



## **Eastern Waste Management Authority Ordinary Board Meeting**

### **Agenda**

Thursday 26 February 2026

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 26 February 2026 commencing at 5:30 pm.

A handwritten signature in black ink, appearing to read "L. Leyland".

Leonard Leyland  
**General Manager**

## Acknowledgement of Country

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

We also acknowledge the Kurna people as the custodians of the Adelaide region and that their cultural and heritage beliefs are 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 26 February 2025 commencing at 5.30 pm  
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 20 November 2025 be confirmed as a true and correct record.

#### 6. Matters arising from the Minutes

#### 7. Questions Without Notice

#### 8. Presentations

#### 9. Reports

9.1	Financial Report: FY2026- Budget Review Two	Page 11
9.2	Draft 2026/27 Annual Plan & Budget Assumptions	Page 21
9.3	Strategic Risk Register Review	Page 47
9.4	Appointment of Deputy Chairperson	Page 54
9.5	Appointment of a Board Member to the A & RM Committee	Page 56
9.6	General Manager's Report	Page 68
9.7	Information Report for February 2026	Page 72

## **10. Confidential Reports**

10.1 General Manager Final Probation Review

## **11. Other Business**

## **12. Next Meeting of the Board**

The next Ordinary East Waste Board Meeting is proposed to be held on:  
Thursday 30 April 2026, at 5.30 pm 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 20 November 2025

## Minutes

### Eastern Waste Management Authority Ordinary Meeting of the Board of Management

Meeting held on Thursday 20 November 2025 commencing at 5.30 pm,  
at the City of Norwood, Payneham & St Peters, 175 The Parade Norwood.

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

1. The Chair read the Acknowledgement of Country.

#### 2. Present

##### Directors:

Mr F Bell	Independent Chairperson
Deputy Mayor L Huxter	Adelaide Hills Council
Cr T Jennings	City of Burnside
Mr P Di Iulio	Campbelltown City Council
Cr P George	City of Mitcham ( <i>entered the meeting at 5.32 pm</i> )
Mr S Dilena	City of Prospect
Mr A Wood	City of Unley
Mayor M Jones	Corporation of the Town of Walkerville.

##### Deputy Directors:

Mr M Barone	City of Norwood, Payneham & St Peters ( <i>entered the meeting at 5.33 pm</i> )
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##### In Attendance:

Mr L Leyland	General Manager
Mr D Maywald	Manager Business Services
Ms K Vandermoer	Manager HR & Financial Services
Ms V Davidson	Executive Administration Officer.

#### 3. Apologies

Cr G Piggott	City of Norwood, Payneham & St Peters
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#### 4. Disclosures of interest

The following disclosure of interest was made:

Item Number	Type of Conflict	Person
9.2	Section 120	Ms V Davidson

## 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 25 September 2025 be confirmed as a true and correct record.

Seconded: Deputy Mayor L Huxter

**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 #1 held on 10 November 2025 be confirmed as a true and correct record subject to the attendance record being amended to reflect that Cr Jay Allanson is a Deputy Director of the East Waste Board.

Seconded: Cr P George

**Carried**

### 5.3 Minutes of the Eastern Waste Management Authority Special Board Meeting

Moved Mr S Dilena that the Minutes of the Eastern Waste Management Authority Special Board Meeting #2 held on 10 November 2025 be confirmed as a true and correct record.

Seconded: Mr A Wood

**Carried**

## 6. Matters arising from the minutes

Nil.

## 7. Questions without notice

Nil.

## 8. Presentations

### 8.1 Cost Model Update and Process – Verbal Update

*Mr P Di Iulio left the meeting at 5.35 pm.*

*Mr P Di Iulio returned to the meeting at 5.37pm.*

## 9 Reports

### 9.1 Financial Statements – FY2026 Budget Review One

Moved Cr T Jennings that the East Waste Board adopts the forecasted end of year FY2026 result associated with the 2025/26 Budget Review One.

Seconded: Mayor M Jones

**Carried**

## 9.2 Interim Audit Result: Payroll

*Ms V Davidson declared a Section 120 interest in this item and left the meeting at 5.56 pm.*

Moved Cr T Jennings that the East Waste Board receives and notes the Payroll Internal Audit Report prepared by UHY Haines Norton, as presented in Attachment A 'UHY Haines Norton Internal Audit Report,' Item 9.2, East Waste Ordinary Board Meeting, 20 November 2025.

Seconded: Cr P George

**Carried**

*Ms V Davidson returned to the meeting at 6.05 pm.*

## 9.3 Annual Treasury Management Performance Report

Moved Deputy Mayor L Huxter that the East Waste Board receive and note the 2025 Annual Treasury Management Performance Report (Attachment A, Item 9.3, East Waste Ordinary Board Meeting, 20 November 2025).

Seconded: Mayor M Jones

**Carried**

## 9.4 Annual Customer Service Metrics Report

Moved Cr P George that the East Waste Board receive and note the Customer Service Metrics Report as presented in Attachment A, Item 9.4, East Waste Ordinary Board Meeting, 20 November 2025.

Seconded: Mr S Dilena

**Carried**

## 9.5 Board & Committee Performance Evaluations 2025

Moved Cr T Jennings that the East Waste Board receive and note the East Waste Board & Audit & Risk Management Committee Performance Evaluation Report prepared by Red Wagon Solutions, as presented in Attachment A to Item 9.5, East Waste Ordinary Board Meeting, 20 November 2025.

Seconded: Cr P George

**Carried**

## 9.6 Proposed Meeting Schedule 2026

Moved Deputy Mayor L Huxter that the East Waste Board adopt the proposed meeting schedule for 2026 as presented in Table 1, Item 9.6, East Waste Ordinary Board Meeting, 20 November 2025.

Seconded: Mr P Di Iulio

**Carried**

## 9.7 Information Report

Moved Mr P Di Iulio that the East Waste Board receive and note the Information Report as at 14 November 2025.

Seconded: Mr M Barone

**Carried**

## 10 Confidential Reports

### 10.1 General Manager Key Performance Indicators 2025/26

#### Recommendation 1

1. Moved Mayor M Jones that pursuant to Section 90(2) of the *Local Government Act, 1999* the East Waste Board orders that the public, with the exception of the East Waste Executive Assistant, Vanessa Davidson, be excluded from the meeting on the basis that the East Waste Board will receive, discuss and consider matters under sections 90(2)(a) and 90(3)(a).
2. The East Waste Board is satisfied that pursuant to sections 90(2)(a) and 90(3)(a) of the Act the information to be received, discussed or considered in relation to the agenda item is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead) being Leonard Leyland, General Manager of East Waste because it pertains to General Manager Performance Review process.
3. Accordingly, the East Waste Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt / consideration of the information confidential.

Seconded: Cr P George

**Carried**

*Mr L Leyland, Mr D Maywald and Ms K Vandermoer left the meeting at 6.36 pm.*

#### Recommendation 2

*Mr P Di Iulio left the meeting at 7.04 pm.*

#### Recommendation 3

Moved Cr P George that that in accordance with section 91(7) and (9) of the *Local Government Act 1999* the East Waste Board orders that Attachment A 'Draft General Manager KPIs 2025/26' and the Minutes to Item 10.1, General Manager Key Performance Indicators 2025/26, East Waste Ordinary Board Meeting, 20 November 2025 be kept confidential until further order of the East Waste Board.

The East Waste Board notes any discussions of the Board on the matter are confidential in accordance with sections 62(4a) and 110A of the *Local Government Act 1999*.

Seconded: Cr T Jennings

**Carried**

*Mr L Leyland, Mr D Maywald and Ms K Vandermoer returned to the meeting at 7.10 pm.*

## 11. Closure

The Chairperson declared the meeting closed at 7.12 pm

### Next Meeting of the Board

The next Ordinary Board Meeting is scheduled to be held on Thursday 26 February 2026, commencing at 5:30 pm, 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 20 November 2025.*

Chairperson

Date      \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

## 9.1 Financial Statements - Budget Review Two

**Report Author** Manager Human Resources & Financial Services

**Attachments**

- A: Summary Budget Movement – Budget Review Two
- B: Budgeted Statement of Comprehensive Income FY2026
- C: Budgeted Balance Sheet FY2026
- D: Budgeted Statement of Cash Flow FY2026
- E: Budgeted Statement of Changes in Equity FY2026
- F: Budgeted Uniform Presentation of Finances Statement FY2026

### Purpose and Context

To provide the East Waste Board (the Board) with an opportunity to review the second review undertaken of the budgeted statutory Financial Statements (Budget Review Two) for the financial year ending 30 June 2026 as prescribed by the Regulations.

### Recommendation

***That the East Waste Board approves the forecasted end of year FY2026 result associated with the 2025/26 Budget Review Two.***

### Strategic Link

**Objective 5.** Provide Leadership

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

### Background

At the meeting held 26 June 2025, the East Waste Board resolved (in part):

#### **9.1 2025/26 Annual Plan and Budget**

*Moved Cr T Jennings that the East Waste Board:*

1. *Adopts the 2025/26 Annual Business Plan and Budget, inclusive of all projects and expenditure (Attachment A, Item 9.1, East Waste Board Meeting, 26 June 2025)*

*Seconded Cr G Piggot*

**Carried**

### Discussion

East Waste undertakes quarterly budget reviews in line with the *Local Government (Financial Management) Regulations 2011*, with this being second review of the budget for FY2026.

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

As at 31 December 2025, East Waste has recorded a Net Surplus of \$111K (year-to-date actuals) against a forecast full-year predicted Net Surplus of \$85K predicted at Budget Review One for FY2026.

While key budget lines and assumptions remain stable and in line with predictions at Budget Review One, variances have been reviewed with updated forecasted operating income and expenses recorded in the updated Budget Review Two as presented. Overall, a net increase of 27K in operating expenses is forecasted, to achieve a predicted surplus of \$58K for FY2026.

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

## Statement of Comprehensive Income:

### 1. Bin Services & Maintenance

An increase in income and expenses of \$107K is forecasted to account for expected increased additional bin permit and hard waste collection services uptake by residents, in addition to increased purchases of bin related infrastructure and repairs by Member Councils under East Waste led contracts. 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. Project Income

A new income account has been setup in Q2, to recognise income received through monthly billing to Member Councils to offset East Waste's additional operating costs associated with the delivery of special projects, primarily FOGO trials, where they are not captured in the Common Fleet Costing model.

While the process for cost-recovery remains unchanged, Administration deems it important to report on this line independently, ensuring recovered costs are transparent, providing assurance that non-participating Member Councils are not subsidising projects undertaken by other Member Councils in the interim. The finalisation of the review of East Waste's cost model will influence the process for cost-recovery of these activities in the future.

A budget of \$130K is proposed, being the anticipated full-year income based on known trials and activities as at Budget Review Two.

### 3. Fleet Maintenance

A 50K increase in Fleet Maintenance expense is proposed, as a result of recent unexpected breakdowns and urgent repairs to heavy fleet. While contracted maintenance remains stable and in line with original budget predictions, the costs associated with unforeseen maintenance as a result of breakdowns remains a challenge for Administration.

While a buffer for unexpected maintenance is factored into the original budget assumptions, two engine replacements alone valued at \$50K each in Q2 have absorbed this, resulting in elevated spend in BR2. A year-to-date review of maintenance costs attributed to breakdowns has revealed that the risk of further significant engine events are believed to be limited to the first round of Isuzu fleet, of which just three vehicles remain. With newer and more reliable Volvo trucks replacing older Isuzu fleet and expected to cost less in maintenance long-term, Administration is optimistic that fleet maintenance costs will stabilise.

A designated project to conduct a comprehensive review of maintenance costs is scheduled to occur to explore other regularly occurring maintenance costs which will influence future Budget Reviews.

The proposed budget movement aligns the year-to-date actuals as at December 2025 with 50% of the proposed new full-year budget, inclusive of an allowance for further unforeseen fleet maintenance, to be closely monitored throughout the remainder of FY2026. Importantly, the fleet maintenance budget reflects an expanded fleet of 59 vehicles, to support the facilitation of current FOGO trials, with partial costs of maintenance recovered through Project Income.

#### 4. Fuel Costs

Due to more favourable fuel costs in the first half of FY2026, the revised full-year budget estimate now reflects a saving of \$65K. However, the cost per litre and the total volume of fuel forecasted for the second half of FY26 remain unchanged from the assumptions used in the original adopted Budget.

#### 5. Other Income & Other Expenses

A reduction of \$41K in *Other Income* is forecasted as a result of:

- A reduction of \$106K to Sundry Income to accommodate the movement of FOGO related income to a standalone reporting line being Project Income.
- A \$65K increase projected for Interest Income, reflective of average holdings and interest rates anticipated, for funds invested in East Waste's LGFA investment account.

Additional *Other Expenses* totalling \$131K have been forecasted relating to:

- Consulting: \$85K increase proposed to ensure key deliverables involving external consultants can progress steadily in FY2026.

A large portion of the increase proposed, relates to a digital application project that commenced in FY2026, with East Waste collaborating with an external digital consultant, to streamline East Waste's tonnage reconciliation process. The consultant in question had previously built out specialised applications that fed through to the planned project, which influenced Administration's procurement decisions, with a budget of \$40K originally allocated to the project. Through Q2 of FY2026, the project costs increased as a result of a broader scope which required updates to other existing applications, resulting in an additional \$30K being authorised through the General Manager's delegations, to progress the project. However, as a result of further refinement and testing required, this has now been absorbed, with an additional 20K expected to be required to finalise the project, including setting up East Waste to have ownership of the system and processes. Additional engagement with LG Procurement has commenced to assist with future procurement activities and governance.

The remaining proposed budget movement reflects additional costs of consultant support realised through Q2, as well as anticipated consultant spend in the second half of FY2026 not accounted for in original budget assumptions.

For transparency and clarity to the Board, a breakdown of the proposed consulting budget increase is detailed below:

**\$50K** – Adjustment to account for \$30K additional spend through BR2 with digital consultant, and additional \$20K for works to finalise in FY2026.

**\$10K** - To reflect actual spend in BR2 relating to cost of consultants engaged through the Organics contract (industry specialist and Probity Officer).

**\$12K** – Relates to a new digital reporting project directly associated with SLAs and reporting metrics/visibility for Member Councils.

**\$4K** – Allocated for rollout of engagement survey through external consultant, proposed by the General Manager.

**\$9K** – Recruitment fees related to appointment of Finance Business Partner for a fixed-term contract, as a result of Executive staff member taking a period of Long Service Leave.

- Education: An increase of \$10K is proposed, to reflect the current expenditure associated with the roll-out of the KESAB schools program. An education workshop was held in February to assist with future planning and budgeting.
- Licence Fees: \$30K to account for higher software and licencing costs than anticipated, primarily associated with East Waste’s external IT support, \$15K of which related to unplanned replacement of remote desktop environment, as existing provider unexpectedly ceased provision of services.
- Depot Maintenance: \$25K increase is proposed following elevated depot maintenance costs in the first half of FY2026.
- Staff Development: a Saving of 25K is proposed through Budget Review Two, as a result of reduced staff training and Executive coaching expected to be undertaken in the second half of FY2026.
- Project Expense: New expense account setup to offset ‘Project Income’ where there is a direct cost associated with FOGO trials or special projects. \$5K has been forecasted at Budget Review Two with all costs being on-charged to participating Member Councils.

