



# **Eastern Waste Management Authority Audit & Risk Management Committee Meeting**

## **Agenda**

Wednesday 19 February 2025

Notice is hereby given that a meeting of the East Waste Audit & Risk Management Committee  
will be held at HenderCare,  
3/81 Flinders Street, Adelaide  
on Wednesday 19 February 2025 commencing at 8am.

## Acknowledgement of Country

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

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



## Agenda

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

Meeting to be held on Wednesday 19 February 2025 commencing at 8am.  
at HenderCare 3/81 Flinders Street, Adelaide.

#### 1. Present

#### 2. Acknowledgement of Country

#### 3. Apologies

#### 4. Declarations of Interest

If a Committee Member has an interest in a matter before the Committee, they are asked to disclose the interest to the Committee 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 Audit & Risk Management Committee Meeting held on held on 13 November 2024 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: FY2025 Budget Review Two | Page | 14             |
| 9.2 | Draft 2025/26 Annual Plan & Budget         |      | Separate Cover |
| 9.3 | Review of Behaviour Standards Policy       | Page | 25             |
| 9.4 | WHS Incident Management Report             | Page | 44             |
| 9.5 | Board & Committee Performance Evaluations  | Page | 47             |
| 9.6 | Information Report for February 2025       | Page | 89             |
| 9.7 | Acting General Manager Update (Verbal)     |      |                |
|     | • Review of Financial Model & Strategy     |      |                |
|     | • Aggregated Organics Contract             |      |                |
|     | • Fogo Trials                              |      |                |

## **10. Other Business**

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

The next Ordinary Audit & Risk Management Committee Meeting is proposed to be held on: Tuesday 23 April 2025, at HenderCare 3/81 Flinders Street, Adelaide.

## **13. Closure of Meeting**



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

**Minutes**

Wednesday 13 November 2024

## Minutes

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

Meeting to be held on Wednesday 13 November 2024 commencing at 8:00am, Via Zoom

The Chair, Mrs E Hinchey, declared the Meeting open at 8.03 am and that a quorum was present.

#### 1. Acknowledgement of country

#### 2. Present

##### Directors:

|                |  |
|----------------|--|
| Mrs E Hinchey  | Independent Chairperson  |
| Mr F Bell      | East Waste Board Representative  |
| Mr P Di Iulio  | East Waste Board Representative ( <i>entered the meeting at 8.07am</i> ) |
| Ms L Green     | Independent Member   |
| Ms S Di Blasio | Independent Member   |

##### In Attendance:

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

#### 3. Apologies

Nil.

#### 4. Conflicts of interest

The following disclosure of interest was made:

| Item | Type of Conflict | Person     |
|------|------------------|------------|
| 9.3  | Material         | Ms L Green |
| 10.1 | Material         | Ms L Green |

#### 5. Confirmation of the minutes

Moved Ms L Green that the Minutes of the East Waste Audit and Risk Management Committee meeting held on 17 September 2024 be confirmed as a true and correct record.

Seconded Ms S Di Blasio

**Carried**

#### 6. Matters arising from the minutes

Nil.

## 7. Questions without notice

Nil.

## 8. Presentations

Nil.

## 9. Reports

### 9.1 Financial Statements – Budget Review One

Moved Ms S Di Blasio that the Audit & Risk Management Committee notes and accepts the forecasted end of year FY2025 result associated with the 2024/25 Budget Review One and recommends to the East Waste Board for endorsement.

Seconded Ms L Green

**Carried**

### 9.2 Review of Long-Term Financial Plan FY2025-2034

Moved Mr F Bell that the Audit & Risk Management Committee recommends the draft principles and assumptions presented within the draft Long Term Financial Plan (Attachment A, Item 9.2, Audit & Risk Management Committee Meeting 13 November 2024), to the East Waste Board for adoption.

Seconded Ms S Di Blasio

#### Variation

With the agreement of both the mover and the seconder the motion was varied as follows:

Moved Mr F Bell that the Audit & Risk Management Committee recommends:

1. the draft principles and assumptions presented within the draft Long Term Financial Plan (Attachment A, Item 9.2, Audit & Risk Management Committee Meeting 13 November 2024), to the East Waste Board for adoption.
2. that the East Waste Board note that the proposed legislative changes in relation to waste services may impact the delivery of the East Waste Strategic Plan.

Seconded Ms S Di Blasio

**Carried**

### 9.3 Prudential Review – Supply of Collection Vehicles

*Ms S Di Blasio left the meeting at 8.23am*

*Ms S Di Blasio rejoined the meeting at 8.28am*

*Ms L Green declared a material conflict of interest in this item given her son-in-law works for SuperiorPak and left the meeting at 8.44am.*

Moved Ms S Di Blasio that Audit & Risk Management Committee:

1. is satisfied, having reviewed the Collection Vehicle Tender Project Prudential Report, that it adequately documents the financial and other risks associated with the tender and contract process, as per the requirements of Section 48 of the *Local Government Act 1999*.

2. recommends the draft prudential report as presented in the Collection Vehicle Tender Prudential Review Report (Item 9.3, Attachment A, Audit & Risk Management Committee Meeting 13 November 2024) is presented to the East Waste Board to assist in their decision-making process.

Seconded Mr F Bell

**Carried**

## **Variation**

With the agreement of both the mover and the seconder the motion was varied as follows:

Moved Ms S Di Blasio that Audit & Risk Management Committee

1. is satisfied, having reviewed the Collection Vehicle Tender Project Prudential Report, that it adequately documents the financial and other risks associated with the tender and contract process, as per the requirements of Section 48 of the *Local Government Act 1999*.
2. recommends the draft prudential report as presented in the Collection Vehicle Tender Prudential Review Report (Item 9.3, Attachment A, Audit & Risk Management Committee Meeting 13 November 2024) is presented to the East Waste Board to assist in their decision-making process.
3. recommends that s48 prudential reviews are conducted by an independent third party in future
4. notes that formal consultation on the Long-Term Financial Plan with the Member Councils has not yet occurred.

Seconded Mr F Bell

**Carried**

*The Chairperson sought and was granted leave of the meeting to bring forward items 10.1 and 10.2.*

## **10 Confidential Items**

### **10.1 RFT 2025/07: Cab Chassis Compactors**

*Ms L Green declared a material conflict of interest in this item as her son-in-law works for SuperiorPak and left the meeting at 8.44am.*

Pursuant to Section 83(5) of the *Local Government Act 1999*, the Report attached to this Agenda and the accompanying documentation is provided to the Committee Members upon the basis that the Audit & Risk Management Committee will consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that the Audit & Risk Management Committee will receive, discuss or consider:

- Section 90(2) & (3)(d)(i)(ii) commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.

### **Recommendation 1**



Moved Mr F Bell that pursuant to Section 90(2) and (3)(d) of the Local Government Act, 1999 the East Waste Audit & Risk Management Committee orders that the public, with the exception of the East Waste Acting General Manager, David Maywald, East Waste Manager Operations, Mr Brian Kromholz, East Waste Manager Human Resources and Financial Services, Kelly Vandermoer and East Waste Executive Officer, Vanessa Davidson be excluded from the meeting on the basis that the East Waste Audit & risk Committee will receive, discuss and consider:

(b) information the disclosure of which—

- (i) could reasonably be expected to confer a commercial advantage on a person with whom the East Waste Board is conducting, or proposing to conduct, business, or to prejudice the commercial position of East Waste;
- (ii) would on balance be contrary to the public interest as the outcome of the decision may impact the tender process.

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

At the completion of the confidential session the meeting be re-opened to the public.

Seconded Mr P Di Iulio

**Carried**

### **Recommendation 3**

Moved Mr F Bell that in accordance with Section 91(7) and (9) of the *Local Government Act 1999* the Audit & Risk Management Committee recommends that the Board orders that the report, attachment, discussion and minutes be kept confidential until further order.

Seconded Ms S Di Blasio

**Carried**

## **10.2 RFQ 2025-01: Provision of Internal Audit Services Tender Evaluation Report**

*Ms L Green re-entered the meeting at 9.04am*

Pursuant to Section 83(5) of the *Local Government Act 1999*, the Report attached to this Agenda and the accompanying documentation is provided to the Committee Members upon the basis that the Audit & Risk Management Committee will consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that the Audit & Risk Management Committee will receive, discuss or consider:

- Section 90(2) & (3)(b)(i)(ii) commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.

## Recommendation 1

Moved Ms S Di Blasio that pursuant to Section 90(2) and 90(3)(b) of the *Local Government Act 1999* the East Waste Audit & Risk Management Committee orders that the public, with the exception of the East Waste Acting General Manager, David Maywald, East Waste Manager Operations, Mr Brian Krombholz, East Waste Manager Human Resources and Financial Services, Kelly Vandermoer, and East Waste Executive Officer, Vanessa Davidson be excluded from the meeting on the basis that the East Waste Audit & Risk Management Committee will receive, discuss and consider:

(b) information the disclosure of which—

- (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of East Waste;
- (ii) would on balance be contrary to the public interest as the outcome of the decision may impact the tender process.

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

At the completion of the confidential session the meeting be re-opened to the public.

Seconded Mr F Bell

**Carried**

## Recommendation 3

Moved Ms L Green that in accordance with Section 91(7) and (9) of the *Local Government Act 1999* the Audit & Risk Management Committee orders that the report, attachment and minutes be kept confidential until further order.

Seconded Ms S Di Blasio

**Carried**

## 9.4 Review of Delegated Powers

Moved Mr F Bell

1. That the Audit & Risk Management Committee notes that a comprehensive review of Council's Instruments of Delegation has been conducted in accordance with section 44(6a) of the *Local Government Act 1999*.
2. That the Audit & Risk Management Committee recommends that the East Waste Board hereby revokes its previous delegations to the General Manager of those powers and functions under the following legislation and subordinate legislation where indicated in the Instruments:
  - i. Environment Protection (Waste to Resources) Policy 2010
  - ii. *Local Government Act 1999*
  - iii. *Work Health Safety Act 2012*.

3. That the Audit & Risk Management Committee recommends that the East Waste Board in exercise of the power contained in section 44(1) of the *Local Government Act 1999* delegates the powers and functions under the following Acts and subordinate legislation, where specified in the proposed Instruments of Delegation contained in the attached Instruments of Delegation, with the exception of those powers and functions identified as 'Not delegated', to the person occupying the office of General Manager (and any person to appointed to act in that position) subject to the conditions and or limitations specified herein or in the Schedule of Conditions in each such proposed Instrument of Delegation included as attachments to this report.
  1. Environment Protection (Waste to Resources) Policy 2010; subject to legal review
  2. Local Government Act 1999
  3. Work Health Safety Act 2012.
4. That the Audit & Risk Management Committee note that such powers and functions may be further delegated by the General Manager as the General Manager sees fit and in accordance with the relevant legislation unless otherwise indicated herein or in the Schedule of Conditions contained in the proposed Instrument of Delegation.

Seconded Mr P Di Iulio

**Carried**

## **9.5 Revised Terms of Reference – Audit and Risk Management Committee**

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

That the Audit & Risk Management Committee recommends to the East Waste Board that the revised Terms of Reference for the Audit & Risk Management Committee (Attachment A, Item 9.5, Audit & Risk Management Committee Meeting 13 November 2024) be adopted.

Seconded Ms S Di Blasio

**Carried**

## **9.6 Communication System Upgrade - Customer Service Metrics**

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

That the Audit & Risk Management Committee notes the report and recommends presentation to the East Waste Board.

Seconded Ms S Di Blasio

**Carried**

## **9.7 Proposed Diversity and Inclusion Policy**

Moved Ms S Di Blasio that the Audit & Risk Management Committee:

That the Audit & Risk Management Committee recommend the proposed Diversity and Inclusion Policy (Attachment A, Item 9.7, Audit & Risk Management Committee Meeting 13 November 2024) be referred to the East Waste Board Working Party for review.

Seconded Mr F Bell

**Carried**

*Mr F Bell left the meeting at 9:42am.*

## 9.8 Treasury Management Performance Report

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

The Committee recommend that the 2024 Annual Treasury Management Performance Report (Attachment A, Item 9.8, Audit & Risk Management Committee Meeting 13 November 2024) is presented to the East Waste Board for adoption.

Seconded Mr P Di Iulio **Carried**

## 9.9 WHS Action Plan Rebate

Moved S Di Blasio that the Audit & Risk Management Committee:

That the Audit & Risk Management Committee notes the report and recommends presentation to the East Waste Board.

Seconded Mr P Di Iulio **Carried**

## 9.10 Single Use Plastics Review

Moved S Di Blasio that the Audit & Risk Management Committee notes the Single-use and Other Plastic Products Submission (Attachment A, Item 9.10, Audit & Risk Management Committee Meeting 13 November 2024) and recommends presentation to the East Waste Board.

Seconded Ms L Green **Carried**

## 9.11 Board & Committee Performance Evaluations

Moved Ms S Di Blasio that the Audit & Risk Management Committee defer the item to the next scheduled Audit & Risk Management Committee meeting, to enable all Members to participate in discussion.

