■	New annual addition to the Agenda, as requested at November 2024 Board Meeting.
	Governance						
B	A&R	Board & Committee Appointments	✓				
B		Annual Education Summary Report		■			
B		Lodgment of RPD, Primary, and Ordinary Returns			■		
B		General Manager Performance Review			■		Subject to recruitment and arrangements for newly appointed General Manager.
B	A&R	Policy Review Schedule				■	
B	A&R	Board and Audit & Risk Management Committee Performance Evaluations				■	
B	A&R	Proposed Meeting Schedule for Proceeding Year				■	
	Risk						
B	A&R	Strategic Risk Register Review	•	■			Deferred to April meeting cycles.