## 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	107	107
1	Bin Service Expenses	(107)	(107)
2	Project Income	130	130
3	Fleet Maintenance Expense	(50)	(50)
4	Fuel Expense	65	65
5	Other Income	(41)	(41)
5	Other Expenses	(131)	(131)
<b>Summary Movement</b>		<b>(27)</b>	<b>(27)</b>

# ITEM 9.1 - ATTACHMENT A

## EAST WASTE

Summary Budget Movement Worksheet  
for the Financial Year Ending 30 June 2026

	Actual as at 31 December 2025	Adopted Budget	BR1	Proposed Budget (BR2)	Actual YTD / Proposed BR2	Proposed Budget Movement	Comments
Administration Fee	148,841	297,682	297,682	297,682	50%	-	
Common Fleet Costing	9,174,210	18,348,419	18,348,419	18,348,419	50%	-	
Processing Income	4,957,156	9,884,523	9,884,523	9,884,523	50%	-	
Bin Services & Maintenance	1,629,280	2,102,500	2,102,500	2,210,000	74%	107,500	Increase represents estimated additional bin income, bin repair infrastructure and related purchases under East Waste contract.
Profit / (Loss) from Disposal	-	30,000	30,000	30,000	0%	-	
Project Income	40,990	-	-	130,000	32%	130,000	New income account to track FOGO and project billing. Represents anticipated FOGO income directly oncharged to Council in FY26.
Grant Income	-	-	-	-	0%	-	
Other Income	92,415	76,000	191,000	150,000	62%	(41,000)	\$65K increase in anticipated Interest Income, offset by \$106K decrease in 'Sundry Income' as Income as now been moved to 'Project Income'
<b>Total</b>	<b>16,042,892</b>	<b>30,739,124</b>	<b>30,854,124</b>	<b>31,050,624</b>		<b>196,500</b>	
Processing Expenses	4,951,637	9,884,523	9,884,523	9,884,523	50%	-	
Bin Service & Maintenance Expenses	1,632,426	2,102,500	2,102,838	2,210,337	74%	107,500	Increase represents elevated additional bin income, bin repair infrastructure and Council purchases under East Waste led contracts for FY26.
Employee Costs	4,504,615	9,169,978	9,261,473	9,261,473	49%	-	
Fleet Maintenance	1,175,738	2,015,481	2,309,740	2,359,740	50%	50,000	Increase related to current fleet maintenance trends.
Depreciation	1,388,120	2,834,881	2,834,881	2,834,881	49%	-	
Interest	339,955	720,000	720,000	720,000	47%	-	
Fuel	900,458	2,053,487	1,953,487	1,888,487	48%	(65,000)	Equivalent of fuel savings in BR2 actuals versus budget. Original budget assumptions remain for FY26.
Other Expenses	1,038,536	1,776,605	1,701,605	1,832,652	57%	131,047	Refer to detailed breakdown of key expense line increases in BR2 covering report.
<b>Total</b>	<b>15,931,485</b>	<b>30,557,455</b>	<b>30,768,547</b>	<b>30,992,093</b>		<b>223,547</b>	
<b>Net Surplus</b>	<b>111,406</b>	<b>181,669</b>	<b>85,577</b>	<b>58,531</b>		<b>(27,047)</b>	

Non Operating Cash Flow	Actual as at 31 December 2025	Adopted Budget	BR1	Proposed Budget (BR2)	Actual YTD / Proposed BR2	Proposed Budget Movement	
<b>Income</b>							
Proceeds from Sale of Assets	-	30,000	30,000	30,000	0%	-	Assumptions remain in line with original adopted budget at BR2.
Proceeds from the Sale of Motor Vehicles	-	-	-	-	0%	-	
Proceeds from Borrowings	3,390,237	3,390,000	3,390,000	3,390,000	100%	-	Loan settled and new trucks acquired on time as per original Budget assumptions.
<b>Total</b>	<b>3,390,237</b>	<b>3,420,000</b>	<b>3,420,000</b>	<b>3,420,000</b>		<b>-</b>	
<b>Expenses</b>							
Fleet Replacement Costs	3,377,784	3,389,784	3,389,784	3,389,784	100%	-	New trucks acquired in Q2 in line with Fleet Asset Management Plan.
Motor Vehicle Replacement	-	50,000	50,000	50,000	0%	-	Executive fleet scheduled to be replaced in second half of FY26.
Operations Office Upgrade	9,056	60,000	60,000	60,000	15%	-	Works on new pergola/undercover area have commenced, further works to undetake in FY26.
Plant Replacement	7,793	25,000	25,000	25,000	31%	-	
Repayment of Borrowings - LGFA	1,045,193	2,139,614	2,139,614	2,139,614	49%	-	As per Budget assumptions.
Repayment of Borrowings - Leases	80,631	168,000	168,000	168,000	48%	-	As per Budget assumptions.
<b>Total</b>	<b>4,520,457</b>	<b>5,832,398</b>	<b>5,832,398</b>	<b>5,832,398</b>		<b>-</b>	
<b>Net Non-Operating Cash Flow</b>	<b>(1,130,220)</b>	<b>(2,412,398)</b>	<b>(2,412,398)</b>	<b>(2,412,398)</b>		<b>-</b>	

# ITEM 9.1 - ATTACHMENT B

## EAST WASTE

Projected Statement of Comprehensive Income (Budgeted)  
for the Financial Year Ending 30 June 2026

<b>FY2025</b>		<b>FY2026</b>	<b>FY2026</b>	<b>FY2026</b>	<b>FY2026</b>
<b>Audited Actuals</b>		<b>Adopted Budget</b>	<b>BR1</b>	<b>BR2</b>	<b>Movement BR2 v BR1</b>
<b>\$'000</b>		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
	<b>Income</b>				
25,178	User Charges	28,531	28,531	28,661	130
133	Investment income	60	75	140	65
-	Grants, subsidies and contributions	-	-	-	-
2,085	Other	2,119	2,219	2,220	1
<b>27,396</b>	<b>Total</b>	<b>30,710</b>	<b>30,825</b>	<b>31,021</b>	<b>196</b>
	<b>Expenses</b>				
8,894	Employee Costs	9,170	9,261	9,261	-
15,081	Materials, contracts & other expenses	17,833	17,952	18,176	224
2,590	Depreciation, amortisation & impairment	2,835	2,835	2,835	-
612	Finance costs	720	720	720	-
<b>27,177</b>	<b>Total</b>	<b>30,558</b>	<b>30,768</b>	<b>30,992</b>	<b>224</b>
<b>219</b>	<b>Operating Surplus / (Deficit)</b>	<b>152</b>	<b>57</b>	<b>29</b>	<b>(28)</b>
55	Asset disposals & fair value adjustments	30	30	30	-
<b>274</b>	<b>Net Surplus / (Deficit)</b>	<b>182</b>	<b>87</b>	<b>59</b>	<b>(28)</b>
-	Other Comprehensive Income	-	-	-	-
<b>274</b>	<b>Total Comprehensive Income</b>	<b>182</b>	<b>87</b>	<b>59</b>	<b>(28)</b>

# ITEM 9.1 - ATTACHMENT C

## EAST WASTE

Projected Balance Sheet (Budgeted)

for the Financial Year Ending 30 June 2026

FY2025		FY2026	FY2026	FY2026	FY2026	FY2026
Audited		Adopted	BR1	BR2	BR2	Movement BR2
Actuals		Budget		Adjustment		v BR1
\$'000		\$'000	\$'000		\$'000	\$'000
	<b>Assets</b>					
	<b>Current</b>					
1,722	Cash & Cash Equivalents	2,700	2,334	(28)	2,306	(28)
1,824	Trade & Other Receivables	1,413	1,824	-	1,824	-
38	Inventory	63	38	-	38	-
<b>3,584</b>	<b>Total</b>	<b>4,176</b>	<b>4,196</b>	<b>(28)</b>	<b>4,168</b>	<b>(28)</b>
	<b>Non-Current</b>					
13,221	Infrastructure, Property, Plant & Equipment	13,973	13,911	-	13,911	-
<b>13,221</b>	<b>Total</b>	<b>13,973</b>	<b>13,911</b>	<b>-</b>	<b>13,911</b>	<b>-</b>
<b>16,805</b>	<b>Total Assets</b>	<b>18,149</b>	<b>18,107</b>	<b>(28)</b>	<b>18,079</b>	<b>(28)</b>
	<b>Liabilities</b>					
	<b>Current</b>					
1,555	Trade & Other Payables	1,588	1,578	-	1,578	-
2,127	Borrowings	2,285	2,285	-	2,285	-
1,015	Provisions	1,110	1,075	-	1,075	-
<b>4,697</b>	<b>Total</b>	<b>4,983</b>	<b>4,938</b>	<b>-</b>	<b>4,938</b>	<b>-</b>
	<b>Non-Current</b>					
10,875	Borrowings	11,789	11,789	-	11,789	-
65	Provisions	169	125	-	125	-
<b>10,940</b>	<b>Total</b>	<b>11,958</b>	<b>11,914</b>	<b>-</b>	<b>11,914</b>	<b>-</b>
<b>15,637</b>	<b>Total Liabilities</b>	<b>16,941</b>	<b>16,852</b>	<b>-</b>	<b>16,852</b>	<b>-</b>
<b>1,168</b>	<b>Net Assets</b>	<b>1,208</b>	<b>1,255</b>	<b>(28)</b>	<b>1,227</b>	<b>(28)</b>
	<b>Equity</b>					
1,168	Accumulated Surplus	1,208	1,255	(28)	1,227	(28)
<b>1,168</b>	<b>Total Equity</b>	<b>1,208</b>	<b>1,255</b>	<b>(28)</b>	<b>1,227</b>	<b>(28)</b>

# ITEM 9.1 - ATTACHMENT D

## EAST WASTE

### PROJECTED STATEMENT OF CASH FLOWS (BUDGET)

for the Financial Year Ending 30 June 2026

FY2025		FY2026	FY2026	FY2026	FY2026
Audited Actuals		Adopted Budget	BR1	BR2	Movement BR2 v BR1
\$'000		\$'000	\$'000	\$'000	\$'000
	<b>Cash Flows from Operating Activities</b>				
	<b>Receipts</b>				
26,521	Operating Receipts	30,650	30,750	30,881	131
133	Investment Receipts	60	75	140	65
	<b>Payments</b>				
(8,933)	Employee costs	(9,050)	(9,141)	(9,141)	-
(14,710)	Materials, contracts & other expenses	(17,833)	(17,952)	(18,176)	(224)
(632)	Interest Payments	(697)	(697)	(697)	-
<b>2,379</b>	<b>Net Cash Flows from Operating Activities</b>	<b>3,130</b>	<b>3,035</b>	<b>3,007</b>	<b>(28)</b>
	<b>Cash Flows from Investing Activities</b>				
	<b>Receipts</b>				
77	Sale of Replaced Assets	30	30	30	-
	<b>Payments</b>				
(2,236)	Expenditure on Renewal/Replaced Assets	(3,390)	(3,390)	(3,390)	-
(32)	Expenditure of New/Upgraded Assets	(135)	(135)	(135)	-
<b>(2,191)</b>	<b>Net Cash Flows from Investing Activities</b>	<b>(3,495)</b>	<b>(3,495)</b>	<b>(3,495)</b>	<b>-</b>
	<b>Cash Flow from Financing Activities</b>				
	<b>Receipts</b>				
2,178	Proceeds from Borrowings	3,390	3,390	3,390	-
	<b>Payments</b>				
(200)	Repayment of Lease Liabilities	(168)	(168)	(168)	-
(2,078)	Repayment of Borrowings	(2,150)	(2,150)	(2,150)	-
<b>(100)</b>	<b>Net Cash Flow from Financing Activities</b>	<b>1,072</b>	<b>1,072</b>	<b>1,072</b>	<b>-</b>
<b>88</b>	<b>Net Increase (Decrease) in cash held</b>	<b>707</b>	<b>612</b>	<b>584</b>	<b>(28)</b>
<b>1,634</b>	<b>Cash &amp; cash equivalents at beginning of period</b>	<b>1,993</b>	<b>1,722</b>	<b>1,722</b>	<b>-</b>
<b>1,722</b>	<b>Cash &amp; cash equivalents at end of period</b>	<b>2,700</b>	<b>2,334</b>	<b>2,306</b>	<b>(28)</b>

# ITEM 9.1 - ATTACHMENT E

## EAST WASTE

Projected Statement of Changes in Equity (Budgeted)  
for the Financial Year Ending 30 June 2026

FY2025		FY2026	FY2026	FY2026	FY2026
Audited		Adopted	BR1	BR2	Movement BR2
Actuals		Budget			v BR1
\$		\$'000	\$'000	\$'000	\$'000
894	<b>Balance at Start of Period - 1 July</b>	1,026	1,168	1,168	-
274	Net Surplus / (Deficit) for Year	182	87	59	(28)
-	Contributed Equity	-	-	-	-
-	Distribution to Councils	-	-	-	-
<b>1,168</b>	<b>Balance at End of Period - 30 June</b>	<b>1,208</b>	<b>1,255</b>	<b>1,227</b>	<b>(28)</b>

# ITEM 9.1 - ATTACHMENT F

## EAST WASTE

Projected Uniform Presentation of Finances (Budgeted)  
for the Financial Year Ending 30 June 2026

FY2025		FY2026	FY2026	FY2026
Audited Actuals		Adopted Budget	BR1	BR2
\$'000		\$'000	\$'000	\$'000
	<b>Income</b>			
25,178	<i>User Charges</i>	28,531	28,531	28,661
133	<i>Investment income</i>	60	75	140
-	<i>Grants, subsidies and contributions</i>	-	-	-
2,085	<i>Other</i>	2,119	2,219	2,220
<b>27,396</b>		<b>30,710</b>	<b>30,825</b>	<b>31,021</b>
	<b>Expenses</b>			
8,894	<i>Employee Costs</i>	9,170	9,261	9,261
15,081	<i>Materials, contracts &amp; other expenses</i>	17,833	17,952	18,176
2,590	<i>Depreciation, amortisation &amp; impairment</i>	2,835	2,835	2,835
612	<i>Finance costs</i>	720	720	720
<b>27,177</b>		<b>30,558</b>	<b>30,768</b>	<b>30,992</b>
<b>219</b>	<b>Operating Surplus / (Deficit)</b>	<b>152</b>	<b>57</b>	<b>29</b>
	<b>Net Outlays on Existing Assets</b>			
(2,236)	<i>Capital Expenditure on Renewal and Replacement of Existing Assets</i>	(3,390)	(3,390)	(3,390)
2,590	<i>Depreciation, Amortisation and Impairment</i>	2,835	2,835	2,835
77	<i>Proceeds from Sale of Replaced Assets</i>	30	30	30
<b>431</b>		<b>(525)</b>	<b>(525)</b>	<b>(525)</b>
	<b>Net Outlays on New and Upgraded Assets</b>			
(32)	<i>Capital Expenditure on New and Upgraded Assets</i>	(135)	(135)	(135)
-	<i>Amounts Specifically for New and Upgraded Assets</i>	-	-	-
-	<i>Proceeds from Sale of Surplus Assets</i>	-	-	-
<b>(32)</b>		<b>(135)</b>	<b>(135)</b>	<b>(135)</b>
<b>618</b>	<b>Annual Net Impact to Financing Activities (surplus/(deficit))</b>	<b>(508)</b>	<b>(603)</b>	<b>(631)</b>

## 9.2 Draft 2026/27 Annual Plan & Budget

**Report Author** General Manager

**Attachments** A: East Waste Draft 2026/27 Annual Plan  
B: Draft Budget Summary Movement Table

### Purpose and Context

To present the East Waste Board (the Board) with the key assumptions applied in the development of the Draft 2026/27 Annual Business Plan and Budget for adoption.

#### Recommendation

*The Audit and Risk Management Committee, having considered this item at their meeting of 18 February 2026 recommend that the East Waste Board:*

- 1. approve the Draft East Waste 2026/27 Annual Plan, as presented in Attachment A, Item 9.2, East Waste Board Meeting, 26 February 2026, to be distributed to the Constituent Councils for their consideration and adoption.*
- 2. adopt the associated draft 2026/27 Budget and assumptions;*
- 3. authorise the General Manager to distribute to each Member Council for review and comment, the Draft 2026/27 Annual Plan, as presented in Attachment A, Item 9.2, East Waste Board Meeting, 26 February 2026, along with the proposed fees.*

### Strategic Link

**Objective 5.** Provide Leadership

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

### Background

*Section 51 of the Eastern Waste Management Authority Charter* requires the Authority to have an Annual Plan which supports and informs its Budget. The draft Annual Plan and Budget will be presented to the Board on 26 February 2026, seeking endorsement to distribute to Member Councils for their review and consent prior to the mandated 31 May timeframe (*Section 52.3 of the Charter*).

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

### Discussion

#### Draft 2026/27 Annual Plan – Background

The 2026/27 Annual Plan is intended to drive forward core objectives including, especially Objectives 1, 3 and 5 (**refer Attachment A**), specifically with a view to; improving transparency and engagement

with Member Councils, safety and service delivery quality and education. While FY26 had limited projects due to the leadership recruitment activity, achieving FY27 objectives will lean into digital reporting upgrades, workforce review and looking for value opportunities, especially in fleet maintenance. Development and implementation of the Service Level Agreements will effectively link into the Cost Model review and improve overall visibility for Council Members, which will be enhanced with online, accessible reporting which represents East Waste performance metrics.

### Draft 2026/27 Budget – Key Assumptions

The draft 2026/27 Budget (FY27 Budget) has been developed with reference to the following key guiding documents and assumptions which are further outlined:

- East Waste proposed FY26 Budget Review Two Financial Statements;
- East Waste Strategic Plan 2030;
- East Waste Budget Framework Policy;
- East Waste’s Long-Term Financial Plan; and
- East Waste’s Fleet Asset Management Plan.

A review of East Waste’s cost model commenced in August 2025, and while the project is in its final stages, the FY27 Budget has been developed based on East Waste’s existing cost model structure and Budget Framework. Administration anticipates once a final position on the revised Cost Model is agreed upon, updated framework will apply to the development of future Budgets (or at a time as otherwise determined by the East Waste Board).

An overall increase of 4.62% on the originally adopted FY26 Common Fleet Costing charge is forecasted for FY27 to meet operational requirements. This represents a 4.52% increase on the proposed FY26 Budget Review Two (BR2) result. This is inclusive of the 1% operating surplus being retained, equal to an additional \$190K charge in FY27 being factored into the Budget, recovered per the Common Fleet Costing percentage allocations across all 8 Member Councils.

While the proposed Budget reflects some savings across key expense lines due to realised efficiencies, other expenses are expected to increase, driven by CPI, and changes in operational requirements. Some significant expenses not driven by CPI, particularly borrowing costs (interest expense) and depreciation, fluctuate annually, and are influenced by the level of capital expenditure undertaken by East Waste. Consequently, Administration has less control over these expenditure items, as well as other costs like fuel, which are driven by external market forces.

During the Budget development process, Administration thoroughly assessed all cost centre expenditures, reflecting commitment to efficiency and cost-effective services for Member Councils.

Key assumptions and rationale for key budget areas are detailed below, and a Budget Summary Movement Table is included at Attachment B (**refer Attachment B**) for summarised context. The full suite of proposed Budgeted Financial Statements are included within the Appendix of the draft Annual Plan.

### General Comments

- The Adelaide-based December annual CPI rate of 3.3% has been applied where applicable, higher than the anticipated 3% assumption within the LTFP.

- Financial Target 1 of the East Waste *Budget Framework Policy* requires the application of 1% of the net Common Fleet Collection Charge to be applied and this has been included (\$190K).
- Operational Hours remained relatively consistent with the prior year (with the exception of FOGO trial collection hours) which has been factored into budget decisions.