Seconded Mr P Di Iulio **Carried**

## 9.12 Proposed Meeting Schedule for 2025

Moved Ms L Green that the Audit & Risk Management Committee receives and notes the proposed meeting schedule for 2025 and recommends the proposed schedule for presentation to the East Waste Board.

Seconded Ms S Di Blasio **Carried**

## 9.13 Information Report for November 2024

Moved Ms S Di Blasio that the Audit & Risk Management Committee receives and notes the Information Report for November 2024.

Seconded Mr P Di Iulio **Carried**

## 11. Other Business

Nil

12. The next Ordinary Audit & Risk Management Committee Meeting is proposed to be held on:  
Tuesday 18 February 2024, location TBC.

*These minutes have been signed as a true and correct record of the East Waste Audit & Risk Management Committee Meeting of 13 November 2024.*

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 FY2025
- C: Budgeted Balance Sheet FY2025
- D: Budgeted Statement of Cash Flow FY2025
- E: Budgeted Statement of Changes in Equity FY2025
- F: Budgeted Uniform Presentation of Finances Statement FY2025

### Purpose and Context

To provide the East Waste Audit & Risk Management Committee (the Committee) 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 2025 as prescribed by the Regulations.

### Recommendation

***That the Audit & Risk Management Committee notes and accepts the forecasted end of year FY2025 result associated with the 2024/25 Budget Review Two and recommends to the East Waste Board for endorsement.***

### Strategic Link

**Objective 5.** Provide Leadership

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

### Background

At the meeting held 22 June 2023, the East Waste Board resolved (in part):

#### **9.1 Annual Plan and Budget Endorsement**

*Moved Cr C Clutterham that the East Waste Board:*

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

*Seconded Mayor M Jones*

**Carried**

### Discussion

The Committee will recall no operating surplus was applied to Common Fleet Costing charges when developing the Budget this year, which is atypical of East Waste's usual budget development framework. Had the 1% Common Fleet Costing surplus been applied, this would have resulted in an additional \$176K waste collection charges being factored in Member Council annual waste collection costs in FY25. The purpose of this was to keep annual increases to a minimum whilst still allowing East Waste to fulfill its strategic objectives within the Annual Plan.

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 FY25.

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 2024, East Waste has recorded a Net Surplus of \$369K (year-to-date actuals) against a forecast full-year predicted Net Surplus of \$56K as at Budget Review One for FY25.

Variances and key budget assumptions have been reviewed with updated forecasted operating income and expenses recorded in the updated Budget Review Two figures as presented, predicting to achieve a surplus of \$74K for FY25. The budgeted Financial Statements are supplied as per attachments B-F (Refer attachment B-F) and a summary of the overall budget movements in income and expenses have been summarised below:

## Statement of Comprehensive Income:

### Bin Services & Maintenance

Increase in income and expenses forecasted to account for expected increased additional bin permits and hardwaste collection services taken up by residents, in addition to increased purchases of bin related infrastructure 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.

### Waste Disposal (Processing) Activities

Increase in income and expenses forecasted to account for the new Member Council Landfill Disposal contract which commenced on 1 January 2025. Given the service is an 'at cost' service provided to Member Councils, it is not expected to impact on the Net Result of East Waste.

An adjustment to East Waste's closing debtors and creditors has also been adjusted to reflect the expected increase in balances in these accounts as a result of the new contract held.

### Other Income & Other Expenses

Due to an unexpected delay in receiving replacement fleet trucks, East Waste has held funds drawn down from LGFA loans on an interest bearing deposit account until they are needed for the truck payments. Consequently, the interest earned from funds held on deposit has led to the budget adjustment recorded at BR2. Additional interest income receivable for the entire FY25 period totalling \$70K has been estimated for FY25.

Additional other expenses totalling \$120K have been forecasted relating to:

- Consulting fees: \$59K for estimated General Manager recruitment costs and independent consultant to undertake internal review of East Waste's financial operations & Strategy.
- Audit/Contamination Services: \$30K for additional costs for purchases relating to ongoing FOGO trials being undertaken, with all direct costs being oncharged to participating Member

Councils. More information relating to the proposed billing of FOGO trials going forward is detailed later in this report.

- Legal Fees: \$5K increase to allow for legal advice to be sought, if required, relating to the upcoming recycling and organics contracts tenders.
- Licence Fees: \$27K to account for increased software costs, including the implementation of Accounts Payable software Traild to strengthen East Waste's internal controls, and other software.
- Printing & Stationery: \$6K increase predominantly related to postage costs as a result of increased Member Council additional bin permits.
- Accounting & Audit related expenses have decreased by \$7K resulting from decreased costs to undertake internal audit engagements than estimated, now that the engagement process has been completed.

### **Depreciation**

As a result of the delay in receiving all replacement trucks, forecast depreciation has decreased to reflect this which has result in the adjustment recorded at BR2.

Further adjustments to the forecast depreciation may be needed in future budget reviews to account for any further changes to the expected acquisition of new fleet trucks. It is anticipated that the trucks will be available and operating in February 2025.

### **Interest Expense**

A review of forecasted interest expense calculation has been undertaken to determine the estimated accrual movement of loan interest payable as at the end of the financial year as well as the total interest payable (cash) for the budgeted period. An adjustment has been recorded to reflect the change in assumptions which resulted in minor corrections being recorded.

### **Fuel Costs**

Due to more favourable fuel costs in the first half of FY25, the revised full-year budget estimate now reflects these savings. However, the cost per litre and the total volume of fuel forecasted for the second half of FY25 remain unchanged from the assumptions used in the original adopted Budget.

### **Employee Costs**

An adjustment to account for \$40K in Workers Compensation expenses has been included to account for a compensation claim settlement to be paid to the Local Government Workers Compensation Scheme.

Additionally, a \$75K increase in salaries and wages expense has been incorporated to reflect current trends in Driver overtime worked, specifically payment of public holiday rates. The new Enterprise Agreement commenced 1 July 2024 and requires staff to be paid double time & a half for Public Holidays. The rate of pay for payment of public holidays was uncertain at the time of finalising the original Budget, with estimates for the cost of overtime wages calculated by Administration based on the best available information known at that time. As the increased wages is expected to relate to overtime payments alone, the budgeted superannuation remains unchanged. Administration continues to closely monitor driver overtime whilst maintaining optimum collection efficiencies. All other staff wages remain stable as per the original budget at this point in time.



Furthermore, a reduction in Rostered Day Off (RDO) liability has been reflected in the Balance Sheet and Cash Flow Statement to account for the payout of the leave entitlements made in the first half of FY25, relating to the new Enterprise Agreement. This payment has no impact on the Operating Result of East Waste.

The payout of leave entitlements to the former General Manager has resulted in a reduction of leave entitlements recorded totalling \$50K. This payment has no impact on the Operating Result of East Waste and is reflected in Employee Costs recorded in the Operating Payments section of the Cash Flow Statement.

### Profit/(Loss) on Disposal of Assets

Recent information obtained by external auctioneers has indicated that second hand Fleet Vehicle sales are estimated to be \$5K per vehicle. An adjustment has been recorded to account for the lower expected sale of 5 Fleet Vehicles which has resulted in a \$55K reduction in revenue.

### External Loan Borrowings

Additional forecasted loan principal payments have been forecasted totalling \$14K in the Cash Flow Statement and has been reflected in the closing balance of the forecasted loans as at 30 June 2025.

### 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<br>Favourable / (Unfavourable) | Cash Flow Statement<br>Increase / (Decrease) |
|-------------------------|------------------------------|--|--|
| 1                       | Bin Service Income           | 226  | 226  |
| 1                       | Bin Service Expenses         | (226)  | (226)  |
| 2                       | Waste Processing Income      | 1,324  | 1,324  |
| 2                       | Waste Processing Expense     | (1,324)  | (1,324)                                      |
| 3                       | Other Income                 | 70   | 70   |
| 3                       | Other Expenses               | (120)  | (120)  |
| 4                       | Depreciation                 | 63   | -  |
| 5                       | Interest Expense             | 25   | 25   |
| 6                       | Fuel                         | 150  | 150  |
| 7                       | Employee Costs               | (115)  | (195)  |
| 8                       | Profit on Disposal of Assets | (55)   | (55)   |
| 9                       | LGFA Loan Repayments         | -  | (14)   |
| <b>Summary Movement</b> |                              | <b>18</b>  | <b>(139)</b>                                 |

**Other Key Matters to Note:**

At the meeting held November 2024, the Board requested that East Waste reinstate the \$60K budget allocation for the Operations Office Upgrade which has been reflected in the BR1 figures per the attached in the Balance Sheet and Cash Flow Statement.

Additionally, the Committee will be aware East Waste has been facilitating FOGO trials on behalf of four (4) Member Councils, being City of Prospect, Adelaide Hills Council, Campbellton City Council and City of Burnside. The concept trials weekly organics collections and fortnightly landfill collections in areas within their respective Council. The trials had been based on a series of assumptions, and with some uncertainty surrounding the logistics, community behaviour and legislative barriers at the time, the trials were initially predicted to be a short-term arrangement. However, the success of the trials has resulted in Member Councils looking to expand their trials, anticipating they may become permanent and advance to full rollouts, while additional Member Councils are in the planning phase of rolling out weekly organics collections.

To keep costs equitable across all Council areas, East Waste made arrangements with its Member Councils to charge additional agreed collection fees for the duration of the trial period, to cover immediate additional costs associated with the trials. Given that weekly organics collections look to be ongoing at least for the foreseeable future, Administration is of the opinion the current charging model is not sustainable, and is proposing through Budget Review Two to credit the additional collection charges billed from 1 July 2024, back to Member Councils, with only direct costs associated with the trials being recouped through usual monthly billing cycles. This will allow for additional collection time as a result of FOGO trials to be captured through the usual Common Fleet Costing model, with additional costs accounted for in the common fleet % movements when developing the Annual Budget. The amount to be credited being approximately 32K, is reflected in the proposed FY25 Financial Statements.

# ITEM 9.1 - ATTACHMENT A

## EAST WASTE

Summary Budget Movement Worksheet  
for the Financial Year Ending 30 June 2025

|                                    | Actual<br>as at 31 December<br>2024 | Adopted Budget    | BR1               | Proposed Budget<br>(BR2) | Actual YTD /<br>Proposed BR1 | Proposed Budget<br>Movement | Comments  |
|------------------------------------|-------------------------------------|-------------------|-------------------|--------------------------|------------------------------|-----------------------------|---|
| Administration Fee                 | 145,211                             | 290,421           | 290,421           | 290,421                  | 50%                          | -                           |   |
| Common Fleet Costing               | 8,793,143                           | 17,586,287        | 17,586,287        | 17,586,287               | 50%                          | -                           |   |
| Processing Income                  | 2,901,810                           | 5,827,332         | 5,827,332         | 7,482,932                | 39%                          | 1,655,600                   | Updated to account for new Landfill disposal contract.  |
| Bin Services & Maintenance         | 1,385,629                           | 1,543,605         | 1,743,000         | 1,969,247                | 70%                          | 226,247                     | Updated to reflect increased bin related purchases by Member Councils under East Waste contract.        |
| Profit / (Loss) from Disposal      | 16,563                              | 80,000            | 97,000            | 42,000                   | 39%                          | (55,000)                    | Reflects less than anticipated funds expected to be received from truck sales in coming months.         |
| Grant Income                       | -                                   | -                 | -                 | -                        | 0%                           | -                           |   |
| Other Income                       | 190,280                             | 56,000            | 145,000           | 215,000                  | 89%                          | 70,000                      | Increased predicted in interest income due to utilisation of funds in LGFA investment account.          |
| <b>Total</b>                       | <b>13,432,636</b>                   | <b>25,383,645</b> | <b>25,689,040</b> | <b>27,585,887</b>        |                              | <b>1,896,847</b>            |   |
| Processing Expenses                | 2,901,735                           | 5,827,331         | 5,827,331         | 7,482,931                | 39%                          | 1,655,600                   | Updated to account for new Landfill disposal contract.  |
| Bin Service & Maintenance Expenses | 1,385,678                           | 1,543,605         | 1,743,200         | 1,969,247                | 70%                          | 226,047                     | Updated to reflect increased bin related purchases by Member Councils under East Waste contract.        |
| Employee Costs                     | 4,338,411                           | 8,865,297         | 8,815,297         | 8,930,297                | 49%                          | 115,000                     | Reflects 40K Workcover Settlement, 75K increase to wages & Salaries and 30K saving in leave provisions. |
| Fleet Maintenance                  | 1,035,187                           | 1,957,000         | 1,957,000         | 1,957,000                | 53%                          | -                           |   |
| Depreciation                       | 202,650                             | 2,706,973         | 2,702,973         | 2,640,000                | 8%                           | (62,973)                    | Reduction in expense due to delay in receiving new trucks.  |
| Interest                           | 285,041                             | 694,000           | 650,000           | 625,000                  | 46%                          | (25,000)                    | Reduction in expense relating to forecast timing of accruals.   |
| Fuel                               | 897,187                             | 2,152,354         | 2,142,354         | 1,992,354                | 45%                          | (150,000)                   | Reduction to reflect savings in predicted \$/litre in first 6 months of year.                           |
| Other Expenses                     | 2,017,390                           | 1,637,083         | 1,794,083         | 1,914,544                | 105%                         | 120,461                     | 60K consulting, 5K Legal, 30K direct costs associated with FOGO trials (oncharged), 25K Licence fees    |
| <b>Total</b>                       | <b>13,063,281</b>                   | <b>25,383,643</b> | <b>25,632,238</b> | <b>27,511,373</b>        |                              | <b>1,879,135</b>            |   |
| <b>Net Surplus</b>                 | <b>369,355</b>                      | <b>2</b>          | <b>56,802</b>     | <b>74,514</b>            |                              | <b>17,712</b>               |   |