## Waste Disposal (Processing) Activities

An Increase in income and expenses of 0.59% when compared with FY26 BR2 for waste processing activities is forecasted.

Marginal or stable tonnage increases are expected for Landfill, Recycling and Hard Waste processing, with Organics seeing higher expected tonnages as a result of FOGO trials. However, Organics sees a significant reduction in expenses compared with BR2 given the reduced \$/tonne achieved through a new contract entered into in FY26, with temporary elevated rates paid in Q2 of FY26.

Administration has also anticipated increase to Recycling gate rates, expecting a market reset with current contract due to expire in 2026, assuming a new contract is effective from November 2026.

Changes to the volume of activities results in \$nil impact on Net Result given it is an 'at cost' service provided to Member Councils.

## Bin Services & Maintenance

The Forecasted increase in income and expenses of 6.81% compared to FY26 BR2 is attributed to:

- The anticipated number of permits issued to Council residents is assumed to remain stable in line with FY26 assumptions, combined with an expected CPI increase to be applied to permit prices, dependent on individual Member Council decisions.
- The Assumption that purchases of bin related infrastructure by Member Councils under East Waste led contracts will increase YOY consistent with FY26 trends, with CPI increases applied. Costs associated with bin repairs in Council areas are also captured and have seen steady increases.

Changes to the volume of activities results in \$nil impact on Net Result given this is an 'at cost' service provided to Member Councils.

## Profit/(Loss) on Disposal of Assets

Assumptions relating to expected profits from sale of assets remain consistent with FY26 assumptions, with 6 x RACVs still expected to sell for just \$5K per vehicle in the current market.

## Project Income

\$205K of Project Income is expected to be received through monthly billing to Member Councils to offset East Waste's additional operating costs associated with the delivery of special projects, primarily FOGO trials, where they are not captured in the Common Fleet Costing model. The full-year budget is reflective of both existing trials, and known new trials scheduled to commence in FY27.

The process for cost-recovery remains consistent with FY26 assumptions, and the finalisation of the review of East Waste's cost model is expected to influence the process for cost-recovery of these activities in the future.

### **Employee Costs**

Employee costs are forecasted to increase by 5.62% when compared with FY26 BR2. A CPI increase has been applied across all positions where appropriate, with some minor increases to contact hours for office staff accounted for in line with evolving business needs.

The majority of East Waste staff, being the driver workforce, are covered by an Enterprise Bargaining Agreement (EBA) with an increase to apply from 1 July 2026, being equivalent to CPI or a minimum increase of 2.5%. This is the final year of the existing EBA with negotiations to commence in FY26, and a new Agreement to be in place from 1 July 2027.

A portion of wages relating to the onboarding of a contractor to a permanent employee, previously budgeted for in an alternate expense line, is also now reflected in the budgeted Employee Costs, accounting for approximately \$40K of the increase.

The remaining increase is primarily attributed to a budgeted additional 1.6 driver FTE inclusive of overtime, versus FY26 BR2, to meet increased operational requirements, primarily associated with servicing FOGO trials scheduled for FY27. It is important to note that the increased labour as a result of servicing FOGO trials is partially recouped through the on charging to Member Councils through 'Project Income.'

### **Fleet Maintenance**

Fleet maintenance is forecast to decrease by 1.87% on FY26 BR2, following what Administration considers to be an anomaly year, with elevated maintenance costs recorded year-to-date in FY2026. The budgeted amount is reflective of a CPI increase applied to contracted maintenance and relevant parts portion of the budget, combined with a 5% reduction in overall maintenance spend, expected to result from a dedicated project to review all aspects of workshop, maintenance and parts procurement in FY2027 (with works commencing in FY2026).

Maintenance costs are reflective of the expanded fleet of 59 vehicles, with an additional two trucks expected to remain in the fleet through FY27 to service FOGO trials, with maintenance costs partially recovered through 'Project Income.'

### **Depreciation**

Depreciation is forecast to increase by 6.85% compared to the FY26 BR2 figures. This increase is primarily driven by a higher number of vehicles being replaced each year in accordance with East Waste's fleet replacement schedule. The increase reflects the temporary expansion of the fleet, as well as a deliberate strategy to progressively reduce the average fleet age to approximately five years.

Historically, East Waste replaced five to six trucks per annum. However, under the recently endorsed Fleet Asset Management Plan, this has increased to six to seven truck replacements annually over the life of the Plan. The resulting increase in depreciation is consistent with the assumptions contained within the Plan, with depreciation expected to continue rising in line with higher fleet turnover and increasing vehicle values.

While the Plan continues to assume a useful life of eight years for RAVCs, Administration will through the annual review of the Fleet Asset Management Plan, assess and where required, update assumptions relating to useful life, residual values, and the associated impacts on maintenance and depreciation costs to ensure ongoing operational efficiency.

## Interest Expense

Interest is forecasted to increase by 11.94% versus FY26 BR2 figures being the interest portion of East Waste's LGFA borrowings, and interest incurred through the depot lease calculation. Fluctuations in interest are YOY are predominantly impacted by the timing of scheduled loan repayments, forecasted interest rates on new borrowings, including the timing of the new loan to be drawn down for the purchase of 6 x new RACVs in the FY27 year.

The FY27 budget assumes that East Waste will borrow for 100% of the FY27 fleet replacement (being \$3.50m) at a fixed rate 5.5% over an 8-year term.

## Fuel Costs

Fuel is projected to increase by just 2.17% versus FY26 BR2, assuming litres used over the 12-month period remain relatively stable, and East Waste obtains an average fuel price of \$1.64/Litre throughout the year, lower than predicted in FY26. Given the volatile nature of diesel prices, Administration typically remains conservative when forecasting the fuel budget. However, reflective of recent budget reviews, noting stable diesel prices and consistent savings realised each quarter, Administration is comfortable the FY27 fuel Budget is realistic.

## Capital Expenditure

In Line with East Waste's current Fleet Asset Management Plan & Strategy, 6 x waste collection vehicles (RACVs) are schedule to be replaced in FY27, consistent with FY26, to a total investment of approximately \$3.5mil. This will be the second round of vehicles purchased under a 3-year contract entered into with Superior Pak in FY2025. 125K is allowed for other plant and equipment replacement, being a small reduction on the prior year Budget.

## External Loan Borrowings

Additional forecasted loan principal payments have been forecasted for the purchase of the new 6 x RACVs in the Cash Flow Statement and have been reflected in the closing balance of the forecasted loans as at 30 June 2027.

## Other Expenses

- Consulting fees see a 16% reduction when compared with FY26 BR2, due to a number of special projects undertaken in FY26, particularly around improved digital reporting, not expected to continue in FY27.
- The Education budget is predicted to decrease by 6.67% versus FY26 BR2 reflecting the savings associated with East Waste's education contractor transitioning to a permanent employee.
- Depot maintenance is forecasted to decrease by 17.85% as a result of elevated works and repairs completed at the depot in FY26, not expected to continue in FY27.

A number of other expense lines see a reduction or marginal increase in projected YOY expenditure in support of delivering a cost efficient FY27 Budget.

The full suite of proposed Budgeted Financial Statements are included within the Appendix of the draft Annual Plan provided at **Attachment A**.

# ANNUAL PLAN 2026/2027

## OUR OBJECTIVES:

- Deliver Cost Effective & Efficient Services
- Maximise Source Separation & Recycling
- Provide Leading & innovative Behaviour Change & Education
- Help Develop a Local Circular Economy
- Provide Leadership



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## Executive Summary

The **2026/2027** financial year establishes an ambitious but focused chapter in East Waste's growth. With clear goals to improve key areas of; transparency, Member Council engagement and Operational Performance the East Waste team are excited to build strong relationships and create improved reporting mechanisms while continuing to drive safety initiatives and explore further education or growth opportunities.

Technology remains a key enabler for East Waste and successful. Cost-effective development of digital solutions will be critical to achieving targets relating to transparency and reporting. This directly supports the release of the Service Level Agreements and the work underway on improvements to the Cost Model. With both activities expected to be resolved and implemented in the coming financial year demonstrating the value add will be important.

With the change of leadership, a workforce review has also enabled further consideration of the existing delivery models and role and responsibility allocation. To this end East Waste will be looking to increase engagement with the many Local Government support arms to maximise staff efficiency and deliver improved value back to Member Councils, especially in the areas of safety and procurement

East Waste is committed to a successful year that will build closer ties to our Member Councils, significantly move forward our transparency and reporting, increase Member Council input and identify opportunities for cost reduction or performance improvement through directed projects, such as the maintenance review.



## Background

Eastern Waste Management Authority (East Waste) has been delivering waste collection services since its establishment in 1928. As a regional subsidiary, East Waste is owned by and operates on behalf of Adelaide Hills Council, City of Burnside, Campbelltown City Council, City of Norwood Payneham & St Peters, City of Mitcham, City of Prospect, City of Unley, and Town of Walkerville.

The Authority operates under a Charter, developed pursuant to Section 43 of the Local Government Act 1999, which sets out its governance, operational, and financial management framework. The East Waste Board, consisting of a director appointed by each Member Council and an Independent Chair, oversees the strategic direction and operational efficiency of the organisation.

Under Clause 51 of the Charter, the East Waste is required to develop an Annual Plan each financial year. This Plan supports and informs the budget and provides a clear outline of East Waste's objectives, key activities, and performance measures. Additionally, it details the financial requirements of the organisation and the mechanisms for cost recovery from Member Councils.

The Annual Plan aligns with and is informed by East Waste's broader strategic planning framework, including:

- **East Waste 2030 Strategic Plan** – setting long-term sustainability and operational targets.
- **Long-Term Financial Plan** – ensuring financial sustainability and cost-effective service delivery.
- **Risk Management Framework** – identifying and mitigating risks to service continuity.
- **Fleet Asset Management Plan** – A standalone strategic document guiding the sustainable management, renewal, and investment in critical infrastructure and fleet.

As a regional subsidiary, East Waste remains committed to collaboration, efficiency, and innovation. Success in delivering the 2026/2027 Annual Plan is reliant on strong partnerships with Member Councils and key stakeholders. Through a flexible, responsive, and cost-efficient service model, East Waste continues to deliver value to Member Councils and their communities by providing high-quality waste collection services while navigating an evolving regulatory and environmental landscape.



# East Waste 2030 Strategic Plan Vision, Objectives & Strategies

## VISION

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

## OBJECTIVES

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

## STRATEGIES

- |  |   |  |  |  |
|--|---|--|--|--|
| <ul style="list-style-type: none"> <li>1.1 Attract additional services and/or new councils where further economies of-scale can be achieved</li> <li>1.2 Offer a single contract for the management of the residual waste to all member councils</li> <li>1.3 Partner with other councils and organisations to achieve greater synergies and economies of scale in service delivery</li> <li>1.4 Investigate and implement collection technologies and innovation</li> <li>1.5 Provide a consistently high standard of Customer Service</li> </ul> | <ul style="list-style-type: none"> <li>2.1 Provide more service choice and flexibility to residents on kerbside services to support them to increase their recycling levels</li> <li>2.2 Provide a tailored 3-stream service to Multi-Unit Dwellings (MUDs) to support waste reduction and increased recycling</li> <li>2.3 Pilot a tailored service delivery model across a business precinct(s) to support waste reduction and increased recycling</li> </ul> | <ul style="list-style-type: none"> <li>3.1 Engage in research and projects delivering evidence-based data which increases behaviour change decision making</li> <li>3.2 Develop an integrated and tailored long-term community behaviour change and education program</li> <li>3.3 Identify and trial behaviour change programs aimed at reducing contamination</li> <li>3.4 Encourage and support councils to introduce an incentive(s) to households to reduce their landfill volumes</li> <li>3.5 Engage schools in behaviour change &amp; waste education</li> </ul> | <ul style="list-style-type: none"> <li>4.1 Support local reprocessing and procurement of recycled content products</li> <li>4.2 Encourage and support councils to procure and use recycled content products</li> <li>4.3 Support councils to implement sharing economy and reuse initiatives</li> <li>4.4 Investigate options to process and extract the highest value from collected resources</li> </ul> | <ul style="list-style-type: none"> <li>5.1 Implement best practice safety standards</li> <li>5.2 Advocate on behalf of our Member Councils</li> <li>5.3 Invest in our people</li> <li>5.4 Quality and transparent Corporate (Governance &amp; Financial) Activities</li> </ul> |
|--|---|--|--|--|

## KPIs

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



## 2026/2027 Focus

With the appointment of a new General Manager in mid-2025 East Waste has an opportunity to review existing processes, consider operational models and conduct an overview of delivery, ranging from workforce and customer relationships to the use of technology and reporting initiatives, building upon the work already undertaken and improvements achieved in the 2025-2026 period.

For 2026/2027, East Waste's key areas of focus include:

### 1. Enhancing Member Council Support

- Engaging in greater Council/East Waste collaboration with increased Member Council participation.
- Implementing improved transparency around operational delivery and costs through timely and accessible digital reporting
- Establishing a Service Level Agreement across all Member Councils to generate visibility and clarity of services offered by East Waste including target performance levels.
- Conducting cost reviews into specific projects, namely maintenance in 2026-2027 to achieve improved awareness and budget accuracy, and where possible potential savings.
- Progressing and concluding the Cost model review which has been undertaken to improve East Waste cost transparency and achieve improved accuracy of charges with less lag. This review will result in recommended adjustments to the Cost Model and seek input from the Board and CEO's with regards to implementation timing. Two of the key outcomes will be; quarterly reconciliation of Common Fleet to reflect usage and timely capture of projects/FOGO costs for allocation to relevant Member Councils. The updated model will be finalised and prepared for consideration and then implementation either in a mid-year adjustment or in preparation for fiscal year 2027-2028.

### 2. Strengthening Safety and Compliance

- Utilising digital reporting to ensure safety is at the forefront of leadership focus with consistent and reliable reporting on key safety areas.
- Tapping into existing support mechanisms and skills currently available within Local Government, such as procurement for greater governance support and cost efficiencies.
- Building strong ties to Local Government support arms, such as the LGRS to ensure Safety focused priorities align with Local Government
- Continuing to invest in modern fleet technology, to enhance driver and public safety.

### 3. Improving Service Delivery and Customer Satisfaction

- Continuing to refine customer service and complaint resolution processes to enhance community satisfaction, with a view to implementing greater technology automation.

- Establishing performance targets within the service level agreements to enhance customer satisfaction.
- Reviewing workforce roles and responsibilities to identify where additional role(s) would create service delivery improvements or efficiencies.

#### 4. Driving Environmental and Circular Economy Outcomes

- Working with Council Members in the delivery and formation of Education programmes to achieve best outcomes.
- Expanding Food Organics and Garden Organics (FOGO) programs, building on the success of previous trials.
- Exploring existing data for opportunities to better inform Member Councils of environmental improvements, such as targeted street Education.
- Exploring new opportunities to reduce landfill dependency and improve resource recovery.

With a new leadership in place East Waste remains committed to delivering innovative, sustainable, and cost-effective waste management solutions. The 2026/2027 Annual Plan ensures that East Waste continues to provide high-quality, financially responsible services to its Member Councils while adapting to new opportunities and challenges.



## 2026/2027 Timeline and Focus Areas

The specific activities and projects to support achievement of the East Waste focus areas are detailed below. This is not an exhaustive list of all activities however it provides an overview of primary projects, their intended timeframe, and insight into how those projects will be undertaken and the outcomes targeted. Business as usual and the East Waste high delivery standard will be maintained throughout these activities.

Activities, discussions, engagement related to these projects will be occurring pre and post the specific timeframes referenced, however the dedicated focus, and application of greater resources, will be set to these project plans. For example, East Waste is actively exploring the digital landscape, however the dedicated focus period will be later in the year. Plans are intentionally weighted towards the period June to January, as establishment of the following year plans and projects should be guided by successful completion of these activities and therefore the cycle aims to identify and plan in February with completion in occurring prior to the next Annual plan drafting.

This timeline starts with the build up to the new year and then flows through 2026/2027.

### Preparation for Focus areas in FY26/27

#### **Service Level Agreements:**

Finalise draft based on feedback received over the course of the activity, packaged and sent to Member Councils for final round of feedback, including ready reference documents to highlight; East Waste services to Member Councils (standard service offering), East Waste standards for the public, introduction to what reporting metrics will be implemented and made available to Member Council through the Power BI platform.

Obtain Member Council feedback to be collated, reviewed and implemented to enable release of the Final SLA documents for sign off with Member Councils. Power BI reporting operational and progress towards any additional data points initially unavailable to be commenced.

- SLAs signed and implemented.

#### **Cost Model development:**

- Finalise workshops and proposal for cost model amendments for presentation to East Waste Board with a view to obtaining endorsement and feedback on viable implementation dates.
- Use endorsement and timing plan to engage further with Member Councils on impact, next steps and preparation data.
- Pause until agreed implementation period before rolling out. (Date to be confirmed)

### Major project for Maintenance Cost Review:

- This project is designed to explore all aspects of the East Waste maintenance spend, including, work completed inhouse vs 3rd party support, review of systems for efficiency (maintenance software), review of procurement arrangements and possible creation of panels working with Local Government Procurement, review of data associated with specific fleet spend for improved budget setting.
- This project will run for 6months and has a goal to reduce spend, generate improved reporting and improve efficiency.

## High Level Focus Area Timing Plan

### Quarter One

---

- Maintenance Project continues
- Growth Opportunity Review - minor project commences:
  - A 3month project to explore East Waste services and capability and how these services might be costed and packaged in the consideration of additional delivery opportunities.
- Advocacy - minor project commences
  - This project will run throughout the year however with the commencement of the new financial year East Waste will actively engage with Member Councils to establish advocacy focal areas where East Waste can provide support based on subject matter expertise.
  - Topics which are currently considered likely include; lithium battery safety and FOGO.

### Quarter Two

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- Conclude Maintenance project
- Conclude growth project
- Digital Technology - minor project commences:
  - This project is to explore and identify technology available to improve East Waste services reporting, education or safety.
  - Topics already identified for exploration include:
    - RFID tagging (this technology is already present in some of the collection areas)
    - AI camera integration into fleet for contamination capture
    - Gamification applications to support education delivery
- Annual Mayor and CEOs presentation to reflect on progress and also build towards the Annual Plan for 2027/2028.
- Strategic Review – minor project commences:

- A 6month project to review the East Waste Strategic plan to ensure it aligns with the East Waste model and our Member Council ambitions for East Waste.  
December-January
- Commence work on internal reporting cycle, with budget setting and annual plan preparation

### Quarter Three

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- Conclude Digital Technology project
- Prepare and present 2027/2028 Annual plan and projects
- Continue Strategic review seeking draft feedback
- Focus on concluding internal reporting and budget setting

### Quarter Four

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- Consolidate project status, close out any delayed activities
- Conclude Strategic review and prepare for endorsement with Member Council and East Waste Board
- Ensure preparation for Focus areas 2027-2028 is complete



# 2026/2027 Annual Plan Deliverables

NO.	ACTIVITY/PROJECT	OVERVIEW	OBJECTIVE	STRATEGY	MAIN KPI/TARGET	BUDGET
<b>DELIVER COST EFFECTIVE AND EFFICIENT SERVICES AND FACILITIES</b>						
1.	Continue & Expand Core services	East Waste optimisation will come from working closely with Member Councils to ensure the existing suite of services are understood and utilised, where desired, to the maximum benefit of the Member Council.	Deliver Cost Effective and efficient services and facilities	1.1	Vision Target	Recurrent
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. Funding is allocated to support creation of a standardised tender approach which utilised for service offerings.	Deliver Cost Effective and efficient services and facilities	1.1	Vision Target	\$0.010M
3.	Review Strategic Plan	Build upon Council engagement and Service Level Agreements to review the East Waste Strategic plan for alignment with Council Ambitions and East Waste delivery targets.	Overarching Strategy		Vision Target	\$0.005M
4.	Fleet Maintenance Review	Undertake a review of Fleet Maintenance processes and costs to identify potential efficiency and saving opportunities.	Deliver Cost Effective and efficient services and facilities	1.1	Vision Target	\$0.020M
5.	Review and improve digital systems for reporting and delivery	Identify first tranche of focus for reporting enhancement (Power BI) and systems requiring replacement or improvement. (Gestalt)	Deliver Cost Effective and efficient services and facilities	1.4	Vision Target	\$0.015M
6.	Workforce review	Review workforce to consider adding any new role(s) that may bring an overall benefit to Member Councils through improved East Waste performance.	Deliver Cost Effective and efficient services and facilities	1.5	Vision Target	\$0.010M

## MAXIMISE SOURCE SEPARATION & RECYCLING

7.	Advance trials and rollout of weekly organics collections	Through the success of current weekly organics trials (FOGO Trials) undertaken by East Waste and more broadly across metropolitan Adelaide, East Waste will work with member Councils to increase the trials/rollouts.	Maximise Source separation and recycling	2.1	<ul style="list-style-type: none"> <li>• Demonstrable improvement in diversion rates</li> <li>• Support an effective and informative trial</li> </ul>	Charges allocated in alignment with cost
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## PROVIDE LEADING AND INNOVATIVE BEHAVIOUR CHANGE AND EDUCATION

8.	Work with Councils to shape and enhance Education delivery.	Utilising internal resources and access to specialist Contractors, develop and deliver an Education program which supports Council objectives and improves resident behaviour with regard to waste diversion. Explore delivery methodologies and engagement approaches to capitalise on technology innovations and develop metrics to demonstrate penetration success.	Provide leading and innovative behaviour change and education	3.2	<ul style="list-style-type: none"> <li>• Vision Target</li> </ul>	Recurrent
9.	Continue to develop and share Carbon Reporting	Utilise carbon reporting to support Council environmental targets and factor into asset and operational changes considerations.	Provide leading and innovative behaviour change and education	3.1	<ul style="list-style-type: none"> <li>• Vision Target</li> </ul>	\$0.010M

## HELP DRIVE A LOCAL CIRCULAR ECONOMY

10.	Develop and procure high value processing contracts.	East Waste on behalf of engaged Member Councils will procure new long-term 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.	Help Drive a Local Circular Economy	4.4	Vision Target	Recurrent
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## PROVIDE LEADERSHIP

11.	Cost Model Review	Work with Member Councils and East Waste Board to complete review of the existing Cost Model, with beneficial changes to be put to the Board for endorsement and implementation timing consideration.	Provide Leadership	5.4	Vision Target	Recurrent
12.	Fleet Replacement	In line with the Long-Term Financial Plan, undertake the replacement of six (6) collection vehicles.	Provide Leadership	5.4	Vision Target	Capital \$3.508M
13.	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.	Provide Leadership	5.1	Implement best practice safety standards	Recurrent

14.	Invest in People	Engage with team to drive positive culture and staff satisfaction. Conduct engagement surveys to measure progress and actively encourage staff openness and feedback. Create opportunities for advancement and recognition.	Provide Leadership	5.3	Vision Target	\$0.10M
15.	Advocacy	Engage with relevant authorities/parties on in consultation and on behalf of Member Councils to pursue positive outcomes in key areas such as lithium battery safety and FOGO awareness in support of legislative change.	Provide Leadership	5.2	Vision Target	Recurrent

## Budget Management

East Waste operates its waste collection services under a Common Fleet Costing methodology, ensuring that each Member Council is charged directly based on the proportionate time required to complete their respective collection services. This approach built on detailed reporting is used to allocate costs transparently and equitably. Minor variations in cost apportionment occur annually to reflect efficiencies, service demand changes, and operational cost fluctuations (e.g., housing infill, developments, fire ban days, and special events).

### Key Budget Considerations for 2026/2027

- **Labour, fuel, and fleet maintenance** continue to be the largest operational costs, comprising nearly **80% of common fleet costs**.
- **Labour market challenges** remain a key pressure, requiring ongoing efforts to attract and retain skilled drivers and operational staff.
- **Fuel cost volatility** continues to pose a risk, though recent trends have shown some stability.
- **Fleet replacement** is funded through **external loan borrowings**, ensuring East Waste maintains a modern, efficient, and environmentally responsible fleet.
- **Contracted resource processing services and bin maintenance** continue to be provided to Member Councils at **cost price**, delivering significant savings compared to traditional waste service contracts.

The Tables on the following page provide a detailed summary of the key business activities undertaken by East Waste on behalf of its Member Councils. Table 1 provides a summary of the operating and capital income and expenditure elements forecasted for waste collection activities for 2026/27. The most significant expenditure relates to the logistical requirements of servicing the kerbside collections across eight Councils and over 25% of Adelaide's residential population. Fleet replacement, which occurs on a cyclical annual basis, is currently funded via external loan borrowings.

The budget to deliver this Annual Plan, along with all East Waste's Services and legislative requirements is detailed in the following proposed 2026/27 Financial Papers.

# Financial Statements

## EAST WASTE

Projected Statement of Comprehensive Income (Budgeted)  
for the financial year ending 30 June 2027

	FY26 Adopted Budget \$'000	FY26 BR2 \$'000	FY27 Proposed Budget \$'000
<b>Income</b>			
User Charges	28,531	28,661	29,652
Investment income	60	140	105
Grants, subsidies and contributions	-	-	-
Other	2,119	2,220	2,368
<b>Total</b>	<b>30,710</b>	<b>31,021</b>	<b>32,125</b>
<b>Expenses</b>			
Employee Costs	9,170	9,261	9,782
Materials, contracts & other expenses	17,833	18,176	<del>18,348</del>
Depreciation, amortisation & impairment	2,835	2,835	<del>3,029</del>
Finance costs	720	720	806
<b>Total</b>	<b>30,558</b>	<b>30,992</b>	<b>31,965</b>
<b>Operating Surplus / (Deficit)</b>	<b>152</b>	<b>29</b>	<b>160</b>
Asset disposals & fair value adjustments	30	30	30
<b>Net Surplus / (Deficit)</b>	<b>182</b>	<b>59</b>	<b>190</b>
Other Comprehensive Income	-	-	-
<b>Total Comprehensive Income</b>	<b>182</b>	<b>59</b>	<b>190</b>

## EAST WASTE

Projected Balance Sheet (Budgeted)  
for the financial year ending 30 June 2027

	FY26	FY26	FY27
	Adopted Budget	BR2	Proposed Budget
	\$'000	\$'000	\$'000
<b>Assets</b>			
<b>Current</b>			
Cash & Cash Equivalents	2,700	2,306	2,943
Trade & Other Receivables	1,413	1,824	1,824
Inventory	63	38	38
<b>Total</b>	<b>4,176</b>	<b>4,168</b>	<b>4,805</b>
<b>Non-Current</b>			
Property, Plant & Equipment	13,973	13,911	14,514
<b>Total</b>	<b>13,973</b>	<b>13,911</b>	<b>14,514</b>
<b>Total Assets</b>	<b>18,149</b>	<b>18,079</b>	<b>19,319</b>
<b>Liabilities</b>			
<b>Current</b>			
Trade & Other Payables	1,588	1,578	1,607
Borrowings	2,285	2,285	2,285
Provisions	1,110	1,075	1,140
<b>Total</b>	<b>4,983</b>	<b>4,938</b>	<b>5,032</b>
<b>Non-Current</b>			
Borrowings	11,789	11,789	12,681
Provisions	169	125	190
<b>Total</b>	<b>11,958</b>	<b>11,914</b>	<b>12,871</b>
<b>Total Liabilities</b>	<b>16,941</b>	<b>16,852</b>	<b>17,902</b>
<b>Net Assets</b>	<b>1,208</b>	<b>1,227</b>	<b>1,417</b>
<b>Equity</b>			
Accumulated Surplus	1,208	1,227	1,417
<b>Total Equity</b>	<b>1,208</b>	<b>1,227</b>	<b>1,417</b>

## EAST WASTE

Projected Statement of Cash Flows (Budgeted)  
for the financial year ending 30 June 2027

	FY26	FY26	FY27
	Adopted	BR2	Proposed
	Budget		Budget
	\$'000	\$'000	\$'000
<b>Cash Flows from Operating Activities</b>			
<b>Receipts</b>			
Operating Receipts	30,650	30,881	32,020
Investment Receipts	60	140	105
<b>Payments</b>			
Employee costs	(9,050)	(9,141)	(9,653)
Materials, contracts & other expenses	(17,833)	(18,176)	(18,348)
Interest Payments	(697)	(697)	(777)
<b>Net Cash Flows from Operating Activities</b>	<b>3,130</b>	<b>3,007</b>	<b>3,347</b>
<b>Cash Flows from Investing Activities</b>			
<b>Receipts</b>			
Sale of Replaced Assets	30	30	30
<b>Payments</b>			
Expenditure on Renewal/Replaced Assets	(3,390)	(3,390)	(3,532)
Expenditure of New/Upgraded Assets	(135)	(135)	(100)
<b>Net Cash Flows from Investing Activities</b>	<b>(3,495)</b>	<b>(3,495)</b>	<b>(3,602)</b>
<b>Cash Flow from Financing Activities</b>			
<b>Receipts</b>			
Proceeds from Borrowings	3,390	3,390	3,507
<b>Payments</b>			
Repayment of Lease Liabilities	(168)	(168)	(185)
Repayment of Borrowings	(2,150)	(2,150)	(2,430)
<b>Net Cash Flow from Financing Activities</b>	<b>1,072</b>	<b>1,072</b>	<b>892</b>
<b>Net Increase (Decrease) in cash held</b>	<b>707</b>	<b>584</b>	<b>637</b>
<b>Cash &amp; cash equivalents at beginning of period</b>	<b>1,993</b>	<b>1,722</b>	<b>2,306</b>
<b>Cash &amp; cash equivalents at end of period</b>	<b>2,700</b>	<b>2,306</b>	<b>2,943</b>

## **EAST WASTE**

Projected Statement of Changes in Equity (Budgeted)  
for the financial year ending 30 June 2027

	<b>FY26</b>	<b>FY26</b>	<b>FY27</b>
	<b>Adopted</b>	<b>BR2</b>	<b>Proposed</b>
	<b>Budget</b>		<b>Budget</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at Start of Period - 1 July</b>	<b>1,026</b>	<b>1,168</b>	<b>1,227</b>
Net Surplus / (Deficit) for Year	182	59	190
Contributed Equity	-	-	-
Distribution to Councils	-	-	-
<b>Balance at End of Period - 30 June</b>	<b>1,208</b>	<b>1,227</b>	<b>1,417</b>

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## EAST WASTE

Projected Uniform Presentation of Finances (Budgeted)  
for the financial year ending 30 June 2027

	FY26	FY26	FY27
	Adopted Budget	BR2	Proposed Budget
	\$'000	\$'000	\$'000
<b>Income</b>			
<i>User Charges</i>	28,531	28,661	29,652
<i>Investment income</i>	60	140	105
<i>Grants, subsidies and contributions</i>	-	-	-
<i>Other</i>	2,119	2,220	2,368
	<b>30,710</b>	<b>31,021</b>	<b>32,125</b>
<b>Expenses</b>			
<i>Employee Costs</i>	9,170	9,261	9,782
<i>Materials, contracts &amp; other expenses</i>	17,833	18,176	18,348
<i>Depreciation, amortisation &amp; impairment</i>	2,835	2,835	3,029
<i>Finance costs</i>	720	720	806
	<b>30,558</b>	<b>30,992</b>	<b>31,965</b>
<b>Operating Surplus / (Deficit)</b>	<b>152</b>	<b>29</b>	<b>160</b>
<b>Net Outlays on Existing Assets</b>			
<i>Capital Expenditure on Renewal and Replacement of Existing Assets</i>	(3,390)	(3,390)	(3,532)
<i>Depreciation, Amortisation and Impairment</i>	2,835	2,835	3,029
<i>Proceeds from Sale of Replaced Assets</i>	30	30	30
	<b>(525)</b>	<b>(525)</b>	<b>(473)</b>
<b>Net Outlays on New and Upgraded Assets</b>			
<i>Capital Expenditure on New and Upgraded Assets</i>	(135)	(135)	(100)
<i>Amounts Specifically for New and Upgraded Assets</i>	-	-	-
<i>Proceeds from Sale of Surplus Assets</i>	-	-	-
	<b>(135)</b>	<b>(135)</b>	<b>(100)</b>
<b>Annual Net Impact to Financing Activities (Surplus/(Deficit))</b>	<b>(508)</b>	<b>(631)</b>	<b>(413)</b>