|  | Actual<br>as at 31 December<br>2024 | Adopted Budget     | BR1                | Proposed Budget<br>(BR2) | Actual YTD /<br>Proposed BR1 | Proposed Budget<br>Movement | Comments  |
|--|-------------------------------------|--------------------|--------------------|--------------------------|------------------------------|-----------------------------|---|
| <b>Non Operating Cash Flow</b>           |                                     |                    |                    |                          |                              |                             |   |
| <b>Income</b>                            |                                     |                    |                    |                          |                              |                             |   |
| Proceeds from Sale of Assets             | -                                   | 80,000             | 80,000             | 80,000                   | 0%                           | -                           |   |
| Proceeds from the Sale of Motor Vehicles | 16,880                              | -                  | 16,563             | 17,000                   | 99%                          | 437                         |   |
| Proceeds from Borrowings                 | 2,178,539                           | 2,113,500          | 2,178,600          | 2,178,600                | 100%                         | -                           |   |
| <b>Total</b>                             | <b>2,195,419</b>                    | <b>2,193,500</b>   | <b>2,275,163</b>   | <b>2,275,600</b>         |                              | <b>437</b>                  |   |
| <b>Expenses</b>                          |                                     |                    |                    |                          |                              |                             |   |
| Fleet Replacement Costs                  | 481,791                             | 2,113,500          | 2,178,539          | 2,178,539                | 22%                          | -                           |   |
| Motor Vehicle Replacement                | 43,056                              | 60,000             | 43,056             | 43,056                   | 100%                         | -                           |   |
| Office Furniture & Minor Tools           | -                                   | 50,000             | 50,000             | 50,000                   | 0%                           | -                           |   |
| Operations Office Upgrade                | -                                   | 60,000             | 60,000             | 60,000                   | 0%                           | -                           |   |
| Plant Replacement                        | 6,780                               | 25,000             | 25,000             | 25,000                   | 27%                          | -                           |   |
| Repayment of Borrowings - LGFA           | 1,055,132                           | 2,065,000          | 2,065,000          | 2,079,160                | 51%                          | 14,160                      | Borrowing schedule updated for new LGFA borrowings and revised principal repayment costs. |
| Repayment of Borrowings - Leases         | 124,706                             | 170,000            | 200,881            | 200,881                  | 62%                          | -                           |   |
| <b>Total</b>                             | <b>1,711,465</b>                    | <b>4,543,500</b>   | <b>4,622,476</b>   | <b>4,636,636</b>         |                              | <b>14,160</b>               |   |
| <b>Net Non-Operating Cash Flow</b>       | <b>483,954</b>                      | <b>(2,350,000)</b> | <b>(2,347,313)</b> | <b>(2,361,036)</b>       |                              | <b>(13,723)</b>             |   |

# ITEM 9.1 - ATTACHMENT B

## EAST WASTE

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

| FY24          |  | FY25          | FY25          | FY25          | FY25         |
|---------------|--|---------------|---------------|---------------|--------------|
| Audited       |  | Adopted       | BR1           | BR2           | Movement BR2 |
| Actuals       |  | Budget        |               |               | v BR1        |
| \$'000        |  | \$'000        | \$'000        | \$'000        | \$'000       |
|               | <b>Income</b>                            |               |               |               |              |
| 22,559        | User Charges                             | 23,704        | 23,704        | 25,360        | 1,656        |
| 66            | Investment income                        | 48            | 60            | 130           | 70           |
| -             | Grants, subsidies and contributions      | -             | -             | -             | -            |
| 1,574         | Other                                    | 1,552         | 1,828         | 2,054         | 226          |
| <b>24,199</b> | <b>Total</b>                             | <b>25,304</b> | <b>25,592</b> | <b>27,544</b> | <b>1,952</b> |
|               | <b>Expenses</b>                          |               |               |               |              |
| 8,492         | Employee Costs                           | 8,865         | 8,815         | 8,930         | 115          |
| 13,123        | Materials, contracts & other expenses    | 13,118        | 13,464        | 15,316        | 1,852        |
| 2,512         | Depreciation, amortisation & impairment  | 2,707         | 2,703         | 2,640         | (63)         |
| 442           | Finance costs                            | 694           | 650           | 625           | (25)         |
| <b>24,569</b> | <b>Total</b>                             | <b>25,384</b> | <b>25,632</b> | <b>27,511</b> | <b>1,879</b> |
| <b>(370)</b>  | <b>Operating Surplus / (Deficit)</b>     | <b>(80)</b>   | <b>(40)</b>   | <b>33</b>     | <b>73</b>    |
| 81            | Asset disposals & fair value adjustments | 80            | 97            | 42            | (55)         |
| <b>(289)</b>  | <b>Net Surplus / (Deficit)</b>           | <b>-</b>      | <b>57</b>     | <b>75</b>     | <b>18</b>    |
| -             | Other Comprehensive Income               | -             | -             | -             | -            |
| <b>(289)</b>  | <b>Total Comprehensive Income</b>        | <b>-</b>      | <b>57</b>     | <b>75</b>     | <b>18</b>    |

# ITEM 9.1 - ATTACHMENT C

## EAST WASTE

Projected Balance Sheet (Budgeted)

for the Financial Year Ending 30 June 2025

| FY24          |   | FY25          | FY25          | FY25          | FY25         |
|---------------|---|---------------|---------------|---------------|--------------|
| Audited       |   | Adopted       | BR1           | BR2           | Movement BR2 |
| Actuals       |   | Budget        |               |               | v BR1        |
| \$'000        |   | \$'000        | \$'000        | \$'000        | \$'000       |
|               | <b>Assets</b>                               |               |               |               |              |
|               | <b>Current</b>                              |               |               |               |              |
| 1,634         | Cash & Cash Equivalents                     | 2,508         | 2,075         | 1,936         | (139)        |
| 1,082         | Trade & Other Receivables                   | 746           | 1,082         | 1,413         | 331          |
| 63            | Inventory                                   | 43            | 63            | 63            | -            |
| <b>2,779</b>  | <b>Total</b>                                | <b>3,297</b>  | <b>3,220</b>  | <b>3,412</b>  | <b>192</b>   |
|               | <b>Non-Current</b>                          |               |               |               |              |
| 11,038        | Infrastructure, Property, Plant & Equipment | 13,721        | 13,220        | 13,283        | 63           |
| <b>11,038</b> | <b>Total</b>                                | <b>13,721</b> | <b>13,220</b> | <b>13,283</b> | <b>63</b>    |
| <b>13,817</b> | <b>Total Assets</b>                         | <b>17,018</b> | <b>16,440</b> | <b>16,695</b> | <b>255</b>   |
|               | <b>Liabilities</b>                          |               |               |               |              |
|               | <b>Current</b>                              |               |               |               |              |
| 1,229         | Trade & Other Payables                      | 1,227         | 1,234         | 1,565         | 331          |
| 2,029         | Borrowings                                  | 2,285         | 2,485         | 2,485         | -            |
| 1,011         | Provisions                                  | 991           | 1,071         | 1,050         | (21)         |
| <b>4,269</b>  | <b>Total</b>                                | <b>4,503</b>  | <b>4,790</b>  | <b>5,100</b>  | <b>310</b>   |
|               | <b>Non-Current</b>                          |               |               |               |              |
| 8,546         | Borrowings                                  | 11,187        | 10,531        | 10,517        | (14)         |
| 108           | Provisions                                  | 256           | 168           | 109           | (59)         |
| <b>8,654</b>  | <b>Total</b>                                | <b>11,443</b> | <b>10,699</b> | <b>10,626</b> | <b>(73)</b>  |
| <b>12,923</b> | <b>Total Liabilities</b>                    | <b>15,946</b> | <b>15,489</b> | <b>15,726</b> | <b>237</b>   |
| <b>894</b>    | <b>Net Assets</b>                           | <b>1,072</b>  | <b>951</b>    | <b>969</b>    | <b>18</b>    |
|               | <b>Equity</b>                               |               |               |               |              |
| 894           | Accumulated Surplus                         | 1,072         | 951           | 969           | 18           |
| <b>894</b>    | <b>Total Equity</b>                         | <b>1,072</b>  | <b>951</b>    | <b>969</b>    | <b>18</b>    |

# ITEM 9.1 - ATTACHMENT D

## EAST WASTE

### PROJECTED STATEMENT OF CASH FLOWS (BUDGET)

for the Financial Year Ending 30 June 2025

| FY24            |   | FY25           | FY25           | FY25           | FY25               |
|-----------------|---|----------------|----------------|----------------|--------------------|
| 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>   |                |                |                |                    |
| 23,801          | Operating Receipts  | 25,256         | 25,532         | 27,083         | 1,551              |
| 62              | Investment Receipts                                       | 48             | 60             | 130            | 70                 |
|                 | <b>Payments</b>   |                |                |                |                    |
| (8,380)         | Employee costs  | (8,745)        | (8,695)        | (8,890)        | (195)              |
| (13,141)        | Materials, contracts & other expenses                     | (13,118)       | (13,464)       | (14,985)       | (1,521)            |
| (481)           | Interest Payments   | (683)          | (645)          | (620)          | 25                 |
| <b>1,861</b>    | <b>Net Cash Flows from Operating Activities</b>           | <b>2,758</b>   | <b>2,788</b>   | <b>2,718</b>   | <b>(70)</b>        |
|                 | <b>Cash Flows from Investing Activities</b>               |                |                |                |                    |
|                 | <b>Receipts</b>   |                |                |                |                    |
| 81              | Sale of Replaced Assets                                   | 80             | 97             | 42             | (55)               |
|                 | <b>Payments</b>   |                |                |                |                    |
| (4,040)         | Expenditure on Renewal/Replaced Assets                    | (2,249)        | (2,297)        | (2,297)        | -                  |
| -               | Expenditure of New/Upgraded Assets                        | (60)           | (60)           | (60)           | -                  |
| <b>(3,959)</b>  | <b>Net Cash Flows from Investing Activities</b>           | <b>(2,229)</b> | <b>(2,260)</b> | <b>(2,315)</b> | <b>(55)</b>        |
|                 | <b>Cash Flow from Financing Activities</b>                |                |                |                |                    |
|                 | <b>Receipts</b>   |                |                |                |                    |
| 2,155           | Proceeds from Borrowings                                  | 2,114          | 2,179          | 2,179          | -                  |
|                 | <b>Payments</b>   |                |                |                |                    |
| (285)           | Repayment of Lease Liabilities                            | (170)          | (201)          | (201)          | -                  |
| (2,091)         | Repayment of Borrowings                                   | (2,065)        | (2,065)        | (2,079)        | (14)               |
| <b>(221)</b>    | <b>Net Cash Flow from Financing Activities</b>            | <b>(121)</b>   | <b>(87)</b>    | <b>(101)</b>   | <b>(14)</b>        |
| <b>(2,319)</b>  | <b>Net Increase (Decrease) in cash held</b>               | <b>408</b>     | <b>441</b>     | <b>302</b>     | <b>(139)</b>       |
| <b>3,953</b>    | <b>Cash &amp; cash equivalents at beginning of period</b> | <b>2,100</b>   | <b>1,634</b>   | <b>1,634</b>   | <b>-</b>           |
| <b>1,634</b>    | <b>Cash &amp; cash equivalents at end of period</b>       | <b>2,508</b>   | <b>2,075</b>   | <b>1,936</b>   | <b>(139)</b>       |

# ITEM 9.1 - ATTACHMENT E

## EAST WASTE

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

| FY24       |  | FY25         | FY25       | FY25       | FY25         |
|------------|--|--------------|------------|------------|--------------|
| Audited    |  | Adopted      | BR1        | BR2        | Movement BR2 |
| Actuals    |  | Budget       |            |            | v BR1        |
| \$         |  | \$'000       | \$'000     | \$'000     | \$'000       |
| 1,183      | <b>Balance at Start of Periof - 1 July</b> | 1,072        | 894        | 894        | -            |
| (289)      | Net Surplus / (Deficit) for Year           | -            | 57         | 75         | 18           |
| -          | Contributed Equity                         | -            | -          | -          | -            |
| -          | Distribution to Councils                   | -            | -          | -          | -            |
| <b>894</b> | <b>Balance at End of Period - 30 June</b>  | <b>1,072</b> | <b>951</b> | <b>969</b> | <b>18</b>    |