**EAST WASTE**  
**Summary Budget Movement Worksheet**  
for the Financial Year Ending 30 June 2027

Operating Activities	FY2026 Adopted Budget	FY2026 BR2 Proposed Budget	FY2027 Proposed Budget	Adopted LTFP - FY2027	Movement: FY27 Proposed Budget v FY26 BR2	Movement: FY27 Proposed Budget v LTFP FY27	Movement: FY27 Proposed Budget v FY26 BR2	Movement: FY27 Budget v LTFP FY27	Comments
	\$	\$	\$	\$	\$	\$	%	%	
<b>Income</b>									
Administration Fee	297,682	297,682	307,506	309,603	9,824	(2,097)	3.30%	-0.68%	Increased in line with CPI.
Common Fleet Costing	18,348,419	18,348,419	19,196,496	19,394,342	848,077	(197,846)	4.62%	-1.02%	4.62% increase proposed YOY versus original adopted Budget.
Processing Income	9,884,524	9,884,523	9,942,802	6,212,227	58,279	3,730,575	0.59%	60.05%	Marginal increase primarily attributed to elevated rates paid for organics processing in BR2, with new contract in place for FY27.
Bin Services & Maintenance	2,102,500	2,210,000	2,360,475	1,645,560	150,475	714,915	6.81%	43.45%	increase aligned to recent trends in issue of bin permits, bin repairs and Council purchases under East Waste led contracts.
Profit / (Loss) from Disposal	30,000	30,000	30,000	70,000	0	(40,000)	0.00%	-57.14%	Assumptions consistent with FY26.
Project Income	-	130,000	205,000	-	75,000	205,000	57.69%	0.00%	New account to record income associated with FOGO trials. \$205K predicted in FY27 based on known trials.
Grant Income	-	-	-	-	-	-	0.00%	0.00%	
Other Income	76,000	150,000	112,500	121,638	(37,500)	(9,138)	-25.00%	-7.51%	Decrease primarily attributed to reduced interest income forecasted in FY27.
<b>Total</b>	<b>30,739,124</b>	<b>31,050,624</b>	<b>32,154,778</b>	<b>27,753,370</b>	<b>1,104,154</b>	<b>4,401,408</b>	<b>3.56%</b>	<b>15.86%</b>	
<b>Expenses</b>									
Processing Expenses	9,884,524	9,884,524	9,942,802	6,212,227	58,278	3,730,575	0.59%	60.05%	Refer to corresponding income line.
Bin Service & Maintenance Expenses	2,102,500	2,213,500	2,360,475	1,645,560	146,975	714,915	6.64%	43.45%	Refer to corresponding income line.
Employee Costs	9,169,978	9,261,473	9,782,208	9,614,389	520,735	167,819	5.62%	1.75%	Increase attributed to CPI, and additional FTE. Refer to detail in budget cover report for further context.
Fleet Maintenance	2,015,481	2,359,740	2,315,692	2,087,740	44,048	227,952	-1.87%	10.92%	Marginal decrease forecasted with elevated maintenance costs in FY26 expected to stabilise.
Depreciation	2,834,881	2,834,881	3,029,014	2,945,009	194,133	84,005	6.85%	2.85%	Increase attributed to capital replacement timing and expenditure.
Interest	720,000	720,000	806,000	837,699	86,000	(31,699)	11.94%	-3.78%	Interest calculation includes new loan forecasted for FY27 fleet replacement.
Fuel	2,053,487	1,888,487	1,929,481	2,637,180	40,994	(707,699)	2.17%	-26.84%	Marginal increase forecasted attributed to a lower budgeted average \$/litre versus FY26 BR2.
Other Expenses	1,776,605	1,829,489	1,799,043	1,581,543	(30,446)	217,500	-1.66%	13.75%	Summary of key expense movements provided in Budget cover report.
<b>Total</b>	<b>30,557,456</b>	<b>30,992,094</b>	<b>31,964,714</b>	<b>27,561,347</b>	<b>972,620</b>	<b>4,403,367</b>	<b>3.14%</b>	<b>15.98%</b>	
<b>Net Surplus</b>	<b>181,668</b>	<b>58,530</b>	<b>190,064</b>	<b>192,023</b>	<b>131,534</b>	<b>(1,959)</b>			
<b>Non Operating Activities</b>									
<b>Income</b>									
Proceeds from Sale of Assets	30,000	30,000	30,000	70,000	0	(40,000)	0.00%	-57.14%	Assumptions in line with FY26, with approximately \$5K per vehicle expected at auction.
Proceeds from Borrowings	3,390,000	3,390,000	3,507,449	3,743,181	117,449	(235,732)	3.46%	-6.30%	Reflects borrowing 100% of total fleet replacement.
<b>Total</b>	<b>3,420,000</b>	<b>3,420,000</b>	<b>3,537,449</b>	<b>3,813,181</b>	<b>117,449</b>	<b>(275,732)</b>	<b>2911.91%</b>	<b>-7.23%</b>	
<b>Expenses</b>									
Fleet Replacement Costs	3,389,784	3,389,784	3,507,449	3,743,181	117,665	(235,732)	3.47%	-6.30%	Replacement of 6 x RACVs, in line with assumptions in Fleet Asset Management Plan.
Other Plant & Equipment Replacement	135,000	135,000	125,000	140,000	(10,000)	(15,000)	-7.41%	-10.71%	Consistent with recent years expenditure, allowance for Executive fleet vehicle replacement included.
Repayment of Borrowings - LGFA	2,150,000	2,150,000	2,430,060	2,625,000	280,060	(194,940)	13.03%	-7.43%	Updated for proposed LGFA Loan to be drawn down in FY27.
Repayment of Borrowings - Leases	168,000	168,000	185,000	165,000	17,000	20,000	10.12%	12.12%	Reflects lease Renewal and updated lease repayment schedule.
<b>Total</b>	<b>5,842,784</b>	<b>5,842,784</b>	<b>6,247,509</b>	<b>6,673,181</b>	<b>404,725</b>	<b>(425,672)</b>	<b>6.93%</b>	<b>-6.38%</b>	
<b>Net Non-Operating Activities Result</b>	<b>(2,422,784)</b>	<b>(2,422,784)</b>	<b>(2,710,060)</b>	<b>(2,860,000)</b>	<b>(287,276)</b>	<b>149,940</b>			

## 9.3 Strategic Risk Register Review

**Report Author** Manager Business Services

**Attachments** A: Strategic Risk Summary Report  
B: Strategic Risk Register  
C: Risk Matrix & Consequence Tables

### Purpose and Context

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

The review process ensures that strategic risks remain current, relevant, and appropriately aligned with East Waste's strategic objectives and operational environment.

### Recommendation

*That the East Waste Board, having considered the updated Strategic Risk Register (Attachment B, Item 9.3, Board Meeting 26 February 2026) notes the updates and endorses 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 (the Register) to identify, assess and manage risks that may impact the achievement of its strategic objectives.

The Register is reviewed annually, or more frequently where required in response to significant organisational, operational or external changes that may alter an existing risk profile or give rise to new strategic risks.

The previous review of the Strategic Risk Register was completed in 2025 and identified eleven (11) strategic risks. Administration has now finalised the 2026 review, led by the Executive Management Team in consultation with key staff.

### Discussion

As a result of the 2026 review, one new Strategic Risk has been identified and incorporated into the Register relating to reliance on key suppliers and commercial arrangements:

*Over-reliance on key suppliers, contractors or commercial arrangements may expose East Waste to service disruption, cost escalation, reduced bargaining power and financial risk if arrangements fail or become unviable.*

In addition to identifying a new strategic risk, all existing risks were reviewed and reassessed in accordance with East Waste’s Risk Assessment Matrix and relevant consequence tables (**refer Attachment C**).

Risk ratings were adjusted where appropriate to ensure alignment with the current operating environment and risk profile. Several risks were also reworded to improve clarity and ensure consistency in the articulation of causes, impacts and strategic consequences.

Existing controls were reviewed to confirm their ongoing relevance and effectiveness. Where necessary, controls were clarified or strengthened to better reflect current operational practices and governance oversight.

Following the review, the Strategic Risk Register now comprises twelve (12) strategic risks. For ease of reference, there are currently no strategic risks rated as Extreme. The two (2) risks with the highest current/residual rating are:

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
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	budget.
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	2	0	Councils are currently undertaking a final review of the draft SLA's

The Register will continue to be actively monitored by administration and presented annually to the Board for endorsement.

For the Boards reference, a Strategic Risk Summary Report is provided at **Attachment A**. The complete Strategic Risk Register is also available for the Committee’s review (**refer Attachment B**).

## ITEM 9.3 - 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)	High	Effective	Low	Low	East Waste CEO's / Mayors /Board Member Meeting planned Improved reporting and KPI monitoring currently being implemented	0	0	0
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.	High	Effective	Medium	Low	Additional Training for Executive Staff on Charter Ongoing relationship building and direct engagement with Council CEO's and Mayors Increased transparency through additional Power Bi reporting	0	0	0
SR3	Significant and evolving legislative and ESG (Environmental, Social and Governance) compliance obligations, particularly in relation to environmental regulation and reporting, may result in inadvertent breaches of key requirements. This could lead to legal costs, regulatory penalties, reputational damage, and reduced community confidence in East Waste's transparency, accountability, environmental stewardship, and long-term financial sustainability.	High	Effective	Medium	Medium	Executive staff representation at WMMR meetings General Manager continuing to build networks in the waste industry.	0	0	0
SR4	East Waste's inability to adapt to changing community expectations, industry trends, technology and innovation may result in inefficient operations, declining service relevance, missed strategic opportunities and reduced Member Council confidence.	High	Effective	Low	Low	Review of resourcing requirements Review of organisational structure to identify any key gaps Ongoing relationship building and direct engagement with Council CEO's and Mayors Increased transparency through additional Power Bi reporting	0	0	0
SR5	Inefficient or inappropriate budget allocation may impact the delivery of key services and financial sustainability of the Authority	High	Effective	Low	Low	Review of East Waste financial Model Cost Model Workshops conducted with key stakeholders	0	0	0
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	Medium	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	Medium	Medium	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	Change in leadership has impacted on priorities and key focus areas.	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	Low	Additional Training on the WHS Systems (Focusing on Incident Reporting) Develop and implement additional WHS reporting and tracking through ELT & ESG.	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 Weakened 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 Focus on relationship building and transparency with key stakeholders.	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	Quotes have been received and are being considered for FY27.	0
SR12	Over-reliance on key suppliers, contractors or commercial arrangements may expose East Waste to service disruption, cost escalation, reduced bargaining power and financial risk if arrangements fail or become unviable.	Extreme	Effective	High	Medium	Consider diversification of service delivery models Enhance Board visibility of supplier risk Build on relationship in LGA P	0	0	0

Risk Register																							
Date of risk identification	Risk ID	Strategic Plan Reference	Risk Type	Risk Category	Risk Description	Consequence Type(s)	Risk Owner	Causes	Inherent Risk			Controls	Current/ Residual Risk			Forecast Risk			Additional controls				
									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
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 use of resources (both financial and physical resourcing)	Financial/ Infrastructure/ Regulatory/ Policy/ Environmental/ Cultural/ Site/ 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. 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. Ill defined/ lack of 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	Unlikely	High	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 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	Unlikely	Low	Minor	Unlikely	Low	East Waste CEO's / Mayors / Board Member Meeting planned Improved reporting and KPI monitoring currently being implemented	0	0	0
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/ Regulatory/ Policy/ Environmental/ Cultural/ Site/ Reputation	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;	Moderate	Very likely	High	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 reporting requirements 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	Possible	Medium	Minor	Unlikely	Low	Additional Training for Executive Staff on Charter Ongoing relationship building and direct engagement with Council CEO's and Mayors Increased transparency through additional Power BI reporting	#VALUE!	0	0
13-Jul-23	SR3	Objective 5 (specifically 5.4)	Strategic	Governance, Legal & Compliance	Significant and evolving legislative and ESG (Environmental, Social and Governance) compliance obligations, particularly in relation to environmental regulation and reporting, may result in inadvertent breaches of key requirements. This could lead to legal costs, regulatory penalties, reputational damage, and reduced community confidence in East Waste's transparency, accountability, environmental stewardship, and long-term financial sustainability.	Financial/ Infrastructure/ Regulatory/ Policy/ Environmental/ Cultural/ Site/ Reputation	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/ 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;	Moderate	Very likely	High	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, ACOR & 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 General Manager continuing to build networks in the waste industry.	0	0	0
13-Jul-23	SR4	Objective 1; Objective 3	Strategic	Service Delivery	East Waste's inability to adapt to changing community expectations, industry trends, technology and innovation may result in inefficient operations, declining service relevance, missed strategic opportunities and reduced Member Council confidence.	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 program; 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, ACOR & 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 Review of organisational structure to identify any key gaps Ongoing relationship building and direct engagement with Council CEO's and Mayors Increased transparency through additional Power BI reporting	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 recognizing 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);	Moderate	Possible	High	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 7. Annual Catch up with Member Council's CEO's and Mayors prior to budget setting	Effective	Minor	Unlikely	Low	Minor	Unlikely	Low	Review of East Waste financial Model Cost Model Workshops conducted with key stakeholders	0	0	0
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 Members 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	Minor	Possible	Medium	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 Reputation Legal/ Regulatory/ Policy/ Environmental/ Cultural/ Site/ Disturbance	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	Moderate	Rare	Medium	Moderate	Rare	Medium	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	2	Change in leadership has impacted on priorities and key focus areas.	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 licenses 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	Minor	Rare	Low	Additional Training on the WHS Systems (Focusing on Incident Reporting) Develop and implement additional WHS reporting and tracking through ELT & ESG.	1	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 organisations, leading to both reputational and financial damage. Weakened 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 Focus on relationship building and transparency with key stakeholders.	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. Repaid change in Services or Demand for Services 5. Long Lead times for new/replacement assets.	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	1	Quotes have been received and are being considered for FY27.	0
2-Feb-26	SR12	Objective one	Strategic	Financial	Over-reliance on key suppliers, contractors or commercial arrangements may expose East Waste to service disruption, cost escalation, reduced bargaining power and financial risk if arrangements fail or become unviable.	Service Delivery Reputation Legal/ Regulatory/ Policy Financial/ Infrastructure	Manager Business Services	market, particularly for specialised services (e.g. processing, fleet, technology or fuel), reducing competition and choice. 2. Concentration of critical services with a small number of providers, resulting in single points of failure for service delivery. 3. Market volatility and external cost pressures (e.g. fuel, labor, processing capacity, regulatory change) impacting supplier viability and pricing structures. 4. Insufficient contingency planning or alternative supply options for essential services in the event of contractor failure, withdrawal or underperformance.	Major	Possible	Extreme	Formal documented procurement and tendering processes. Board and Committee oversight Periodic review of key supplier and contractor performance Use of independent advice (where appropriate) Financial monitoring and budgeting controls Business continuity and contingency planning Relationship management with key suppliers and industry stakeholders	Effective	Moderate	Possible	High	Moderate	Unlikely	Medium	Consider diversification of service delivery models Enhance Board visibility of supplier risk Build on relationship in LGA P	0	0	0

Table 1: Risk Matrix

LIKELIHOOD	CONSEQUENCE				
	Insignificant	Minor	Moderate	Major	Significant
Certain to occur	High	High	Extreme	Extreme	Extreme
Very likely	Medium	High	High	Extreme	Extreme
Possible	Low	Medium	High	Extreme	Extreme
Unlikely	Low	Low	Medium	High	Extreme
Rare	Low	Low	Medium	High	High

Table 3: Qualitative Measures of Likelihood

Likelihood	Percentage of occurring	Explanation – Operations	Explanation – Projects/ Business Case	Probability
Certain to occur	90% chance	It is <b>expected to occur</b> in most circumstances, immediately or within a short period – at least once a year	Could be expected to occur more than once during the study or project delivery	Expected to occur in most circumstances
Very likely	50%-90% chance	<b>Will probably occur</b> in most circumstances – Around 1 – 5 years	Could easily be incurred and has generally occurred in similar studies or projects.	Probably will occur
Possible	25%-50% chance	<b>Might occur at some time</b> - within a 5 - 10 year period.	Incurred in a minority of similar studies or projects	Moderate probability of an incident
Unlikely	5%-25% chance	<b>Could occur at some time</b> - in a 10 – 20 year time frame.	Known to happen, but only rarely.	Low probability of an incident
Rare	<5% chance	<b>May occur only in exceptional circumstances.</b> Could be incurred in a greater than 20 year timeframe.	Has not occurred in similar studies or projects. Conceivable but in extreme circumstances.	Extremely low probability. Will only occur in exceptional circumstances

**Table 4: Qualitative Measures of Consequence**

RANK	People	Financial/Infrastructure	Service Delivery	Project	Reputation	Environment/Cultural/Site Disturbance	Legal/Regulatory/Policy	Positive
<b>Insignificant</b>	Near minor injuries not requiring first aid treatment, or near miss Annual staff turnover of <10%	Financial - low financial loss <\$100,000 impact on operating results Minor failure of infrastructure - no inconvenience to stakeholders	Insignificant interruption to service - no impact to customer/business	No impact on achievement of key project objectives or project duration extended up to 10% of original time frame.	Little community interest, low profile, no media coverage	Minor instance of environmental (e.g. rail, vegetation, cultural) damage that can be reversed immediately Minimal (but discernible) disruption to Aboriginal site. Minimal spill or litter able to be removed immediately	No noticeable statutory or regulatory impact Fines < \$10,000	Less than 10% people benefit from improved health, wellbeing, acceptance or economic prosperity Revenue growth or cost saving of less than \$10,000 Improved services delivered to less than 100 people (reduced time frame/improved value) Ward-of-mouth recommendations Diversion of 5% waste to landfill Improved cultural or environmental value or visual amenity for less than 5% of population
<b>Minor</b>	First aid treatment. No eligible impact on morale Annual staff turnover of <20%	Financial - medium financial loss <\$100,000 and <\$1,000,000 or 1% of rate revenue Minor failure that cannot be rectified immediately - minor inconvenience to stakeholders	Minor interruption to service with minimal impact to customer/business	Some impact on related key project objectives. Additional minor effects require extra effort to achieve or meet. Project duration extended by 11-20% of original project time frame	Low impact, some passing interest, low media profile	Minor impact to environment, e.g. on-site chemical release, spill or on-drail movement that can be immediately contained. Can be reversed in the short term. Minor disruption to Aboriginal site Litter able to be removed in a short time frame, (e.g. same day)	Minor temporary non-compliance with statutory requirements Fines less than \$250,000 for the organisation	Up to 5% of community benefit from improved health, wellbeing, acceptance or economic prosperity Revenue growth or cost saving of up to \$50,000 Improved services delivered to up to 5% of community (reduced time frame/improved value) Positive recognition in local media Diversion of 10% waste to landfill Improved cultural or environmental value or visual amenity for up to 5% of population
<b>Moderate</b>	Medical attention required. Short Term effect on morale and business Annual staff turnover of 20% of entire workforce or 30% of a work group Loss of member of Executive Management Team Loss of up to 4 (Council/Board) members more than 12 months out from LG Elections	Financial - high financial loss >\$1,000,000 and <\$2,500,000 or 2.5% of rate revenue Significant failure of infrastructure that will require work-arounds - moderate inconvenience to stakeholders	Moderate interruption to service delivery. Customer impact up to 48 hrs. Partial BCP action may be needed	Impact numerous key project objectives. Considerable effort required including major change in project scope to achieve required outcomes. Project duration extended by 21-35% of original project time frame.	Moderate impact, moderate public interest, public comment, moderate media profile	Moderate impact to environment. Localised damage or chemical release that has potential to spread but can be contained or reversed with intensive efforts or outside assistance. Noticeable disruption to Aboriginal site Litter removal requires outside assistance, (e.g. contractor or government agency)	Short-term non-compliance with moderate statutory requirements Fines < \$50,000 for an individual or \$500,000 for the organisation	Up to 10% of community benefit from improved health, wellbeing, acceptance or economic prosperity Revenue growth or cost saving of up to \$100,000 Improved services delivered to up to 10% of community (reduced time frame/improved value) Positive recognition in state-wide media Diversion of 15% waste to landfill Improved cultural or environmental value or visual amenity for up to 10% of population
<b>Major</b>	Extensive injuries - serious long term injury. Temporary disablement. Annual staff turnover of 30% - 75% Significant impact on morale and business Loss of 5 members of Executive Management Team Temporary loss of 6 or more (Council/Board) Members	Financial - major financial loss >\$2,500,000 and <\$5,000,000 or 5% of rate revenue Major failure of infrastructure that severely limits functionality - significant inconvenience to stakeholders	Major interruption to service delivery or production capability. Customer impact > 7 days. Completion of BCP action may be needed.	Significant portion of key project objectives impacted. Major change to project scope and work necessary to achieve required outcomes. Project duration extended by 36-50% of original project time frame.	Sustained public interest, high negative media profile, Premier/Cabinet publicly involved, third party action	Off-site chemical release, severe loss of environmental amenity or danger of continuing environmental damage. Significant disruption to Aboriginal site(s)	Significant non-compliance with essential statutory requirements Fines < \$200,000 for an individual or \$1,500,000 for the organisation	Up to 25% of community benefit from improved health, wellbeing, acceptance or economic prosperity Revenue growth or cost saving of up to \$250,000 Improved services delivered to up to 25% of community (reduced time frame/improved value) Positive recognition in national media Diversion of 25% waste to landfill Improved cultural or environmental value or visual amenity for up to 25% of population
<b>Significant</b>	Death. Long term effect on morale and performance of business Annual staff turnover of 75% Loss of entire majority of Executive Management Team Permanent loss of 6 or more (Council/Board) Members	Financial - catastrophic financial loss >\$5,000,000 or 5% of rate revenue Total failure of infrastructure	Major interruption to delivery of all or most services for more than 14 days. Full BCP action required.	Significant portion of key project objectives impacted. Major change to project scope and work necessary to achieve required outcomes. Project duration extended by 36-50% of original project time frame.	Widespread public agitation, Government concern, high multiple impact, widespread negative media profile	Toxic off-site chemical release with detrimental effect, major loss of environmental amenity or irreversible environmental damage Irreversible disruption to Aboriginal site	Long term or indefinite non-compliance with essential statutory requirements and may result in criminal charges Fines > \$200,000 for an individual or \$1,500,000 for the organisation	Greater than 25% of community benefit from improved health, wellbeing, acceptance or economic prosperity Revenue growth or cost saving of greater than \$100,000 Improved services delivered to greater than 25% of community (reduced time frame/improved value) Positive recognition in international media Diversion of greater than 25% waste to landfill Improved cultural or environmental value or visual amenity for greater than 25% of population