# ITEM 9.1 - ATTACHMENT F

## EAST WASTE

Projected Uniform Presentation of Finances (Budgeted)

for the Financial Year Ending 30 June 2025

| FY24            |  | FY25           | FY25           | FY25           |
|-----------------|--|----------------|----------------|----------------|
| Audited Actuals |  | Adopted Budget | BR1            | BR2            |
| \$'000          |  | \$'000         | \$'000         | \$'000         |
|                 | <b>Income</b>  |                |                |                |
| 22,559          | <i>User Charges</i>  | 23,704         | 23,704         | 25,360         |
| 66              | <i>Investment income</i>   | 48             | 60             | 130            |
| -               | <i>Grants, subsidies and contributions</i>                               | -              | -              | -              |
| 1,574           | <i>Other</i>   | 1,552          | 1,828          | 2,054          |
| <b>24,199</b>   |  | <b>25,304</b>  | <b>25,592</b>  | <b>27,544</b>  |
|                 | <b>Expenses</b>  |                |                |                |
| 8,492           | <i>Employee Costs</i>  | 8,865          | 8,815          | 8,930          |
| 13,123          | <i>Materials, contracts &amp; other expenses</i>                         | 13,118         | 13,464         | 15,316         |
| 2,512           | <i>Depreciation, amortisation &amp; impairment</i>                       | 2,707          | 2,703          | 2,640          |
| 442             | <i>Finance costs</i>   | 694            | 650            | 625            |
| <b>24,569</b>   |  | <b>25,384</b>  | <b>25,632</b>  | <b>27,511</b>  |
| <b>(370)</b>    | <b>Operating Surplus / (Deficit)</b>                                     | <b>(80)</b>    | <b>(40)</b>    | <b>33</b>      |
|                 | <b>Net Outlays on Existing Assets</b>                                    |                |                |                |
| <b>(4,040)</b>  | <i>Capital Expenditure on Renewal and Replacement of Existing Assets</i> | <b>(2,249)</b> | <b>(2,297)</b> | <b>(2,297)</b> |
| 2,512           | <i>Depreciation, Amortisation and Impairment</i>                         | 2,707          | 2,703          | 2,640          |
| 81              | <i>Proceeds from Sale of Replaced Assets</i>                             | 80             | 97             | 42             |
| <b>(1,447)</b>  |  | <b>538</b>     | <b>503</b>     | <b>385</b>     |
|                 | <b>Net Outlays on New and Upgraded Assets</b>                            |                |                |                |
| -               | <i>Capital Expenditure on New and Upgraded Assets</i>                    | <b>(60)</b>    | <b>(60)</b>    | <b>(60)</b>    |
| -               | <i>Amounts Specifically for New and Upgraded Assets</i>                  | -              | -              | -              |
| -               | <i>Proceeds from Sale of Surplus Assets</i>                              | -              | -              | -              |
| <b>-</b>        |  | <b>(60)</b>    | <b>(60)</b>    | <b>(60)</b>    |
| <b>(1,817)</b>  | <b>Annual Net Impact to Financing Activities (surplus/(deficit))</b>     | <b>398</b>     | <b>403</b>     | <b>358</b>     |



## 9.3 Review of Behaviour Standards Policy

**Report Author** Acting General Manager

**Attachments** A: Marked up version – Revised Behaviour Standards Policy  
B: Clean version – Revised Behaviour Standards Policy

### Purpose and Context

The East Waste Behaviour Standard Policy has undergone a scheduled review to ensure compliance with legislative requirements and current practice at East Waste and is presented to the Audit & Risk Management Committee for consideration, comment and recommendation to the East Waste Board.

### Recommendation

**That the Audit & Risk Management Committee recommends to the East Waste Board that the revised Behaviour Standards Policy (Attachment B, Item 9.3, Audit & Risk Management Committee Meeting, 19 February 2025).**

### Background

The Behaviour Standards Policy was first adopted by the East Waste Board in May 2018 and was revised in February 2022 to reflect amendments to the *Local Government Act 1999*. The policy itself is based on the Local Government Association model Behaviour Standards Policy with content modified to align with the behavioural expectations of East Waste employees and contractors e.g. the statutory threshold for declaring gifts is currently set by the Minister for Local Government at \$50, while the East Waste Board currently requires all gifts and benefits offered to employees to be captured on the gifts and benefits register.

### Discussion

Administration have reviewed the Behavioural Standards Policy to ensure that it accurately reflects legislative requirements and the expectations of the East Waste Board.

Changes made to the policy include:

- Updating the name of the Independent Commission (previously Commissioner) Act 2012.
- Removing the reference to the requirements of the Independent Commission Against Corruption Act and referencing and providing a link to the ICAC Directions and Guidelines for Public Officers. This ensures as this document is updated relevant information will be available to employees and contractors.
- Inclusion of requirement that use of East Waste resources for activities not directly related to work tasks must be preapproved in writing by the General Manager.
- Minor grammatical changes.

For ease of reference proposed changes to the policy have been included as track changes at Attachment A to this report with a clean version of the Behaviour Standards Policy included at Attachment B.

|              |            |
|--------------|------------|
| Version No:  | 2.0        |
| Issued:      | 24/02/2023 |
| Next Review: | 24/02/2026 |

## Behaviour Standards Policy

### 1. Introduction

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

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

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

### 2. Purpose

- 2.1. East Waste staff and contractors must use their best endeavours, at all times, to ensure that they have current knowledge of the documents referred to above and any legal requirements and best practices relevant to their position.
- 2.2. East Waste will provide ongoing training and guidance to staff and contractors, regarding the expected behavioural standards which are set out in and required by this Policy and other relevant East Waste Policies and Procedures.
- 2.3. Failure to comply with this Policy, expectations set out in Position Descriptions, or individual employment contracts, may result in investigation ~~and/ or being undertaken and~~ disciplinary action being taken.

### 3. Key Principles

- 3.1. East Waste staff and contractors, have a commitment to serve the best interests of all Member Councils and customers ~~to~~ which they provide services ~~to~~.
- 3.2. East Waste staff and contractors will at all times carry out their duties and functions conscientiously, with due care and diligence and to the best of their ability.

- 3.3. East Waste staff and contractors, will at all times act honestly in every aspect of their work and be open and transparent when making decisions and providing advice to East Waste.
- 3.4. East Waste staff and contractors, will at all times carry out their duties and functions and treat others with professionalism, courtesy and respect.
- 3.5. East Waste staff and contractors will at all times carry out their duties and functions in a manner which promotes public confidence and trust in the integrity and professionalism of East Waste.
- 3.6. East Waste staff and contractors, will at all times respect and uphold the law and resolutions made by the East Waste Board.

## 4. Policy

### 4.1. Conduct Required of East Waste Staff and Contractors

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

#### 4.1.1 General Standards

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

#### 4.1.2 Use of East Waste Resources

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

#### 4.1.3 Information

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

#### 4.1.4 Use of position

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

#### 4.1.5 Presentation

- Ensure personal presentation (dress and appearance) is appropriate for the duties and functions required to be undertaken in their respective role.
- Wear any corporate and/or personal safety equipment as required by reasonable lawful direction or as otherwise required by law.
- [Adhere to East Waste's Dress Code Policy.](#)

#### 4.1.6 Health and Safety

- Take reasonable care that their acts and omissions do not adversely affect the health and safety of [themselves or any](#) other persons, as required by the *Work Health and Safety Act 2012*.

#### 4.1.7 Public Comment

- East Waste's Independent Chairperson and General Manager are the only persons who are authorised to make public statements on behalf of East Waste. However, in certain circumstances, the Independent Chairperson or General Manager may authorise another staff member to make a media statement.
- Whether in relation to their duties, other East Waste staff, contractors, Member Council Management, or any East Waste matter [employees-and-contractors may](#):
  - not make public comment on behalf of East Waste unless specifically authorised to do so.

- o not engage in any public criticism or make disparaging or denigrating comments (including on social media) about East Waste, its staff and/or any decisions which are made by the East Waste Board.

**Unacceptable Behaviour**

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

~~Unacceptable Behaviour~~ includes, but is not limited to:

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

**Commented [VD1]:** Suggest removing as covered off within policy content.

**Commented [DM2R1]:** I'm Comfortable for it to be removed.

**4.2 General Guidelines for Appropriate Conduct and Decision Making**

East Waste staff and contractors must follow the guidelines which are set out below, when taking action or making a decision in the course of carrying out their duties and functions. ~~(and must maintain Reasonable documentation should be retained as a corporate record to evidence decisions. evidencing this);~~

- 4.2.1 Is the act or decision lawful?  
What are the applicable codes of practice, legislation and regulations, policies and procedures, lawful directions given, and East Waste Board resolutions (if any) concerning the act or decision?  
If unknown, what further training, research, advice or direction is required?
- 4.2.2 Is the act or decision consistent?  
Is the act or decision consistent with previous acts or decisions made by East Waste staff/contractors, East Waste Policies and Procedures, and objectives under East Waste's 10 Year Business Plan?
- 4.2.3 What is the anticipated outcome?  
What is the known or reasonably anticipated outcome or effect on other East Waste staff and contractors, the East Waste Board or Member Council's (as applicable)?  
This could include, but is not limited to, a financial, political, social, reputational, emotional or physical effect.
- 4.2.4 Does the known or anticipated outcome lead to any real or perceived breach or non-compliance?

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

4.2.5 Can the act or decision be justified?

Consider legal compliance, the principal roles and functions of East Waste as detailed in the East Waste Charter, ~~Local Government Act 1999~~, public interest and reputation of East Waste.

Commented [VD3]: Covered in legal compliance

**4.3 General Guidelines in relation to Conflicts of Interest**

4.3.1 An East Waste staff member or contractor, has an 'interest' in a matter before the East Waste Board if they, or a person closely associated with them (as defined by Section 120(6-5)), of the *Local Government Act 1999*, would:

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

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

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

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

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

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

**4.4 Register of Interests**

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

Key Management personnel may be required to complete an annual Related Party Disclosure.





**4.5 Gifts and Benefits**

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

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

4.5.1 General Guidelines

East Waste staff and contractors must not:

- seek gifts or benefits of any kind.
- seek out or accept any gift or benefit that is (or could reasonably be taken to be) intended or likely to:
  - create a sense of obligation on the part of the staff member or contractor to another person; or
  - influence the staff member or contractor in the performance or discharge of their functions or duties.
- seek out or accept any gift or benefit from any person who is in, or who seeks to be in, any contractual relationship with East Waste.
- East Waste staff and contractors must declare and surrender all gifts and benefits of **any value** which they may be offered or receive (including those gifts and benefits which they decline) to the General Manager. Gifts and benefits of any value may not be kept by the recipient unless authorised by the General Manager.

4.5.2 Bribes and Improper Inducements

4.5.2.1 East Waste staff and contractors must not:

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

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

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

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

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

4.5.3 Criminal Matters

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

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

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

~~Independent Commission Against Corruption Act 2012~~

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

- ~~• an offence against Part 7 Division 4 (Offences relating to public officers) of the Criminal Law Consolidation Act 1935, which includes the following offences:~~
  - ~~○ Bribery or corruption of public officers.~~
  - ~~○ Threats or reprisals against public officers.~~
  - ~~○ Abuse of public office.~~
  - ~~○ Demanding or requiring benefit on basis of public office; and~~
  - ~~○ Offences relating to appointment to public office.~~

**Commented [KV4]:** Suggest to remove this?

**Commented [VD5R4]:** Agree

**Commented [DM6R4]:** Agree.

**Commented [IL7R4]:** Happy for this section to be deleted from this policy. I don't think it fits here. Upon deletion though we need to ensure this is captured in another relevant policy/procedure as I can not think of where we currently have this requirement captured.

**Commented [VD8]:** Suggest deleting this as the policy makes several references to abiding by legislation,

**Commented [DM9R8]:** Comfortable to delete

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

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

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

## • Legislation

Independent Commission Against Corruption Act 2012  
 Local Government Act 1999  
 Work Health and Safety Act 2012

## • Related Documents

East Waste Charter  
[East Waste Dress Code Policy](#)  
[South Australia Municipal Officers Award](#)  
[Local Government Employees Award](#)  
[East Waste Enterprise Agreement](#)  
[ICAC Directions and Guidelines for Public Officers](#)

• **Review**

This Behaviour Standards Policy shall be reviewed at minimum within three (3) years of issued date or more frequently if legislation or organisational needs change.

The review may include or be initiated by:

- a. Feedback from managers, workers, or other stakeholders;
- b. Legislative compliance;
- c. Other relevant information.