## 9.4 Appointment of a Deputy Chair to the East Waste Board

**Report Author** Executive Assistant

**Attachments** Nil

### Purpose and Context

Mayor Melissa Jones resigned her position on the East Waste Board (Board) in December 2025 at which time the position of Deputy Chair became vacant. In accordance with the East Waste Charter, the Board is required to appoint a Director as Deputy Chair.

### Recommendation

**That in accordance with clause 28 of the East Waste Charter, the East Waste Board appoints \_\_\_\_\_ to the position of Deputy Chair to the East Waste Board for a term of two (2) years commencing on 27 February 2026.**

### Strategic Link:

**Objective 5.** Provide Leadership

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

### Background

*Clause 28 of the East Waste Charter* requires the East Waste to have a Deputy Chair at all times.

Extract from the East Waste Charter

- 28.1 *At all times, the Authority must have a Deputy Chair, who must be a Board Member.*
- 28.2 *The Board appoints the Deputy Chair and may at any time remove from office the Deputy Chair and appoint a replacement Deputy Chair.*
- 28.3 *The Deputy Chair's functions are:*
  - 28.3.1 *to assist the Chair; and*
  - 28.3.2 *to exercise the Chair's functions whenever the Chair is unable to do so.*
- 28.4 *A person ceases to be Deputy Chair if they cease to be a Board Member.*

The position of Deputy Chair is not remunerated.

### Discussion

Nominations for the position of East Waste Deputy Chair will be called for by the East Waste Chair at the meeting. All Board Members are eligible for the position and Members can either self-nominate, or accept a nomination by another Board Member.

In the event of more than one nomination being received , a confidential ballot will be undertaken as per the following process:

## Process for Confidential Ballot

1. The secret ballot is to be conducted by the General Manager or their delegate.
2. Each Member (including the Chairperson) has one vote.
3. Nominees may give a brief explanation (maximum three (3) minutes) as to why they are nominating and the skills, qualifications and experience they bring to the position.
4. The General Manager will delegate an officer who will collect the ballot papers and two (2) officers will conduct the count.
5. The method of voting will be the first past the post (majority vote). In the event of three or more candidates being nominated for a position, the method of voting will be bottom up lowest vote elimination until two candidates remain.
6. In the event of a tie, Board members are to cast a further vote for their preferred candidate from the candidates who are tied, in the event that the further ballot cannot determine a clear winner, then matter is decided by drawing of lots, the candidate first drawn being the candidate excluded from the draw.
7. Members absent from the meeting may nominate for a position in writing in advance to the General Manager to have their nomination recognised, providing text for their brief explanation.
8. The ballot papers from each secret ballot will be retained by Administration for a period of one (1) month.
9. The Chairperson will then announce the successful candidate.
10. If more than one ballot is to be conducted, each separate ballot must be conducted using different coloured ballot papers.

## 9.5 Appointment of a Board Member to the Audit and Risk Management Committee

**Report Author** Executive Administration Officer

**Attachments** A: Audit & Risk Management Committee Terms of Reference

### Purpose and Context

For the East Waste Board to appoint a Board Member to the Audit & Risk Management Committee for a two-year term commencing on 1 March 2026.

#### **Recommendation**

**That the East Waste Board:**

- 1. in accordance with clause 4.2.2 of the Audit & Risk Management Committee's Terms of Reference and having considered the skills and experience of \_\_\_\_\_ appoints \_\_\_\_\_ as the Board Member to the Audit and Risk Management Committee for a term, commencing on 1 March 2026 and concluding on 1 December 2026.**
  
- 2. requests that the General Manager write to Mr Di Iulio to thank him for his years of service and valuable contributions to the East Waste Board and Committees on which he served.**

### Strategic Link

Objective 5. Provide Leadership

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

### Background

The Campbelltown City Council advised East Waste in December 2025 that Mr Paul Di Iulio will step down from his role as a director and assume the role of Deputy Director of the East Waste Board. Mr Di Iulio has served as Director of the East Waste Board for fifteen years.

Clause 4.10.3 of the Audit and Risk Management Committee's Terms of Reference stipulate that a person ceases to be a Member of the Audit & Risk Management Committee (Committee) if the Member ceases to hold the office which entitles them to be a Member. Subsequently the East Waste Board is required to appoint a Board Director to the Committee.

The Independent Chair of the East Waste Board has a standing appointment to the Committee.

Clause 4 of the Committee's Terms of Reference outlines the Membership requirements of the Committee as follows:

*Members of the Committee shall be appointed by the Board of East Waste in accordance with these Terms of Reference.*

1.1. *The Committee shall consist of five (5) members:*

1.1.1. *Three (3) Independent Members determined by the Board to have experience relevant to the functions of the Committee.*

1.1.2. *One (1) Member of the Board determined by the Board to have experience relevant to the functions of the Committee.*

1.1.3. *The appointment of the Independent Chairperson of the Board to the Committee shall be a standing appointment.*

1.2. *Members of the Committee (when considered as a whole) must have skills, knowledge, and experience relevant to the functions of the Committee, including financial management, risk management, governance, and any other prescribed matter.*

1.3. *Appointment of the Board Member to the Committee shall be declared vacant at the commencement of each Council term.*

The terms of the members of the Committee are structured to ensure that the expiration of terms falls at different times to enable continuity of membership.

The continuing Members of the Committee are Mr Fraser Bell, Independent Chairperson (Board Representative), and Ms Linda Green an Independent Member whose second term will expire on 28 February 2026 and Mr Paul Di Iulio (Board Appointed Member) whose term will cease in February 2027.

Committee meetings are held bi monthly at 4 pm at L3/ 81 Flinders Street, Adelaide.

## Discussion

In deliberating the appointment of a Board Director to the Committee the following matters require consideration:

1. The Committee's Terms of Reference, at clause 4.4, stipulate that the position of the Board Member to the Committee shall be declared vacant at the commencement of each Council term. Given that the Local Government elections will be held in November 2026, the position shall be declared vacant again at the beginning of December 2026.
2. In determining the most suitable Director to be appointed to the Committee the Board should consider the existing skill set and experience of the current Committee and the skills, knowledge and experience that the nominees for the position will be able to bring to the Committee, noting that section 126(2)(b) of the *Local Government Act 1999* states the following:

*Members of the Committee (when considered as a whole) must have skills, knowledge, and experience relevant to the functions of the Committee, including in financial management, risk management, governance, and any other prescribed matter.*

The continuing Members of the Committee are listed in the table below:

Name	Position	Term Expires
Mrs Emma Hinchey	Independent Chair	30 November 2026 (Third)
Mr Fraser Bell	Board Chair	31 December 2026
Vacant	Board Director	1 December 2026
Mrs Linda Green	Independent Member	31 January 2027 (Second)
Ms Natalie Caon	Independent Member	30 September 2027 (First)

Nominations for the position of Board Member to the Committee will be called for by the East Waste Chair at the meeting. All Board Members are eligible for the position and Members can either self-nominate or accept a nomination by another Board Member.

The position is not remunerated.

In the event of more than one nomination being received, a confidential ballot will be undertaken as per the following process:

### Process for Confidential Ballot

1. The secret ballot is to be conducted by the General Manager or their delegate.
2. Each Member (including the Chairperson) has one vote.
3. Nominees may give a brief explanation (maximum three (3) minutes) as to why they are nominating and the skills, qualifications and experience they bring to the position.
4. The General Manager will delegate an officer who will collect the ballot papers, and two (2) officers will conduct the count.
5. The method of voting will be the first past the post (majority vote). In the event of three or more candidates being nominated for a position, the method of voting will be bottom up lowest vote elimination until two candidates remain.
6. In the event of a tie, Board Members are to cast a further vote for their preferred candidate from the candidates who are tied, in the event that the further ballot cannot determine a clear winner, then matter is decided by drawing of lots, the candidate first drawn being the candidate excluded from the draw.
7. Members absent from the meeting may nominate for a position in writing in advance to the General Manager to have their nomination recognised, providing text for their brief explanation.
8. The ballot papers from each secret ballot will be retained by Administration for a period of one (1) month.
9. The Chairperson will then announce the successful candidate.
10. If more than one ballot is to be conducted, each separate ballot must be conducted using different coloured ballot papers.

## Conclusion

In considering the appointment of a Director the East Waste Board to the Audit & Risk Management Committee, the East Waste Board are required to be mindful of the requirements of section 126(2)(b) of the *Local Government Act 1999* and the Committee's Terms of Reference.

The term of the appointee will conclude at the conclusion of the Local Government Elections.

## Terms of Reference

### Audit and Risk Management Committee

## 1. Establishment and Purpose

- 1.1. The East Waste Audit & Risk Management Committee (the Committee) has been established by the East Waste Board (the Board) in accordance with Clause 31 of the Eastern Waste Management Authority Charter (as gazetted on 28 June 2022) and Schedule 2, Clause 30 of the *Local Government Act 1999* (the Act).
- 1.2. The purpose of the Committee is to provide independent assurance and advice to the East Waste Board on accounting, financial management, internal controls, risk management, and governance matters.
- 1.3. The Committee reports to the Board and provides appropriate advice and recommendations on matters relevant to its Terms of Reference and statutory functions to facilitate informed decision making in relation to the discharge of the Board's responsibilities.

## 2. Definitions

Unless the context indicates otherwise, the following terms have the following meanings in these Terms of Reference:

**Act** means the *Local Government Act 1999* (SA).

**Board** means the Board of Directors of the Eastern Waste Management Authority.

**Chairperson** means the chairperson of the Committee, appointed in accordance with clause 5 of these Terms of Reference.

**Code of Practice – Meeting Procedures** means the Board's Code of Practice –Meeting Procedures or any replacement Code of Practice adopted by the Board for the purpose of the Local Government (Procedures at Meetings) Regulation 2013.

**Committee** means the Audit & Risk Management Committee established by resolution of the East Waste Board, to be governed by these Terms of Reference.

**Member** means a member of the Committee.

**Regulations** includes the Local Government (Financial Management) Regulations 2011 and Local Government (Procedures at Meetings) Regulations 2013.

## 3. Functions of the Committee

The primary function of the Committee is to provide independent assurance and advice to the Board on accounting, financial management, internal controls, risk management and governance matters.

In particular the Committee will oversee the following:

### **3.1. Financial Reporting and Sustainability**

- 3.1.1. Review the annual financial statements to ensure that they provide a true and fair view of the state of affairs East Waste.
- 3.1.2. Review the adequacy of the accounting, internal control, reporting and other financial management systems and practices of East Waste on a regular basis.
- 3.1.3. Propose, and provide information relevant to, a review of East Waste's strategic management plans and annual business plans.
  - 3.1.3.1. Review the Annual Report including the Annual Financial Statements and application of accounting policies and provide an opinion to the Board on whether they present fairly the state of affairs of East Waste and where appropriate, recommend the approval of any material to be included in the Annual Report concerning internal controls and risk management.
  - 3.1.3.2. Review and make recommendations to the Board regarding the assumptions, financial ratios and financial targets in the Long Term Financial Plan.
- 3.1.4. Provide commentary and advice on the financial sustainability of East Waste and any risks concerning, and as part of the adoption of the Strategic Plans, Long Term Financial Plan, Annual Budget and periodic Budget Reviews.
- 3.1.5. Review and make recommendations to the Board regarding any other significant financial, accounting, and reporting issues deemed necessary by the Committee, East Waste or Administration.
- 3.1.6. Consider and provide comment on the financial and risk-related issues associated with any business referred to it by the Board for such comment.

### **3.2. Internal Controls and Risk Management**

- 3.2.1. Monitor, review and evaluate the effectiveness of policies, systems and procedures established and maintained to identify, assess, monitor, manage and review financial and strategic operational risks
- 3.2.2. Monitor and review the effectiveness of East Waste's internal control environment
- 3.2.3. Monitor and review the effectiveness of East Waste's internal audit function.

### **3.3. Internal Audit**

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

**3.4. External Audit**

Oversee East Waste's engagement with the external auditor including but not limited to:

- 3.4.1. assessing the external auditor's qualifications and expertise.
- 3.4.2. recommending the approval of the external auditor's remuneration and terms of engagement to East Waste.
- 3.4.3. assessing the external auditor's independence and objectivity and monitoring the external auditor's compliance with legislative requirements on the rotation of audit partners.
- 3.4.4. considering and making recommendations to the Board concerning the appointment, reappointment and removal of the East Waste's external auditor.
- 3.4.5. if an auditor resigns, the Committee shall investigate the issues leading to this and decide whether any action is required.
- 3.4.6. liaise with East Waste's external auditor.
- 3.4.7. review and make recommendations on the Annual Audit Plan, and in particular its consistency with the scope of the external audit engagement as well as the internal audit plan.
- 3.4.8. reviewing the findings of the audit, paying particular attention to any accounting and audit judgements, any adjusted or unadjusted differences and any other significant issues arising from the audit.
- 3.4.9. reviewing any representation letter requested by the external auditor before they are signed by management.
- 3.4.10. reviewing Administration's response to reviews, recommendations and audit letters provided by the External Auditor.

**3.5. Other Matters**

- 3.5.1. Propose examinations and review examination reports on any matter relating to financial management, or the efficiency and economy with which the Board manages or uses its resources to achieve its objectives, that would not otherwise be addressed or included as part of annual audit and that is considered by the Board to be of such significance as to justify an examination under section 130A of the Act.
- 3.5.2. Review any report obtained by the Board under section 48(1) of the Act in accordance with East Waste's Prudential Management Policy, practices and procedures.
- 3.5.3. Monitor the responsiveness of recommendations for improvement based on previous audits and risk assessments, including those raised by the Board's auditor.
- 3.5.4. Review East Waste's arrangements and processes for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure these arrangements allow independent investigation of such matters and appropriate follow-up action.

3.5.5. Perform any other function determined by the Board or prescribed by the Regulations.

## 4. Membership

- 4.1. Members of the Committee shall be appointed by the Board of East Waste in accordance with these Terms of Reference.
- 4.2. The Committee shall consist of five (5) members:
  - 4.2.1. Three (3) Independent Members determined by the Board to have experience relevant to the functions of the Committee.
  - 4.2.2. One (1) Member of the Board determined by the Board to have experience relevant to the functions of the Committee.
  - 4.2.3. The appointment of the Independent Chairperson of the Board to the Committee shall be a standing appointment.
- 4.3. Members of the Committee (when considered as a whole) must have skills, knowledge, and experience relevant to the functions of the Committee, including financial management, risk management, governance, and any other prescribed matter.
- 4.4. The position of the Board Member to the Committee shall be declared vacant at the commencement of each Council term.
- 4.5. Board Members are appointed to the Committee for two (2) years to ensure an orderly rotation and continuity of membership.
- 4.6. 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, with reference to the current make-up of the Committee and skills and experience outlined in Clause 4.3.
- 4.7. 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.
- 4.8. Independent Members are eligible for reappointment at the expiration of their term of office at the sole discretion of the Board. An independent Member may be appointed for a maximum of three (3) consecutive terms.
- 4.9. An Independent Member who has served three (3) consecutive, two (2) year terms is eligible to reapply two (2) years after the expiry of their three (3) terms unless, appointed by the Board following an expression of interest process.
- 4.10. A person ceases to be a Member of the Committee upon any of the following circumstances occurring:
  - 4.10.1. the Member's term of office expires and they are not reappointed.
  - 4.10.2. the Member resigns by written notice to the Board.
  - 4.10.3. the Member ceases to hold the office which entitles them to be a Member.
  - 4.10.4. the Member dies or becomes of unsound mind.