Signed \_\_\_\_\_ Signed \_\_\_\_\_  
 Independent Chairperson General Manager  
 Date \_\_\_\_/\_\_\_\_/\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

• **Document History**

| Version No: | Issue Date: | Description of Change:   |
|-------------|-------------|--|
| 1.0         |             | New Document 11 May 2018   |
| 2.0         | 24/02/2022  | Revised for compliance with changes to Local Government Act 1999 |
| 3.0         |             |  |
|             |             |  |
|             |             |  |

# Behaviour Standards Policy

## 1. Introduction

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

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

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

## 2. Purpose

- 2.1. East Waste staff and contractors must use their best endeavours, at all times, to ensure that they have current knowledge of the documents referred to above and any legal requirements and best practices relevant to their position.
- 2.2. East Waste will provide ongoing training and guidance to staff and contractors, regarding the expected behavioural standards which are set out in and required by this Policy and other relevant East Waste Policies and Procedures.
- 2.3. Failure to comply with this Policy, expectations set out in Position Descriptions, or individual employment contracts, may result in investigation and/or disciplinary action being taken.

## 3. Key Principles

- 3.1. East Waste staff and contractors, have a commitment to serve the best interests of all Member Councils and customers to which they provide services.
- 3.2. East Waste staff and contractors will at all times carry out their duties and functions conscientiously, with due care and diligence and to the best of their ability.
- 3.3. East Waste staff and contractors, will at all times act honestly in every aspect of their work and be open and transparent when making decisions and providing advice to East Waste.
- 3.4. East Waste staff and contractors, will at all times carry out their duties and functions and treat others with professionalism, courtesy and respect.

- 3.5. East Waste staff and contractors will at all times carry out their duties and functions in a manner which promotes public confidence and trust in the integrity and professionalism of East Waste.
- 3.6. East Waste staff and contractors, will at all times respect and uphold the law and resolutions made by the East Waste Board.

## 4. Policy

### 4.1. Conduct Required of East Waste Staff and Contractors

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

#### 4.1.1 General Standards

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

#### 4.1.2 Use of East Waste Resources

- Use East Waste facilities, resources and equipment in a safe, efficient and proper manner, and in accordance with all applicable laws, codes and regulations at all times.
- Only use East Waste facilities, resources and equipment for East Waste-related and approved purposes unless authorised by the General Manager to do so in writing prior to the planned activity.

#### 4.1.3 Information

- Deal with information which is received in their capacity as an East Waste staff member or contractor, in a responsible manner and in accordance with the East Waste's privacy and confidentiality requirements, and otherwise in accordance with the law.
- Not release or divulge information that the East Waste Board or General Manager has ordered be kept confidential, or that the East Waste staff member or contractor, should reasonably know is information that is confidential, including

information that is considered by the Board or the General Manager in confidence, subject to the *Ombudsman Act 1972* and the *Independent Commission Against Corruption Act 2012* and where disclosure is otherwise required or authorised by law.

- Not make improper use of information, including confidential information, acquired by virtue of their position.
- Endeavour to provide accurate information ~~(and not provide false or misleading information)~~ to East Waste or to the public at all times.

#### 4.1.4 Use of position

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

#### 4.1.5 Presentation

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

#### 4.16 Health and Safety

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

#### 4.17 Public Comment

- East Waste's Independent Chairperson and General Manager are the only persons who are authorised to make public statements on behalf of East Waste. However, in certain circumstances, the Independent Chairperson or General Manager may authorise another staff member to make a media statement.
- Whether in relation to their duties, other East Waste staff, contractors, Member Council Management, or any East Waste matter employees and contractors may:
  - not make public comment on behalf of East Waste unless specifically authorised to do so.
  - not engage in any public criticism or make disparaging or denigrating comments (including on social media) about East Waste, its staff and/or any decisions which are made by the East Waste Board.
- 4.2 General Guidelines for Appropriate Conduct and Decision Making

East Waste staff and contractors must follow the guidelines which are set out below, when taking action or making a decision in the course of carrying out their duties and functions. Reasonable documentation should be retained as a corporate record to evidence decisions.

### 4.2.1 Is the act or decision lawful?

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

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

### 4.2.2 Is the act or decision consistent?

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

### 4.2.3 What is the anticipated outcome?

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

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

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

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

### 4.2.5 Can the act or decision be justified?

Consider legal compliance, the principal roles and functions of East Waste as detailed in the East Waste Charter, public interest and reputation of East Waste.

## 4.3 General Guidelines in relation to Conflicts of Interest

4.3.1 An East Waste staff member or contractor, has an '*interest*' in a matter before the East Waste Board if they, or a person closely associated with them (as defined by Section 120 (5)), of *the Local Government Act 1999*, would:

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

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

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

- Disclose the interest to the General Manager; and



- Must not act in relation to the matter unless the General Manager otherwise determines.

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

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

#### 4.4 Register of Interests

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

Key Management personnel may be required to complete an annual Related Party Disclosure.

#### 4.5 Gifts and Benefits

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

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

##### 4.5.1 General Guidelines

East Waste staff and contractors must not:

- seek gifts or benefits of any kind.
- seek out or accept any gift or benefit that is (or could reasonably be taken to be) intended or likely to:
  - create a sense of obligation on the part of the staff member or contractor to another person; or
  - influence the staff member or contractor in the performance or discharge of their functions or duties.
- seek out or accept any gift or benefit from any person who is in, or who seeks to be in, any contractual relationship with East Waste.
- East Waste staff and contractors must declare and surrender all gifts and benefits of **any value** which they may be offered or receive (including those gifts and benefits which they decline) to the General Manager. Gifts and benefits of any value may not be kept by the recipient unless authorised by the General Manager.

### 4.5.2 Bribes and Improper Inducements

#### 4.5.2.1 East Waste staff and contractors must not:

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

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

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

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

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

### 4.5.3 Criminal Matters

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

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

### • Legislation

*Independent Commission Against Corruption Act 2012*

*Local Government Act 1999*

*Work Health and Safety Act 2012*

### • Related Documents

East Waste Charter

East Waste Dress Code Policy

South Australia Municipal Officers Award

Local Government Employees Award

East Waste Enterprise Agreement

[ICAC Directions and Guidelines for Public Officers](#)

### • Review

This Behaviour Standards Policy shall be reviewed at minimum within three (3) years of issued date or more frequently if legislation or organisational needs change.

The review may include or be initiated by:

- a. Feedback from managers, workers, or other stakeholders;
- b. Legislative compliance;
- c. Other relevant information.

Signed \_\_\_\_\_

Independent Chairperson

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

Signed \_\_\_\_\_

General Manager

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

### • Document History

| Version No: | Issue Date: | Description of Change:   |
|-------------|-------------|--|
| 1.0         |             | New Document 11 May 2018   |
| 2.0         | 24/02/2022  | Revised for compliance with changes to Local Government Act 1999 |
| 3.0         |             |  |
|             |             |  |
|             |             |  |

## 9.4 WHS Incident Management Report

**Report Author** Risk & WHS Coordinator

**Attachments** Nil

### Purpose and Context

The purpose of this report is to provide the Audit & Risk Management Committee (the Committee) with an update on the current status of incident/accident management at East Waste, which has recently been identified as a strategic risk.

### Recommendation

***That the Audit & Risk Management Committee notes the report and recommends presentation to the East Waste Board.***

### Strategic Link

**Objective 5.** Provide Leadership

**Strategy 5.1** Implement best practice safety standards

### Background

At the commencement of January 2025, East Waste administration identified a backlog in the entry and management of incidents and accidents within our WHS system (Skytrust). Paper-based reports dating back approximately ten (10) months had not been entered into the system. As a result, many of these incidents and accidents had not been formally investigated, nor had the appropriate follow-up corrective actions been completed. Throughout 2024, East Waste averaged 14 incidents per month. The lack of timely investigation and follow-up led to a backlog of over 280 outstanding corrective actions.

The primary cause of this backlog was associated with some resourcing issues prior to the current Enterprise Agreement being negotiated. Due to driver and operational staff shortages, key personnel from East Waste’s operations team including the Risk & WHS Coordinator were frequently required to backfill drivers positions to ensure that we were completing scheduled bin collection services. As a result, the administrative aspects of incident management were unable to be completed in a timely manner, which resulted in a backlog of work.

This situation had several adverse impacts, including a heightened risk of repeated incidents due to unresolved corrective actions and a financial strain caused by increased insurance claims. The combination of a high incident frequency rate and outstanding corrective actions highlighted the need for intervention to restore compliance and improve safety performance.

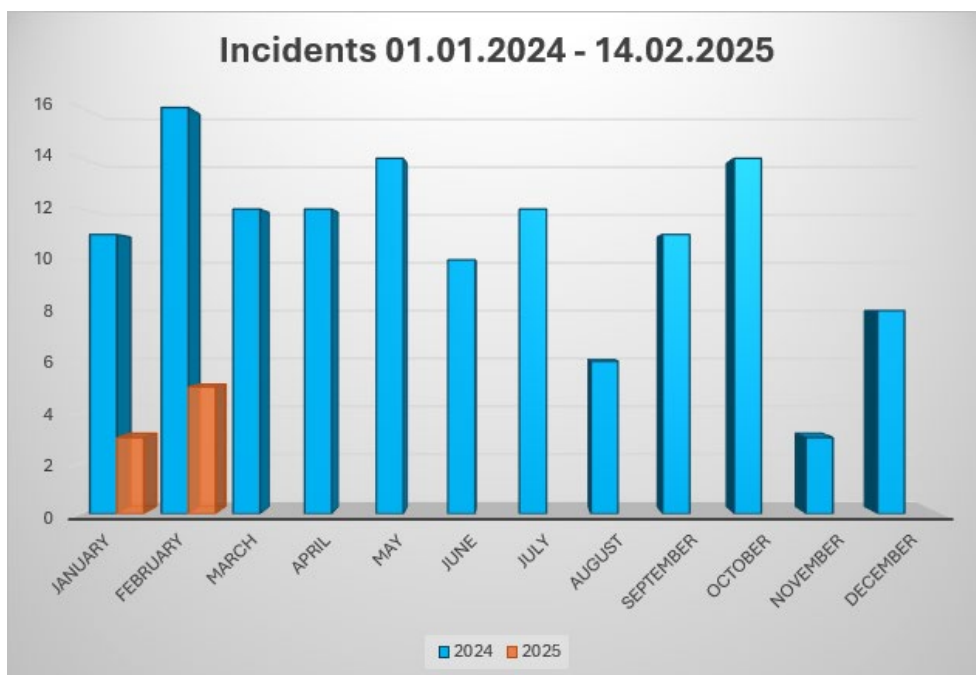
**Discussion**

Since January, Administration has taken a series of targeted actions to address the backlog of data entry and improve incident and accident management processes. A dedicated admin resource was seconded to assist with incident data entry, ensuring that all incidents and investigations have now been entered into our WHS system. A significant amount of the backlog has now been entered and administration are on track to have all the back log entered by the end of February 2025, restoring compliance with reporting requirements. Additionally the East waste leadership team are currently in the process of reviewing, updating and implementing the LG Safe Incident reporting and investigation procedure. Once the procedure has been implemented training will be rolled out to all staff.

Following the entry of all accident/incidents into Skytrust the focus will shift to resolving outstanding corrective actions. As of February 2025, the outstanding corrective actions have reduced from 280 to 234, and a structured approach has been implemented to systematically close these actions and mitigate future risks. The objective is to reduce outstanding corrective actions to a manageable level of 30 or fewer, aligning with historical standards before the backlog and it is anticipated that this will be completed prior to 1 April 2025.

Financially, the impact of increased incident rates has led to higher insurance premiums and adjustments to East Waste’s excess structure. The previous standard excess of \$1,000 per vehicle claim has shifted to a percentage-based model, resulting in excess costs as high as \$5,230 for some newer vehicles. This highlights the importance of sustaining improvements in safety performance to prevent further cost implications.

New Training initiatives have played a crucial role in improving safety awareness and reducing incidents. New programs focusing on safe driving practices, incident reporting, and risk management have been introduced. These initiatives have contributed to a marked reduction in the incident rate from 14 per month to 4 per month, demonstrating the effectiveness of the training efforts. The graph below shows the historical number of reported incidents per month and the improvement that has occurred in the last couple of months.



Moving forward, Administration will continue to prioritise incident management improvements. Key next steps include:

1. Completing incident data entry by the end of February 2025.
2. Reducing outstanding corrective actions to approximately 30 prior to 1 April 2025
3. A continued focus on staff training & development to help maintain a low number of incidents.
4. A continued focus on driver well-being and operational efficiency.

## 9.5 Board & Committee Performance Evaluations

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

**Attachments** A: Red Wagon Solutions Board & Committee Performance Evaluation Report

### Purpose and Context

To provide the Audit & Risk Management Committee (Committee) with the results of the recently undertaken East Waste Board & Committee performance evaluations.