- 4.11. Any member of the Committee may be removed on the grounds that the member has been absent without leave from three (3) or more consecutive meetings or is not performing duties as required within the objectives and functions of the Committee
- 4.12. Nothing in these Terms of Reference gives rise to any right of procedural fairness or otherwise derogates from the Board's ability to remove a Member of the Committee by resolution.

## 5. Independent Chairperson

- 5.1. The Chairperson will be an Independent Member appointed by the Board for a two (2) year term. The Board may decide, by resolution, to extend the term or reappoint an Independent Member as Chairperson (noting however that the appointment of the Independent Member to the Committee cannot exceed a maximum consecutive period of six (6) years as per clause 4.10).
- 5.2. The Committee may make an appointment to the position of Deputy Chairperson for a term.
- 5.3. If the Chairperson is absent from a meeting of the Committee an Independent Member will be chosen from those present to preside at the meeting as the Acting Chairperson.
- 5.4. The Chairperson is to
  - 5.4.1. Oversee the orderly conduct of meetings in accordance with the Act, the Regulations and the Procedures at Meetings Code of Practice.
  - 5.4.2. Ensure that all Members have an opportunity to participate in discussions in an open and responsible manner.
  - 5.4.3. Liaise with East Waste administration between meetings regarding the preparation of the Committee's agenda and minutes.
  - 5.4.4. Nominate a Member of the Committee who is also a Member of the Board to present the unconfirmed minutes of Committee meetings.
  - 5.4.5. Execute, along with the General Manager, the 'Independence of External Audit' certification required under the Regulations as part of the end of financial year audit process.

## 6. Sitting and Professional Fees

- 6.1. Independent Members of the Committee will receive a sitting fee determined by the Board.
- 6.2. Sitting fees will be reviewed and set by the Board at the time of the preparation of the Annual Budget having consideration for the Remuneration Tribunal of South Australia's Determination for Local Government Elected Members and CEOs.
- 6.3. Professional fees may be paid for the advice and attendance of the person primarily responsible for the internal audit function External Auditors, and legal and other professionals at the Committee Meetings.
- 6.4. There are no sitting fees for Board Members appointed to the Committee.

## 7. Meetings

### 7.1. Frequency of Meetings

- 7.1.1. The Committee shall meet at least once per quarter.
- 7.1.2. A schedule of meetings, including, place, date and time meetings of the Committee will be held, shall be determined by the Committee annually.
- 7.1.3. The General Manager is delegated the authority to vary the Committee's meeting schedule after liaison with the Chairperson.
- 7.1.4. Special meetings of the Committee may be called in accordance with the Act.

### 7.2. Notice of Meetings

- 7.2.1. In accordance with Section 87 of the Act, a notice of each meeting confirming the venue, time, and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee no later than three (3) clear days before the date of the meetings. Supporting papers shall, whenever possible, be sent to Committee Members (and to other attendees as appropriate) at the same time.
- 7.2.2. Notice of meeting, agenda and supporting information will be placed on the East Waste website.

### 7.3. Meeting Procedures

- 7.3.1. Meetings will be conducted in accordance with East Waste's Code of Practice – Procedures at Meetings.
- 7.3.2. Members of the public can attend Committee meetings unless prohibited by resolution of the Committee in accordance with section 90(2) of the Act.
- 7.3.3. A Member of the Committee may attend via electronic means provided that advance notice has been provided to the General Manager and facilities are available.

### 7.4. Voting

- 7.4.1. Only members of the Committee are entitled to vote in Committee meetings. Unless otherwise required by the Act not to vote, each member must vote on every matter that is before the Committee for decision. The Chairperson has a deliberative vote but does not, in the event of an equality of votes, have a casting vote.
- 7.4.2. All decisions of the Committee shall be made based on the majority decision of the members present.
- 7.4.3. If a vote is tied, the matter may be referred back to the Committee (with or without additional information to inform the debate and decision making) or referred to the Board for decision.

## 7.5. Meeting Minutes

- 7.5.1. Conflict of Interest declarations are required pursuant to sections 73 – 75D of the Act and will be recorded in the minutes.
- 7.5.2. The General Manager shall ensure that minutes are kept of the proceedings and resolutions of all meetings of the Committee and that the minutes comply with the requirements of the Regulations and the Code of Practice - Procedures at Meetings.
- 7.5.3. Minutes of Committee meetings shall be circulated within seven (7) days after a meeting to all Members of the Committee.
- 7.5.4. Minutes of the Committee meeting will be placed on the East Waste website.

## 8. Other Responsibilities

Without derogating from any of the above provisions, the Committee:

- 8.1. Shall always act in accordance with the Act, the Regulations and in accordance with these Terms of Reference in the performance of its functions.
- 8.2. Shall prepare an annual report on the work of the Committee in the 12 months preceding the preparation of the report, to be presented to the Board in August of each year and to be made publicly available via the East Waste Annual Report.
- 8.3. Undertake an annual self-assessment.

## 9. Tenure

The Committee will continue in existence in accordance with the Act.

## 10. Legislation

*Local Government Act 1999*

*Local Government (Financial Management) Regulations 2011*

*Local Government (Procedures at Meetings) Regulations 2013*

## 11. References

## 12. Related Documents

East Waste Charter

East Waste Code of Practice – Procedures at Meetings

## 13. Review

- 13.1. The Committee shall, at least every four (4) years, review its Terms of Reference, so that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval
- 13.2. The Board may review and amend these Terms of Reference at any time.



Signed  
Acting General Manager

Date 21/11/2024



Signed  
Chairperson of the Board

Date 21/11/2024

## 14. Document History

Version No:	Issue Date:	Description of Change:
1.0		
2.0	21/11/24	Content updated and placed in new format

## 9.6 General Manager’s Update

<b>Report Author</b>	General Manager
<b>Attachments</b>	Nil

### Purpose and Context

The purpose of this report is to provide the East Waste Board with an overview of organisational performance, strategic priorities, key risks, and emerging opportunities. The report is intended to support informed decision-making, ensure appropriate governance oversight, and align management activities with East Waste’s strategic direction

The matters have been listed in one report as an efficiency and it is recommended 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 General Manager’s Report as presented on the 26 February 2026.***

### Strategic Link

**Objective 5.** Provide Leadership

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

### Background

The General Manager’s Update replaces verbal briefings as the formal mechanism for providing commentary on contemporary matters aligned with East Waste’s Strategic Management Plans.

### Discussion

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

#### Organics Contract and Procurement

- Draft contract has been reviewed by East Waste and at the time of this report is being
- Members of the East Waste leadership team have visited the Peats site in the Adelaide Hills for a tour.
- Existing interim arrangements are working well with no issues flagged regarding switch to Peats.
- East Waste is working closely with LG Procurement to progress key contracts in 2027 and will provide tracking through Power BI to Member Councils.

## 1. Cost Model

- Extensive review and engagement culminating in a workshop held at East Waste (with Teams also) to review position being put forward.
- Good feedback and support for proposed amendments with consideration now focusing on preferred timing for potential implementation.
- In summary Administration will be putting forward for endorsement:
  - Adjustment in the definition of the Administration fee to consist of Statutory Costs which will be detailed, and include GM and Board/A&R costs.
  - A confirmation that based on research and internal review the original Administration fee was created to cover the GM and part time Administrator when first established.
  - Continuation of the existing Cost model billing approach but with a quarterly reconciliation process which facilitates more timely capture of project costs (such as FOGO).
  - Continuation of the existing services delivery approach under the Commonfleet costing but with greater transparency of what is provided now visible in the SLAs.
  - Additional services beyond standard offering to be charged on a direct charge basis with the specific Council, these services are clearly identified in the SLAs.
  - Implementation of a budget calculation process which confirms existing and intended activity each year with the relevant Council to then drive East Waste budget preparation.

## 2. SLAs

- The proposed SLA and relevant attachments has been released to all Member Councils for consideration and final feedback.
- The update is based upon extensive feedback and workshops to represent the needs of the Member Councils, improve transparency and simplify understanding of East Waste services.
- The SLAs are written to accommodate all Member Councils rather than specific individual arrangements.
- The contents of the SLA package is:
  - Overarching agreement and higher detail (core document).
  - Summary document, in table format, which highlights East Waste standard services and metric for performance expectation, along with additional services which can be provided at direct charge.
  - Summary document, in table format, which highlights East Waste performance standards to the public and sets expectations around service delivery and customer satisfaction.
  - Examples of the digital reporting to align with the performance standards set out and reporting to be explored and added once available.
  - Member Councils have been asked to return their feedback by the end of February with a targeted formal release for signing to occur in March.

**3. Education**

- In conjunction with the release of the SLAs Administration also included specific details on the Education delivery from both internal resources and through KESAB as the current delivery partner, this package also included a survey for Member Councils to share feedback on the education program.
- A workshop was conducted post return of the education surveys with Member Councils invited to attend (onsite or via Teams) to receive an update on the education programs, internal and through KESAB, and also share the results of the survey.
- Discussion occurred on how to establish/lock in this type of feedback mechanism to ensure the education delivery is being reviewed and adjusted to meet the needs of Member Councils.
- Feedback was very positive on the day and it improved attendees understand of the range of services being delivered.

**4. Manager Business Services**

- David Maywald, Manager Business Services, will be taking long service leave for a period of six (6) months from 1 April this year.
- Administration have reviewed the organisational structure and needs for this period to ensure no disruption to service delivery.
- Kelly Vandermoer, Manager Human Resources & Financial Services, will act in the role of Manager Business Services during this period, while retaining oversight of HR.
- Following an external recruitment process, East Waste has employed a Finance Business Partner on a fixed-term contract, to lead the financial delivery in the interim, reporting directly to the General Manager.

**5. FOGO**

- Existing FOGO continues well.
- Incoming FOGO, Prospect, Burnside and later Unley are progressing effectively and we have seen improvement in planning/capability capture especially with Unley who were comfortable to engage directly with East Waste to work through costs and planning without additional external consultant costs.
- East Waste has improved estimating tools to improve cost visibility and planning which have been effective in supporting Member Councils to understand and capture likely costs, specifically through two tools; the Operational Estimate and the Education/Administration Planner.
- These tools are very simple and give Member Councils clear values to consider, or tweak, to make informed decisions on their planned roll out.

**6. Culture**

- Existing culture tools are progressing well, such as the; photo board, feedback box and long service recognition.

- An engagement survey is lined up for late-February to drive further understanding and improvement.

## 7. Safety

- Focus areas continue to be tracked and monitored weekly by the ESG.
- Progress is being made with LGRS on the relevant plans for this year.
- Corrective actions are down (improvement), targets are set, and drug and alcohol testing is on target.
- Power BI reporting for key WHS metrics is in development concurrently with the Member Council reporting in support of the SLAs and is expected to be fully released by the end of February.
- Fatigue management has been the core focus item as Administration expands its safety focus following embedding of overweight, corrective actions and drug and alcohol.

The General Manager's Update is intended to be a standing item on the Agenda.

## 9.7 Information Report

<b>Report Author</b>	Executive Administration Assistant – Independent Consultant
<b>Attachments</b>	<p>A: Unconfirmed Minutes of the Audit &amp; Risk Management Committee</p> <p>B: Confirmed Minutes of GMPR Committee 23 January 2026</p> <p>C: Unconfirmed Minutes of GMPR Committee 16 February 2026</p> <p>D. East Waste Contract Register</p> <p>E: Outstanding Resolutions Register</p> <p>F: Annual Plan Progress Report</p> <p>G: Annual Reporting Calendar</p>

### Purpose and Context

The Information Report 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 as at 26 February 2026.***

### 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 18 February 2026**

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 12 November 2025 are included at **Attachment A** of this report for the Board's information and consideration.

## 2. Minutes of the General Manager Performance Review Committee Meetings held on 23 January 2026 and 16 February 2026.

The East Waste Board established the General Manager Performance Review (GMPR) Committee at its ordinary meeting of 25 September 2025.

The GMPR Committee's Terms of Reference detail the functions of the GMPR Committee as being:

1. ensuring that an annual performance review is conducted for the General Manager pursuant to section 102A(1) of the Act.
2. appointing a qualified independent person pursuant to section 102A(2) of the Act in consultation with the General Manager, to assist the Committee, with:
  - determining the Performance Plan of the General Manager.
  - monitoring the performance of the General Manager.
  - reviewing the remuneration and conditions of employment of the General Manager at 12 monthly intervals.
3. ensuring that the General Manager's contract complies with legislation.

The GMPR Committee has held two meetings this year, with the meeting focus being the General Manager's probation review. The minutes of both meetings are included for Director's information:

- Confirmed Minutes of the meeting held 23 January 2026 (**refer Attachment B**).
- Unconfirmed Minute of the meeting held on 16 February 2026 (**refer Attachment C**).

## 3. East Waste Contract Register

A copy of the current East Waste Contract Register as been included in this report (**refer Attachment D**). At the time of writing this report East Waste Administration are in the process of engaging LGA procurement to assist with the procurement of the one expired contract and the contracts due for expiry soon.

## 4. 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 E**) depicts the status of past resolutions of the Board for the period to 26 February 2026.

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 marked 'complete' relates to the delivery and acceptance of six new collection vehicles.

## 5. 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 F**) provides a snapshot update as to the progress of the Annual Plan activities as of 20 June 2025.

## 6. 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 G**) provides a snapshot update of the progress of East Waste's key legislative and governance reporting requirements for the 2026 calendar year.

The annual FY26 review of East Waste's Long-Term Financial Plan (LTFP) was scheduled to occur at the November 2025 meeting cycles and was deferred. Administration will be better informed to review the plan following the outcome of the review of East Waste's cost model, which is now in its final stages and is expected to result in a revised Budget framework. Administration will present a revised LTFP at the April 2026 meeting cycles, following development of the FY27 Budget.

This is a standing item on the Agenda.



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

**Minutes**

Wednesday 18 February 2026

## Minutes

### Eastern Waste Management Authority Ordinary Meeting of the Audit & Risk Management Committee

Meeting to be held on Wednesday 18 February 2026 commencing at 4.00 pm,  
HenderCare, Level 3/81 Flinders Street, Adelaide.

#### Welcome

The Chair, Mrs E Hinchey, declared that a quorum was present and opened the meeting open at 3.55 pm.

#### 1. Acknowledgement of country

#### 2. Present

##### Directors:

Mrs E Hinchey	Independent Chairperson
Mr F Bell	East Waste Board Representative (via MS Teams)
Ms L Green	Independent Member
Ms N Caon	Independent Member

##### In Attendance:

Mr L Leyland	General Manager
Mr D Maywald	Manager Business Services
Ms K Vandermoer	Manager Human Resources & Financial Services
Ms V Davidson	Executive Administration Officer; Independent Consultant

#### 3. Apologies

#### 4. Disclosures of interest

The following disclosure of interest was made:

Item	Type of Conflict	Person
9.5	s120	Ms V Davidson

#### 5. Confirmation of the minutes

Moved Ms Caon that the Minutes of the East Waste Audit and Risk Management Committee meeting held on 12 November 2025 be confirmed as a true and correct record subject to the mover and seconder of Item 9.3 being amended to accurately reflect the mover and seconder of that item.

Seconded Ms L Green

**Carried**

## 6. Matters arising from the minutes

Nil.

## 7. Questions without notice

Nil.

## 8. Presentations

## 9. Reports

### 9.1 Financial Statements – Budget Review Two

*At 4.03 pm the Independent Chairperson sought leave of the Committee to suspend meeting procedures pursuant to Regulation 20(1) of the Local Government (Procedures at Meetings) Regulations 2013 for a period of five minutes in order for the Committee to read the updated Financial Statements as tabled at the meeting.*

*Standing Orders resumed at 4.08 pm.*

*The East Waste Audit & Risk Management Committee (Committee) were provided the opportunity to review the second review undertaken of the budgeted statutory Financial Statements (Budget Review Two) for the financial year ending 30 June 2026 as prescribed by the Local Government (Financial Management) Regulations 2011.*

#### Motion

Moved Ms Caon that the Audit & Risk Management Committee notes and accepts the forecasted end of year FY2026 result associated with the 2025/26 Budget Review Two and recommends to the East Waste Board for adoption.

Seconded: Mr F Bell

**Carried**

### 9.2 Draft 2026/27 Annual Plan & Budget

*The Committee were presented with the key assumptions applied in the development of the Draft 2026/27 Annual Business Plan and Budget (ABP & B) and provided with the draft*

*ABP & B prior to consideration by the East Waste Board.*

#### Motion

Moved Ms L Green that the Audit & Risk Management Committee:

1. having reviewed and considered the Draft 2026/27 Annual Plan (*Attachment A, Item 9.2, Audit & Risk Management Committee Meeting 18 February 2026*) recommends that the East Waste Board adopt the Draft 2026/27 Annual Plan.
2. having reviewed and considered the 2026/27 Draft Budget Key Assumptions recommends that the 2026/27 Draft Budget Key Assumptions are adopted by the East Waste Board.