### Recommendation

***The Audit & Risk Management Committee receives and notes the Board & Committee Performance Evaluation Report, (Attachment A, Item 9.5, Audit & Risk Management Committee Meeting 13 November 2024) prepared by Red Wagon Solutions.***

### Strategic Link

**Objective 5.** Provide Leadership

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

### Background

Historically, East Waste had not had a formal process in place to facilitate the review and ongoing development of the East Waste Board and the Audit & Risk Management Committee. In 2023, Administration proposed the implementation of an official performance evaluation process to allow East Waste to seek feedback on the overall effectiveness of its Board and Audit & Risk Management Committee, to provide meaningful feedback to individuals for their own development and if required, feedback to Member Councils. At the meeting held 22 June 2023, the Board endorsed a proposed Board & Committee Performance Evaluation Framework, to be conducted annually, commencing in 2024. The Board resolved:

#### **9.6 BOARD AND AUDIT & RISK MANAGEMENT COMMITTEE PERFORMANCE EVALUATION FRAMEWORK**

*Moved Mr Di Iulio that the Board:*

1. *Endorses the Board and Audit & Risk Management Committee Performance Evaluation Framework, and Evaluation forms as presented in Attachment A & B.*
2. *Requests Administration engage a consultant to collate the evaluation feedback and roll out the process in the new calendar year.*

*Seconded Mayor Jones*

**Carried**

## Discussion

In line with the endorsed framework, Red Wagon Solutions, HR Consulting Agency, were engaged by Administration in September 2024 to facilitate the performance evaluations and collate the results independently. The evaluations were distributed electronically and required the East Waste Board (Board) and the Audit & Risk Management Committee Members (Committee) to complete a questionnaire relating to the overall Board and/or Committee effectiveness, as well as at an individual Director/Committee Member level. The scope of the evaluation, while in-depth, provides invaluable insight and assists East Waste to continue to improve and refine systems and processes and determine the key skillsets required for high performance.

Pleasingly, the process saw strong commitment from both Board & Committee Members, with 8 of 9 Board Members, and all Committee members, participating in the evaluation. Following the collation of results, Red Wagon Solutions have prepared a *Board & Committee Performance Evaluation Report*, as presented within Attachment A (**refer Attachment A**) summarising the results relating to overall perceived Committee and Board performance.

High-level findings indicate that the Board is perceived to have a sound understanding of its role and operates efficiently to achieve shared goals. The Committee is perceived to add significant value to the Board and offers effective oversight of East Waste's operations and compliance obligations more broadly. In addition, it is clear both the Board and Committee value the leadership from their respective Chair and Presiding Member. The report does however, highlight that both the Board and Committee seek clarity on East Waste's risk appetite and risk management practices. Chairman, Mr Fraser Bell, consulted with Red Wagon Solutions independently to discuss the results of the evaluations, including the individual Board and Committee member evaluations, and will provide further detail at the meeting.

Overall, results indicate that Board and Committee members have a positive self-perception, meaning the individual's self-perception accurately reflects how they are perceived by others. Small self-awareness gaps were noted in isolated categories, which demonstrates narrow areas for improvement. As per the endorsed framework, results regarding individual performance will be kept confidential and only shared with the Chair of the East Waste Board, and where appropriate, the Executive Leadership Team and Audit & Risk Management Committee. Individual member evaluations have since been distributed to individuals, by Red Wagon Solutions. Participants are encouraged to reflect on their results, and any feedback relating to individual performance will be dealt with confidentially, through Chairman, Mr Fraser Bell.

Administration will seek feedback from Committee members at the meeting relating to the refinement of future Board & Committee performance evaluations, noting the process is an important component of a robust governance framework, integral to ensuring continuous improvement, and creates a formal feedback loop to Directors, Committee Members and Constituent Councils.





# EAST WASTE BOARD & COMMITTEE PERFORMANCE EVALUATION REPORT

October 2024

## EXECUTIVE SUMMARY

A strong and effective board and committee is crucial in guiding organisation success. Engaging in regular performance evaluations and self-assessment identifies strengths and key areas for improvement.

This report details the results and analysis of East Waste's Board and Audit & Risk Committee Evaluation ('Committee') in 2024. The report highlights general performance across several categories and high-level findings from individual member evaluations.

Results demonstrated both the board and committee have strong leadership from their respective chairs and presiding member.

The board has a sound understanding of their purpose and role, and operational activities are proficient in supporting members to achieve this purpose.

The committee is effective in adding value to the board and more widely the organisation and has key oversight on compliance.

Results demonstrated that both the board and committee are unclear on East Waste's risk appetite and risk management.

Overall, the Board and Committee members have a positive self-perception, which is individuals accurately reflect how others perceive them.

## SCOPE & METHODOLOGY

Red Wagon was engaged to carry out an evaluation of the Board and Audit & Risk Committee at East Waste in October 2024.

Red Wagon was provided with evaluations forms for the Board and Audit & Risk Committee by East Waste Management. The evaluation forms included a general evaluation, self-evaluation and peer evaluation. Whilst similar, the board and committee had separate questionnaires that were tailored to reflect the groups' purpose and responsibility. The evaluation questionnaire was distributed online by Red Wagon.

Total number of completed questionnaires:

- Board = 8 out of 9 Members
- Audit & Risk Committee = 5 out of 5 Members

### General Evaluation

The general evaluation section of the questionnaires were categorised in the following themes:

#### Board Evaluation

- General Manager Engagement
- Board Leadership
- Stakeholder Management
- Decision Making
- Culture & Dynamics
- Effectiveness
- Risk & Control
- Operations

#### Committee Evaluation

- Committee Leadership
- Risk Identification
- Risk Control
- Management Engagement
- Culture & Dynamics
- Effectiveness
- Board Engagement
- Operations

### Individual Member Evaluation

Each board and committee member were required to complete a self-evaluation, and a peer evaluation. Peer evaluations were averaged for each individual to calculate an individual peer evaluation score. Additionally, peer evaluations were averaged to calculate an overall score for the respective group members. By comparing self-evaluation scores to average peer scores, members can identify their strengths and opportunities, but also understand gaps between their self and peer perceptions.

Individual evaluations included questions on the below key themes:

- Purpose & Role
- Peer Behaviour
- Engagement
- Contribution
- Knowledge and understanding

### Data Interpretation

Questionnaires were worded as statements which required the respondent to select their level of agreement with the statement. To facilitate graphical presentation of results, level of agreement was converted to numerical data as per the table below.

|                    |          |          |          |          |          |
|--------------------|----------|----------|----------|----------|----------|
| <b>Data Rating</b> | <b>1</b> | <b>2</b> | <b>3</b> | <b>4</b> | <b>5</b> |
|--------------------|----------|----------|----------|----------|----------|

| Questionnaire Scale | Disagree | Somewhat Disagree | Neither agree nor disagree | Somewhat agree | Agree |
|---------------------|----------|-------------------|----------------------------|----------------|-------|
|---------------------|----------|-------------------|----------------------------|----------------|-------|

## FINDINGS: INDIVIDUAL MEMBER EVALUATION

Individual member evaluation results are confidential and only available to the applicable individual, East Waste Chair and Executive Leadership Team.

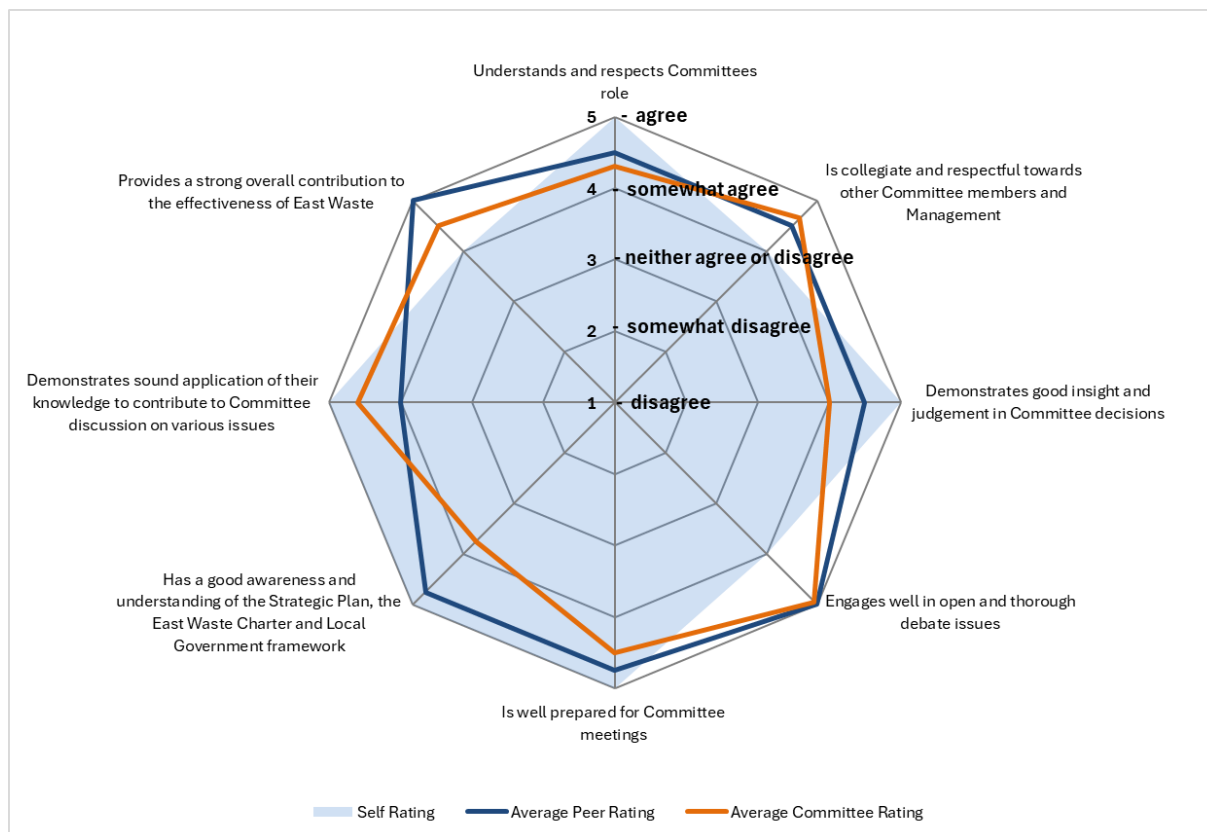
Each member was provided with a spider-web chart (example below) that presented:

- Their self-rating - light blue shading.
- Average peer rating - dark blue line.  
*(Average score of all evaluations completed on the individual)*
- Average member rating – orange line.  
*(Average score of all evaluations completed for all members, excluding self-ratings)*

Overall, the Board and Committee members have a positive self-awareness, that is an individual’s self-perception accurately reflects how they are perceived by others. There were two members who had a greater self-awareness gap, but only in an isolated category, accordingly this demonstrates a narrow area of improvement for these individuals to reflect and improve on. These results have been discussed with the Board Chair.

Positive self-awareness is a key quality for executives and business leaders as studies have shown it leads to:

- enhanced leadership skills;
- improved decision-making;
- effective communication;
- strong relationships, including ability to resolve conflict; and
- personal growth.



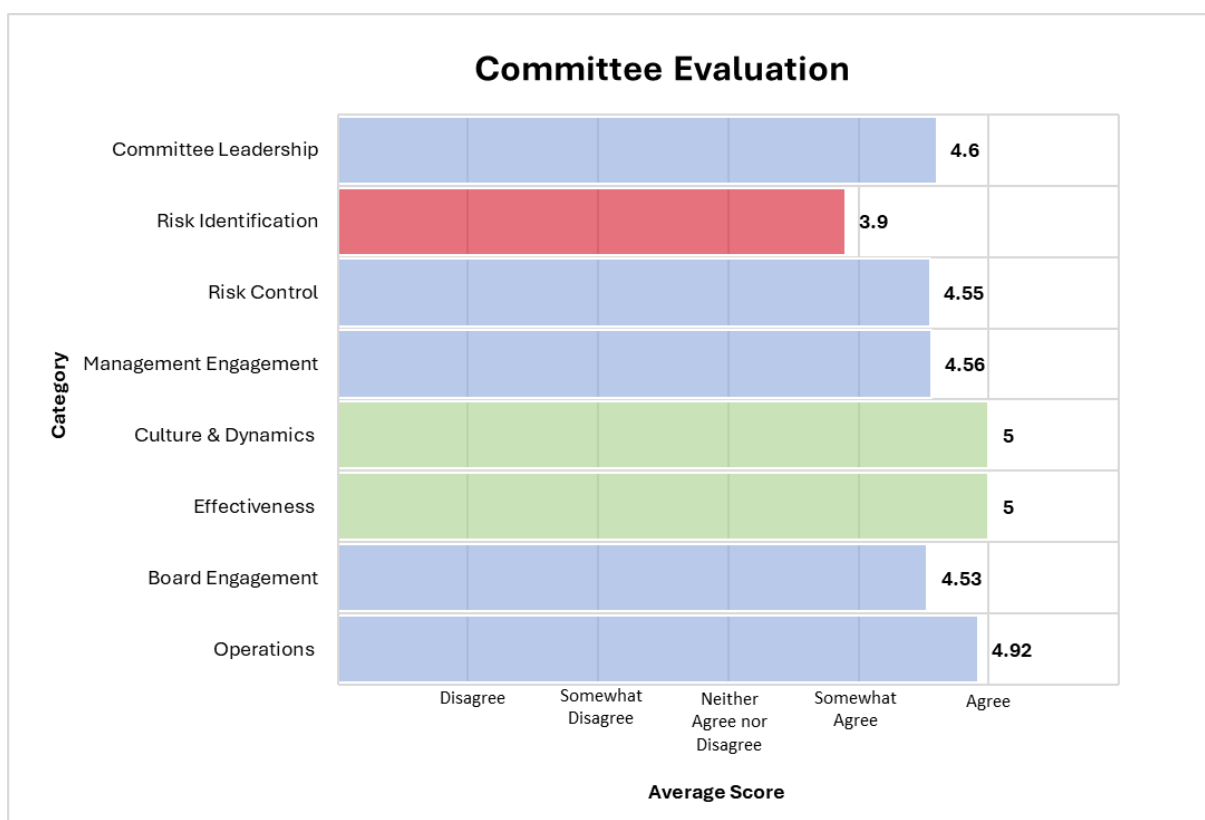
*\*Example chart only – data is false and does not represent any true results.*

## FINDINGS: COMMITTEE EVALUATION

The results of the Committee evaluation are presented in the chart below. The committee is statistically placed at ‘agree’ for all key themes, except for risk identification.

It is evident that this is a high performing Committee with strong leadership, effective operations, a collaborative team, and positive relationships with Management and the Board. With sound foundations, the Committee is set up to successfully advise and support East Waste in managing its audit and risk obligations.

Average scores for each statement is included in Appendix 1.



### Key Strengths

#### Effectiveness

Committee members are positive about the value the Committee adds to East Waste. The Committee has a clear understanding of their roles and responsibilities and is adequately resourced to meet its obligations. Each member actively contributes their unique skills and expertise to the team.

#### Culture & Dynamics

The Committee is able to work together sufficiently and has created a culture where all members are able to actively contribute and express their views. This positive culture is evident in the Committee’s effectiveness to add value through well-articulated, technical and practical advice.

### Key Opportunities

Scoring well below all other categories, at an average 3.9, there is a key opportunity to improve risk identification within East Waste. Utilising individual question data, risk identification can be broken down to focus on two key functions as detailed below.

Risk Tolerance

In analysing the data of both the Board and Committee, it is apparent that the Committee is unclear on the Board’s risk tolerance as the Board also lacks clarity. To enable the appropriate identification, control and management of risks, the Committee must have a clear understanding on the Board’s risk tolerance.

There is an opportunity to clearly define East Waste’s risk appetite and framework and ensure this is clearly communicated to drive decision making and risk management.

Internal Audit Function

The Committee has indicated that the internal audit function is not currently being resourced or managed to its full potential. It is important the internal audit function is appropriately reviewed to ensure it is managed and resourced to maximise its utility.

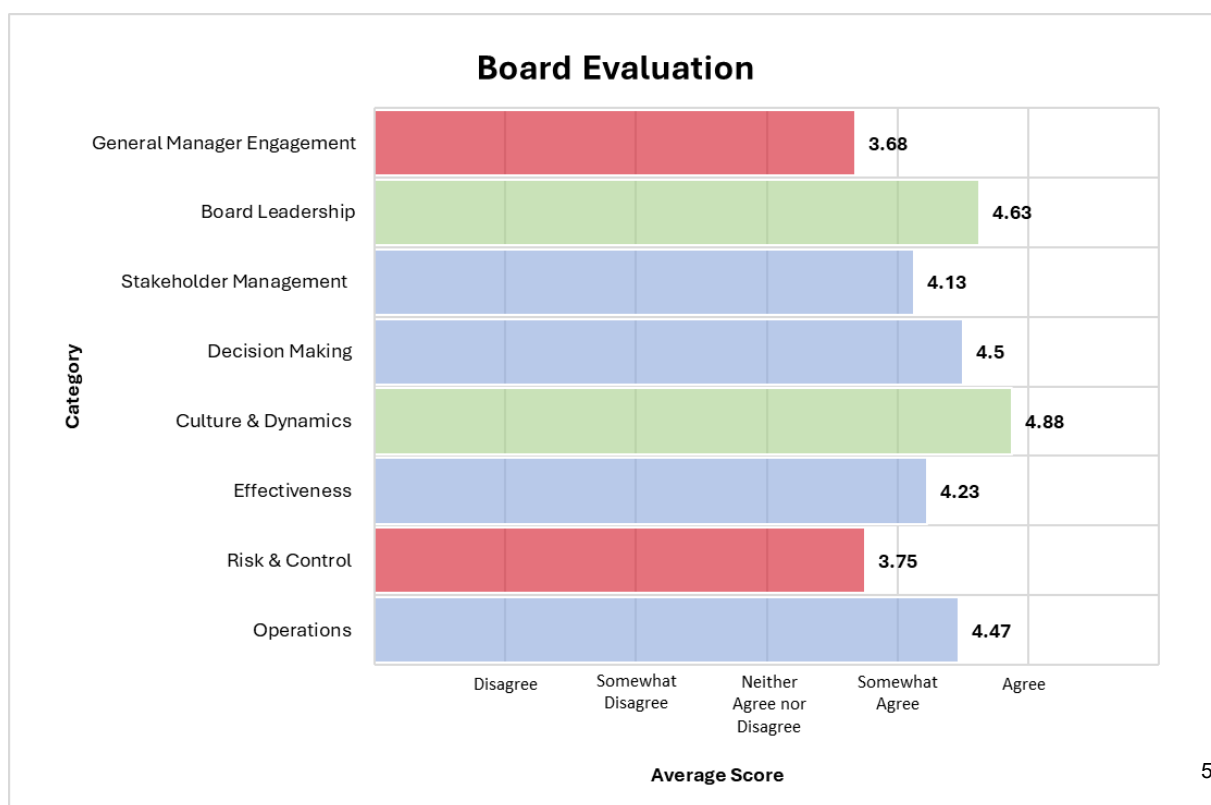
Actions

- ! Clarify risk tolerance
- ! Review internal audit function

## FINDINGS: BOARD EVALUATION

The results of the Board evaluation are presented in the chart below. The Board is comfortably sitting between “somewhat agree” and “agree” for all key themes, except for Risk & Control and General Management Engagement.

Evaluation data demonstrates East Waste has a solid performing Board that is foundationally supported by a positive culture and strong leadership from the Chair.



## **Key Strengths**

### Board Leadership

The Board Chair is an effective leader that ensures the Board is set up for success. By maintaining an inclusive culture, the Chair supports and engages all members to actively contribute. Further, the Chair is able to balance the importance of a supportive environment, with a level of leadership that ensures the Board remain effective and accountable.

### Culture & Dynamics

The Board has a strong culture that facilitates robust discussions in a professional and effective manner. Each member is given the opportunity to speak and be heard, with members providing each other with sound respect. With a culture that promotes on trust and honesty, the Board is able to make decisions effectively.

## **Key Opportunities**

### Risk & Control

It has been identified that the Board could improve its understanding and management of risk and issues effecting East Waste. It important to have a risk management framework that is communicated to Management and the Committee to ensure risks are appropriately identified and escalated. The Committee evaluation results demonstrated there is not a clear understanding of the Board's risk tolerance, and this is consistent with the Boards results where risks are not devoted sufficient time for discussion. The Board has identified a need to closely examine East Waste's procurement processes to ensures they are ethical and transparent.

It is evident the Board should give further focus to clarifying and communicating their position on risk tolerance, this will ensure the Committee and Management can escalate concerns and manage risk appropriately.

### East Waste Leadership (GM)

The results indicate a need to strengthen engagement and performance review processes with the GM. Strong communication between East Waste leadership and the Board is crucial for guiding the organisation's success. Regular performance reviews, based on key performance indicators, will provide timely feedback and maintain engagement, enabling the Board to monitor the implementation of East Waste's Strategic Plan.

### Actions

- ! Determine risk tolerance and risk management framework and communicate to Audit & Risk Committee
- ! Establish engagement and performance expectations when onboarding the new General Manager.

## APPENDIX

### Appendix 1. Committee Evaluation – Statement Results

#### Data Interpretation

Questionnaires were worded as statements which required the respondent to select their level of agreement with the statement. To facilitate graphical presentation of results, level of agreement was converted to numerical data as per the table below.

| Data Rating         | 1        | 2                 | 3                          | 4              | 5     |
|---------------------|----------|-------------------|----------------------------|----------------|-------|
| Questionnaire Scale | Disagree | Somewhat Disagree | Neither agree nor disagree | Somewhat agree | Agree |

| Committee Evaluation Statement   | Average Score |
|--|---------------|
| The Committee has a clear understanding of the Board's risk tolerance  | 3.2           |
| The Internal Audit function is appropriately resourced and managed   | 3.6           |
| The minutes, decisions and actions of the Committee are reported to the Board in a timely and accurate manner  | 4             |
| The Committee presiding member builds healthy room dynamics  | 4             |
| The Committee presiding member has an effective and constructive working relationship with the Board and Management                                      | 4             |
| The Committee is confident that senior executives understand their responsibilities for managing risks   | 4             |
| The Committee has a constructive relationship with Management  | 4.2           |
| The Committee is confident that East Waste has appropriate internal controls established to manage risks   | 4.2           |
| The Committee receives comprehensive reporting that assesses the effectiveness of internal controls  | 4.2           |
| The Committee reviews and understands the organisations risk profile   | 4.2           |
| The business of the Board is accurately captured in the Minutes  | 4.4           |
| The Committee has a constructive relationship with the Board   | 4.6           |
| Management keep the Committee informed of relevant information and risks between meetings  | 4.6           |
| The Committee has oversight of compliance with regulations, policies, best practice guidelines, instructions and contractual arrangements                | 4.6           |
| Committee reports are well written and can be easily understood  | 4.8           |
| The Committee ensures that the organisation has appropriate internal controls, frameworks, systems and processes established for the management or risks | 4.8           |
| The Board actively seeks the views of the Committee on matters relating to its terms of reference  | 5             |
| The Committee presiding member ensures that the Committees workload is managed appropriately   | 5             |
| The Committee presiding member keeps the meeting focused and on track  | 5             |
| The size of the agenda is manageable within the meeting  | 5             |
| All Committee members express their professional view within the meeting   | 5             |
| The Committee works effectively as a team  | 5             |
| The discussions within the Committee meetings are relevant and useful for decision making  | 5             |
| The Committee adds value to the work of East Waste   | 5             |

## East Waste Board & Committee Performance Evaluation Summary Report October 2024

|  |   |
|--|---|
| The Committee's operations do not diminish the ultimate responsibility of the Board  | 5 |
| The balance of independent vs non-independent members is appropriate   | 5 |
| The Committee does not rely on any one Committee Member to provide appropriate advice and expertise  | 5 |
| The Committee is of an appropriate size and structure, and collectively has the required skills, commitment and knowledge to manage its workload and obligations | 5 |
| The Committee's Terms of Reference clearly outline roles and responsibilities  | 5 |
| The remuneration of the Committee is appropriate based on role, responsibility, skills/ experience, time commitment and retention                                | 5 |
| The role of the Chair is clearly defined and understood  | 5 |
| The Committee uses confidential orders appropriately and conducts sessions without management present from time to time  | 5 |
| Management does not unduly influence the recommendations of the Committee  | 5 |
| The Committee has appropriate access to information and staff  | 5 |
| Agenda papers are distributed in a timely manner   | 5 |
| All Committee members appropriately disclose any conflicts of interests  | 5 |
| Committee meetings are appropriately scheduled (i.e. frequency, timing, duration, etc.)  | 5 |
| Committee members understand their legal duties on behalf of East Waste  | 5 |
| Of business of the Committee is accurately captured in the minutes   | 5 |
| The Committee has a useful process to following up actions from previous meetings  | 5 |
| The Committee is distributed a workplan that covers the requirements of the Committee's Terms of Reference   | 5 |
| The Committee has oversight and recommends to the Board the engagement of East Waste's Internal Audit contract   | 5 |



## Appendix 2. Board Evaluation – Statement Results

### Data Interpretation

Questionnaires were worded as statements which required the respondent to select their level of agreement with the statement. To facilitate graphical presentation of results, level of agreement was converted to numerical data as per the table below.