Seconded: Ms N Caon

## Amendment

Moved Mr F Bell that Point 1 be amended to include reference to consideration being given to the amendments to the Draft 2026/27 Annual Plan recommended by the Committee,

Seconded: Ms N Caon

**Carried**

## Motion as Amended

**Moved:** Mr F Bell

That the Audit & Risk Management Committee:

- a. having reviewed and considered the Draft 2026/27 Annual Plan (*Attachment A, Item 9.2, Audit & Risk Management Committee Meeting 18 February 2026*) recommends that the East Waste Board adopt the Draft 2026/27 Annual Plan subject to consideration of the Committee's recommended amendments.
- b. having reviewed and considered the 2026/27 Draft Budget Key Assumptions recommends that the 2026/27 Draft Budget Key Assumptions are adopted by the East Waste Board.

Seconded: Ms L Green

**Carried**

### 9.3 Strategic Risk Register Review

*Ms K Vandermoer left the meeting at 5.22 pm.*

*Ms K Vandermoer returned to the meeting at 5.24 pm*

*The Administration sought feedback on the recently reviewed Strategic Risk Register.*

#### Motion

Moved Ms N Caon that the Audit & Risk Management Committee having considered the updated Strategic Risk Register (*Attachment B, Item 9.4, Audit & Risk Management Committee Meeting 18 February 2026*) notes the updates and recommends the revised Strategic Risk Register for presentation to the East Waste Board.

Seconded: Mr F Bell

**Carried**

### 9.4 Internal Audit Result: Payroll (Secondary Review)

*At the request of the East Waste Board, the Audit & Risk Management Committee (the Committee) were re-presented the results of the recent payroll audit undertaken by East Waste's appointed internal auditor's UHY Haines Norton, at the request of the East Waste Board at their November 2025 Meeting.*

*At 5.28 pm the Independent Chairperson sought leave of the Committee to suspend meeting procedures pursuant to Regulation 20(1) of the Local Government (Procedures at Meetings) Regulations 2013 for a period of five minutes in order for the Committee to discuss the request of the East Waste Board.*

*Standing Orders resumed at 5.33 pm.*

## **Formal Motion**

Moved Ms Caon that Item 9.5 - Internal Audit Result: Payroll (Secondary Review) be adjourned to such as UHY Haines Norton are available to attend an Audit & Risk Management Committee Meeting to address the content of the Payroll Internal Audit Report.

Seconded: Mr F Bell

**Carried**

## **9.5 Internal Audit Recommendation Progress Tracking**

*Ms V Davidson declared a section 120 interest in this item and left the meeting at 5.50pm.*

*The Committee were provided with an update on the progress of implementation of recommendations made by internal auditors, UHY Haines Norton, through East Waste's Internal Audit Program.*

### **Motion**

Moved Ms L Green that the Audit & Risk Management Committee notes the Internal Audit Progress Tracking Schedule, prepared by UHY Haines Norton, as presented at Attachment A - 'UHY Haines Norton Internal Audit Progress Tracking Schedule (Item 9.5, Audit & Risk Management Committee Meeting, 18 February 2026).

Seconded: Ms N Caon

**Carried**

*Ms V Davidson returned to the meeting at 5.57 pm.*

## **9.6 General Manager's Update**

*The General Manager provided the Audit & Risk Management Committee with an overview of organisational performance, strategic priorities, key risks, and emerging opportunities. The report is intended to support informed decision-making, ensure appropriate governance oversight, and align management activities with East Waste's strategic direction.*

### **Motion**

Moved Ms L Green that the Audit & Risk Management Committee receives and notes the General Manager's Report as presented on the 18 February 2026.

Seconded: Mr F Bell

**Carried**

## **9.7 Information Report**

*The Information Report presents updates on standing items and other items that are relevant to the Audit & Risk Management Committee's Terms of Reference.*

### **Motion**

Moved Ms L Green that the Audit & Risk Management Committee receives and notes the Information Report as presented on 18 February 2026

Seconded: Mr F Bell

**Carried**

**10. Closure**

The Chairperson declared the meeting closed at 6.08 pm.

- 11.** The next Ordinary Audit & Risk Management Committee Meeting is proposed to be held at 4pm on 22 April 2026 at HenderCare, Level 3/81 Flinders Street, Adelaide.

*These minutes have been signed as a true and correct record of the East Waste Audit & Risk Management Committee Meeting of 18 February 2026.*

Chairperson

Date    /    /



**Eastern Waste Management Authority  
General Manager Performance Review Committee  
Minutes**

Friday 23 January 2026

## Minutes

### Eastern Waste Management Authority General Manager Performance Review Committee

Meeting held on Friday 23 January 2026 at the City of Prospect, 128 Prospect Road, Prospect and via MS Teams.

#### 1. Opening

The Presiding Member, Mr S Dilena, declared the meeting open at 9.30 am and that a quorum was present.

The Presiding Member read the Acknowledgement to Country.

#### 2. Attendance

##### Members

Mr S Dilena	Presiding Member, City of Prospect
Mr F Bell	Independent Chairperson of East Waste Board
Cr G Piggott	City of Norwood, Payneham & St Peters (via MS Teams)

##### Administration

Ms V Davidson	GMPCR Committee Secretariat, Independent Consultant (via MS Teams)
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#### 3. Apologies

Cr P George City of Mitcham

#### 4. Declarations of interest

Nil.

#### 5. Confirmation of Minutes

##### 5.1 Minutes of the East Waste General Manager Performance Review Committee Meeting

Moved Mr F Bell that the minutes of the East Waste General Manager Performance Review Committee Meeting held on 7 November 2025 be confirmed as a true and correct record.

Seconded: Cr G Piggott

**Carried**

## 6. Reports

### 6.1 Salary Benchmarking for Waste Management Authority CEOs

Moved Mr F Bell that the General Manager Performance Review Committee (GMORC) receive and note the Salary Benchmarking for Waste Management Authority CEOs as presented in Attachment A, Item 6.1, General Manager Performance Review Committee Meeting, 23 January 2026.

Seconded: Cr G Piggott

**Carried**

### 6.2 GMPRC Meeting Schedule for 2026

Moved Cr G Piggott that the General Manager Performance Review Committee meet six monthly to determine the General Manager's performance against the established Key Performance Indicators, with the next meeting of the GMPRC to be held at 9.30am on Friday 19 June 2026 at the City of Prospect.

Seconded: Mr F Bell

**Carried**

## 7. Confidential Reports

### 7.1 Methodology for General Manager Probation Review

#### Recommendation 1

Moved: Mr F Bell

1. That pursuant to Section 90(2) of the *Local Government Act 1999* (the Act) the General Manager Performance Review (GMPR) Committee orders that the public, with the exception of the GMPR Committee Secretariat, Vanessa Davidson, be excluded from attendance at the meeting for Item 7.1 'Methodology for General Manager Probation Review'.
2. The General Manager Performance Review Committee is satisfied that pursuant to sections 90(2)(a) and 90(3)(a) of the Act the information to be received, discussed or considered in relation to the agenda item is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead) being Leonard Leyland, General Manager of East Waste as it pertains to the General Manager's Probation Review process.
3. The General Manager Performance Review Committee is satisfied that the principle that the meeting should be conducted in a place open to the public has been outweighed by the need to keep the receipt / consideration of the information confidential.

Seconded: Cr G Piggott

**Carried**

## Recommendation 3

1. Moved Cr G Piggott that the General Manager Performance Review Committee having considered Item 7.1 Methodology for General Manager Probation Review in confidence under section 90(2) and 90(3)(a) of the *Local Government Act 1999*, the GMPR Committee pursuant to section 91(7) and (9) of that Act orders that the Report and Minutes to Item 7.1 Methodology for General Manager Probation Review 23 January 2026 be kept confidential until further order of the East Waste Board.
2. The General Manger Performance Review Committee notes any discussions of the GMPR Committee on the matter are confidential in accordance with sections 62(4a) and 110A of the *Local Government Act 1999*.

Seconded: Mr F Bell

**Carried**

## 8. Next meeting of the General Manager Performance Review Committee

The next meeting of the General Manager Performance Review Committee is to be held at 9.30 am on Friday 19 June 2026.

## 9. Closure of meeting

There being no further business, the Presiding Member declared the meeting closed at 10.16 am.

*These minutes have been signed as a true and correct record of the East Waste General Manager Performance Review Committee Meeting held on 23 January 2026.*

Signed \_\_\_\_\_

Presiding Member

Date \_\_\_\_/\_\_\_\_/\_\_\_\_



**Eastern Waste Management Authority  
General Manager Performance Review Committee  
Minutes**

Monday 16 February 2026

## Minutes

### Eastern Waste Management Authority General Manager Performance Review Committee

Meeting held on Monday 16 February 2026 electronically via MS Teams.

#### 1. Opening

The Presiding Member, Mr S Dilena, declared that a quorum was present and opened the meeting at 4.02 pm.

The Presiding Member read the Acknowledgement to Country.

#### 2. Attendance

##### Members

Mr S Dilena	Presiding Member, City of Prospect
Cr G Piggott	City of Norwood, Payneham & St Peters
Cr P George	City of Mitcham

##### Administration

Ms V Davidson	GMPC Committee Secretariat, Independent Consultant
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#### 3. Apologies

Mr F Bell	Independent Chairperson of the East Waste Board
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#### 4. Declarations of interest

Nil.

#### 5. Confirmation of Minutes

##### 5.1 Minutes of the East Waste General Manager Performance Review Committee Meeting

Moved Cr G Piggott that the minutes of the East Waste General Manager Performance Review Committee Meeting held on 23 January 2026 be confirmed as a true and correct record.

Seconded: Cr P George

**Carried**

#### 6. Reports

Nil.

#### 7. Confidential Reports

##### 7.1 General Manager's Probation Review (Verbal Update)

Moved Cr P George that the General Manager Performance Review Committee note that the verbal update and subsequent discussion on the General Manager's Probation Review.

Seconded: Cr G Piggott

**Carried**

## 8. Next meeting of the General Manager Performance Review Committee

The next meeting of the General Manager Performance Review Committee is to be held at 5.00 pm on Thursday 30 April 2026 at the City of Norwood, Payneham & St Peters.

## 9. Closure of meeting

There being no further business, the Presiding Member declared the meeting closed at 4.27 pm.

*These minutes have been signed as a true and correct record of the East Waste General Manager Performance Review Committee Meeting held on 16 February 2026.*

Signed \_\_\_\_\_

Presiding Member

Date \_\_\_\_/\_\_\_\_/\_\_\_\_

ITEM 9.7 - ATTACHMENT D

Contract	Contract Description	Contract Expiry Date	Contractor / Service Provider	Notes/Comments
Tyres	Supply and fitment of Tyres to East Waste fleet of collection vehicles, including Maintenance	Expired	Black Rubber	
Supply of compostable bags	Supply of compostable bin liners and dog waste bags to member councils	1-Jul-26	Biobag World Australia	
Receipt and Processing of Recyclable Material	Receipt and processing of member Councils yellow bin material	Oct-26	Central Adelaide Waste and Recycling Authority (CAWRA) & Southern Region Waste Resource Authority (SRWRA)	
Waste Education Services	Delivery of why waste it program to schools	Jan-27	KESAB Environmental Solutions	
External Audit Services	Provide external audit services in accordance with legislative requirements	Mar-27	Galpins Financial Solutions	Extension option available
Internal Audit Service	Provision of internal audit services	Jul-27	UHY HAINES Norton	Extension option available
Supply of Collection Vehicles	Supply of Collection Vehicles over three years -Agreement for Supply of Cab Chassis and Compactors (Superior Pak PL) - Contract Maintenance	Jan-28	Superiorpak Australia	Extension option available
Landfill Contract	Receipt and processing of 3 member Councils red/blue bin material.	Jan-28	Cleanaway	Extension option available
IT Support and Maintenance Agreement	IT Managed Services Support and licencing	Feb-28	New Era Technology	Includes managed services, Network support. Hardware supply and cyber security.
Supply of mobile garbage bins	Supply of Mobile garbage bins and related components including delivery and repairs	Jul-29	Mastec	
Bulk Fuel Supply	Supply of Bulk Fuel and associated equipment including tank and bowsers	Jul-30	Liberty Oil Australia	
Receipt and Processing of Organics Material	Receipt and processing of member Councils green bin material	Dec-30	Peats Soil & Garden Supplies	Extension option available

<b>East Waste Board Outstanding Resolutions Register - as at 20 June 2025</b>				
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.	<b>COMPLETE:</b> Matters relating to one audit action remain ongoing, which will be captured in the resolution relating to the FY2025 interim audit going forward. 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.	<b>ONGOING:</b> 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.	<b>ONGOING:</b> Further review of working capital requirements will be undertaken following outcome of review of East Waste's Financial Model & Strategy.
1/05/2025	9.2	Strategic Risk Register Review	That the East Waste Board requests that East Waste implement an approach to capturing growth demand forecast information from Constituent Councils annually to inform Annual Plan and Budgets, Asset Management Plans and the Long Term Financial Plan.	<b>ONGOING:</b> Will consider ahead of development of the FY27 Budget and review of East Waste's other strategic documents.
Thursday, 1 May 2025	9.3	Leave Policy	That the East Waste Board adopt the Leave Policy subject to the amendments as minuted.	<b>COMPLETE</b>
Thursday, 1 May 2025	9.4	Review of Sale or Disposal of Assets Policy	That the East Waste Board adopt the revised Sale or Disposal of Assets Policy subject to the amendments as minuted.	<b>COMPLETE</b>
Thursday, 1 May 2025	9.5	Review of the Prudential Review Policy	That the East Waste Board adopt the Prudential Management Policy subject to the amendments as minuted	<b>COMPLETE</b>
Thursday, 1 May 2025	9.7.3	Organics Tender Update	The East Waste Board approves the current contract with Jeffries for the provision of organic waste services be extended at the current contract price plus CPI until 30 September 2025	<b>COMPLETE:</b> East Waste have entered into a short-term contract extension with Jeffries through to 30 September 2025. The same terms and conditions of the existing Agreement apply, with a service rate adjustment equivalent to CPI from 1 July 2025.

ITEM 9.7 – ATTACHMENT F



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 work with member Councils with an aim to provide a full suite of services to all member Councils.	1.1	Vision Target	General Manager will continue to seek opportunities to expand core services with Member Councils.
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	East Waste has been approached to consider possible delivery models for supporting new customers.
4.	Implement a Complaints Management/Ticket system to streamline customer service operations, enhance issue resolution efficiency, and improve stakeholder satisfaction	East Waste will implement a Complaints Management/Ticket system to enhance customer service efficiency, streamline issue tracking, and improve response times. This system will provide a structured approach to logging, monitoring, and resolving customer inquiries and complaints, ensuring accountability and transparency. The project aims to optimize workflows, reduce resolution time, and enhance overall customer satisfaction.	1.5	Vision Target	Complete. Ongoing reviews and improvement will continue until 2026-2027 plan commences.

MAXIMISE SOURCE SEPARATION & RECYCLING

5.	Advance trials and rollout of weekly organics collections	Through the success of current weekly organics trials (FOGO Trials) undertaken by East Waste and more broadly across metropolitan Adelaide, East Waste will work with member Councils to increase the trials/rollouts.	2.1	At least 75% of kerbside material separately collected & recycled  100% of food waste separately collected and recycled.	Existing FOGO trials are continuing with discussions occurring for further trials Burnside, Mitcham and Unley looking to commence or expand trials. Estimates process has been improved for transparency and sharing.
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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	Programs currently being delivered by both East Waste and KESAB.
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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 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	Organics contract in final stages of signoff. Recycling tender preparation to commence in March.
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## PROVIDE LEADERSHIP

8.	Fleet Replacement	In line with the Long-Term Financial Plan, undertake the replacement of six (6) collection vehicles.	5.4	Vision Target	Six delivery vehicles will arrive in 2026, four vehicles were sold at auction.
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	Implement best practice safety standards	Digital reporting (Power BI) now active for key safety metrics. Executive Support Group actively reviewing weekly.

# ITEM 9.7 - ATTACHMENT G

## East Waste Annual Reporting Calendar Board and Audit & Risk Management Committee 2026

	Feb	Apr/May	Jun	Sep	Nov	
<b>Audit &amp; Risk Management Committee Meeting</b>	Feb 18	Apr 22	Jun 10	Sep 16	Nov 11	✔ Item previously presented/endorsed
<b>Board Meeting</b>	Feb 26	Apr 30	Jun 25	Sep 24	Nov 26	✔ Item included in current meeting Agenda • Item deferred to a future meeting
						❌ Item not presented this calendar year

Meeting	Financial	Feb	Apr/May	Jun	Sep	Nov	Notes
B	A&R	Budget Review 2	✔				
B	A&R	Draft Annual Plan & Budget Assumptions	✔				
	A&R	Review of Proposed External Audit Work Plan					
	A&R	Review of Proposed Internal Audit Work Plan					
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					
<b>Governance</b>							
B		Board & Committee Appointments					Appointment of Board Director to vacant position on Audit & Risk Management Committee.
B		General Manager Performance Review		•	•		General Manager probationary outcome scheduled for February Board meeting cycles.
B		Annual Education Summary Report					
B		Lodgment of RPD, Primary, and Ordinary Returns					
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					
<b>Risk</b>							
B	A&R	Strategic Risk Register Review	✔				