| Data Rating         | 1        | 2                 | 3                          | 4              | 5     |
|---------------------|----------|-------------------|----------------------------|----------------|-------|
| Questionnaire Scale | Disagree | Somewhat Disagree | Neither agree nor disagree | Somewhat agree | Agree |

| Board Evaluation Statement  | Average Score |
|---|---------------|
| The Board regularly reviews the General Manager’s performance against determined key performance indicators, aligned to the implementation of East Waste’s Strategic Plan                                     | 3.5           |
| The Board periodically reviews its risk appetite and risk policy which are used to evaluate key decisions   | 3.5           |
| The Board gives appropriate and ongoing consideration to its duties and responsibilities under Occupational Health, Safety and Welfare legislation, including its responsibilities as a PCBU                  | 3.5           |
| Board Directors are appropriately inducted  | 3.63          |
| The Board understands and identifies the key relevant issues affecting East Waste   | 3.75          |
| The Board understands the key risks affecting East Waste and devotes sufficient time for discussion and oversight of risk   | 3.75          |
| The Board is satisfied that East Waste has, or is actively developing, a sound risk management framework and that risks are appropriately escalated through management and to the Board                       | 3.75          |
| The Board gives due consideration to ensuring probity in its procurement processes and regularly reviews its procurement practices  | 3.75          |
| There is good engagement between the Board and the General Manager  | 3.88          |
| There is full and accurate reporting on the operations of East Waste to stakeholders  | 3.88          |
| The Board is of an appropriate size and collectively has the required skills, commitment and knowledge of its Charter, the Strategic Plan and Local Government framework to enable it to discharge its duties | 4             |
| Board members understand their legal and compliance obligations of the role   | 4             |
| The Board has a useful process to following up actions from previous meetings   | 4             |
| The Board has developed a good relationship with stakeholders   | 4             |
| Board meetings are effective in achieving the correct balance between oversight of East Waste’s performance and strategy  | 4.13          |
| Board reports are well written and can be easily understood   | 4.13          |
| Please rate the effectiveness of the Audit and Risk Management Committee  | 4.25          |
| Board members ensure the avoidance of any conflict of interest  | 4.25          |
| The number of Board committees and their composition is effective in assisting the Board properly discharge its duties  | 4.25          |
| The Board is effective in its oversight and monitoring of East Waste’s performance against the East Waste Charter   | 4.25          |
| The Board’s process for decision making is effective  | 4.38          |
| Management does not unduly influence the recommendations of the Board   | 4.38          |
| The Board has adopted processes and structures (such as a Board calendar or work plan and Board sub committees) which assist the Board to be as effective as possible   | 4.38          |
| The financial reports received by the Board contain adequate information for financial oversight and to enable informed decisions to be made  | 4.38          |
| Board meeting papers are an effective and timely source of information for Directors  | 4.38          |

## East Waste Board & Committee Performance Evaluation Summary Report October 2024

|  |      |
|--|------|
| The Board receives timely and appropriate information for major decisions  | 4.38 |
| Administrative support to the Board is adequate and effective  | 4.5  |
| The Board has a good understanding of who the key stakeholders of East Waste are   | 4.5  |
| There is a healthy culture of respect and collegiality around the Board table  | 4.63 |
| There is clear delineation between the role of the Board and the role of the General Manager   | 4.63 |
| The Chair is an effective leader for the Board   | 4.63 |
| The Chair draws out contributions from all Board members   | 4.63 |
| The Chair effectively balances inclusivity and collegiality with leadership and accountability   | 4.63 |
| The Board uses confidential orders appropriately and conducts sessions without management present from time to time  | 4.75 |
| The Board's culture promotes trust and candour for effective decision making   | 4.88 |
| The role of the Chair is clearly defined and understood  | 4.88 |
| The Board meeting agenda is well planned and enables adequate discussion of the important items  | 4.88 |
| The frequency of meetings and size of the agenda is appropriate for the organisation   | 4.88 |
| The business of the Board is accurately captured in the Minutes  | 4.88 |
| All Directors are given opportunity to speak and be heard  | 5    |
| Board culture supports an environment for proper discussion and disagreement whilst maintaining good relationships and appropriate engagement by Board members | 5    |

## 9.6 Information Report for February 2025

|                      |  |
|----------------------|--|
| <b>Report Author</b> | Executive Assistant  |
| <b>Attachments</b>   | A: Policy Review Schedule<br>B: Acting General Manager Credit Card January 2025<br>C: Outstanding Resolutions Register<br>D: Annual Reporting Calendar |

### Purpose and Context

The Information Report for February 2025 presents updates on standing items and other items that are relevant to the Audit & Risk Management Committee’s Terms of Reference. The matters have been listed in one report as an efficiency as Administration recommend that the Audit & Risk Management Committee receives and notes the information contained within the report. This does not limit the ability of the Committee to remove a specific item from this report and resolve that a particular action be taken.

### Recommendation

***That the Audit & Risk Management Committee receives and notes the Information Report for February 2025.***

### Strategic Link

**Objective 5.** Provide Leadership

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

### Background

The Information Report is a Standing Item that presents information that the Administration recommend that the Audit & Risk Management Committee receive and note.

### Discussion

The following items are presented for the information of the Audit & Risk Management Committee:

#### 1. Policy Review Schedule

The Policy review schedule is presented Annually to the Audit & Risk Management Committee & Board to provide assurance that East Waste’s corporate Policies and Terms of Reference are current and up to date and a Policy Register is maintained.

The Policy Register, as per Attachment A (Refer Attachment A) arranges the policies according to their review dates, from the oldest to the newest, to easily identify any policies that are due for review or have surpassed their review date.

The Policies currently due for review in February 2025 are East Waste’s Behavior Standards Policy and Budget Framework Policy. The Behaviour Standards Policy was reviewed and included within this Agenda for feedback prior to presentation to the Board.

Administration is proposing to postpone the review of the Budget Framework Policy, until the review of East Waste's Financial Model has been undertaken, also acknowledging that the FY26 Budget as presented within this Agenda, has been prepared in line with the existing Policy.

## 2. Credit Card Expenditure

The presentation of the Acting General Managers credit card expenditure will be a standing item in accordance with both the recommendations from the review of Internal Controls and the East Waste Credit Policy.

The Committee will note the details of the expenditure, included at Attachment B.

Extract from Review of Internal Controls:

*The Authority considers the appropriateness of current review practices for the General Manager's credit card transactions.*

Credit Card Policy extraction:

*2.7.4 The East Waste Audit & Risk Management Committee will review the General Manager's credit card reconciliation, at least quarterly, via the Information Report within the Meeting Agenda.*

## 3. Outstanding Resolutions Register

The presentation of the Outstanding Resolutions Register to the Audit & Risk Management Committee is considered a good governance practice. The Outstanding Resolutions Register (refer Attachment C) depicts the status of past resolutions of the Committee for the period to 12 February 2025. At this time, as indicated on the attached Register, activities associated with two resolutions remain ongoing, relating to the finalisation of the Diversity & Inclusion Policy, and the closing out of actions recommended through the review of East Waste's internal controls, undertaken in conjunction with the 2024 interim financial audit.

The Diversity & Inclusion Policy is still currently under review by an East Waste Board representative, and upon finalisation will be presented to future meeting cycles.

In addition, whilst initially reported to be closed out by December 2024, Administration is still working to finalise one outstanding recommendation within the Management letter issued by Galpins through the review of Internal controls, being:

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

Administration is still in the process of reviewing supplier cumulative spend, to ensure appropriate contractual agreements are in place with vendors and in line with East Waste's Procurement Policy. Administration has notified appointed Internal Auditors UHY Haines Norton of the outstanding works to be undertaken, and close out of this action will likely be monitored through the internal audit function. All other recommendations have been implemented and are currently in practice.

## 4. Annual Reporting Calendar

This report provides the Audit & Risk Management Committee with an update of the progress of East Waste's key reporting requirements via the Annual Reporting Calendar.

At the May 2023 Board Meeting, the East Waste Board resolved:

### 9.3 *Annual Reporting Calendar*

*Moved Cr Allanson that the Board endorses the East Waste Annual Reporting Calendar, as presented in Attachment A, as a base document for tracking the key legislative and governance reporting requirements.*

*Seconded Mayor Holmes-Ross*

**Carried**

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

The Calendar has been updated to reflect the annual review of the Internal Audit Workplan in April, with the first Internal Audit cycle commencing 1 July 2025. In addition, the Strategic Risk Register, due for review at the February meeting cycles, has been deferred to the April meetings to allow more time for preparation, due to current staffing gaps within the Executive Leadership Team as a result of the resignation of the General Manager.

This is a standing item on the Agenda.

**Policies & Terms of Reference Register**



| <b>Policy / Terms of Reference</b>                              | <b>Key Function</b> | <b>Date Adopted</b> | <b>Review Date</b> | <b>Responsible Officer</b> |
|---|---------------------|---------------------|--------------------|----------------------------|
| <a href="#">Behavior Standards Policy</a>                       | Human Resources     | Feb-22              | Feb-25             | Manager Business Services  |
| <a href="#">Budget Framework Policy</a>                         | Finance             | Feb-22              | Feb-25             | Manager Business Services  |
| <a href="#">Procurement Policy</a>                              | Finance             | May-22              | May-25             | Manager Business Services  |
| <a href="#">Sale &amp; Disposal of Assets Policy</a>            | Finance             | May-22              | May-25             | General Manager            |
| <a href="#">Prudential Review Policy</a>                        | Finance             | May-22              | May-25             | Manager Business Services  |
| <a href="#">Member Council Rebate &amp; Distribution Policy</a> | Finance             | Apr-23              | Apr-26             | Manager Business Services  |
| <a href="#">Treasury Management Policy</a>                      | Finance             | Apr-23              | Apr-26             | Manager Business Services  |
| <a href="#">Complaint Handling Policy</a>                       | Governance          | Jun-23              | Jun-26             | Manager Business Services  |
| <a href="#">Bullying &amp; Harassment Policy</a>                | Human Resources     | Nov-23              | Nov-26             | Manager Business Services  |
| <a href="#">Schedule of Sub-Delegations</a>                     | Governance          | Nov-23              | Nov-26             | General Manager            |
| <a href="#">Risk Management Policy</a>                          | Governance          | Feb-24              | Feb-27             | General Manager            |
| <a href="#">National Competition Policy Statement</a>           | Finance             | Feb-24              | Feb-27             | Manager Business Services  |

| <b>Policy / Terms of Reference</b>   | <b>Key Function</b> | <b>Date Adopted</b> | <b>Review Date</b> | <b>Responsible Officer</b> |
|--|---------------------|---------------------|--------------------|----------------------------|
| <a href="#">Sexual Harassment Policy</a>   | Human Resources     | Jun-24              | Jun-27             | General Manager            |
| <a href="#">Procedures at Meetings</a>   | Code of Practice    | Sep-24              | Sep-27             | Manager Business Services  |
| <a href="#">Credit Card Policy</a>   | Finance             | Sep-24              | Sep-27             | Manager Finance & HR       |
| <a href="#">Policy Development Policy</a>  | Human Resources     | Nov-24              | Nov-27             | Manager Business Services  |
| <a href="#">Diversion and Inclusion Policy</a>                                     | Human Resources     | Draft               | Draft              | Manager Finance & HR       |
| <b>Terms of Reference / Charter</b>  |                     |                     |                    |                            |
| <a href="#">General Manager Performance Review Committee Terms of Reference</a>    | Governance          | Nov-21              | Nov-24             | Manager Business Services  |
| <a href="#">East Waste Charter</a>   | Governance          | Jun-22              | Sep-25             | General Manager            |
| <a href="#">Independent Chairperson Appointment Committee - Terms of Reference</a> | Governance          | September 2019      | As required        | General Manager            |

# ITEM 9.6 - ATTACHMENT B

## CREDIT CARD RECONCILIATION JANUARY 2025 DAVID MAYWALD

| Value Date   | Transaction Description                | Description   | Coding | Amount           | Receipt | GST             |
|--------------|--|---|--------|------------------|---------|-----------------|
| 13/01/2025   | MICROSOFT#G073229282 MSBILL.INFO AU    | Monthly License fee for Microsoft Azure   | 6-1203 | \$ 37.39         | Yes     | \$ 3.40         |
| 14/01/2025   | OPTUS BILLING AUTOPAY MACQUARIE PAR AU | Work Mobile phone Account (as per employment contract)                          | 6-1203 | \$ 145.90        | Yes     | \$ 13.26        |
| 17/01/2025   | OFFICEWORKS Bentleigh Eas AU           | Printer inks for executive office printer                                       | 6-1602 | \$ 292.00        | Yes     | \$ 26.55        |
| 23/01/2025   | TBTC SA NTHN HINDMARSH AU              | Mobile phone cover & Screen protector for Operations Team Leader's work mobile. | 6-1203 | \$ 45.00         | Yes     | \$ 4.09         |
| <b>TOTAL</b> |  |   |        | <b>\$ 520.29</b> |         | <b>\$ 47.30</b> |

|           |                   |
|-----------|-------------------|
| Name      | David Maywald     |
| Signature | <i>DN Maywald</i> |
| Date      | 13/02/2025        |



## ITEM 9.6 - ATTACHMENT C

| Audit and Risk Management Committee Outstanding Resolutions Register as at 14 February 2025 |     |                                       |  |  |
|---|-----|---------------------------------------|--|--|
| 19/06/2024  | 9.2 | Interim Audit Report                  | <p>Moved Mr F Bell that the Audit &amp; Risk Management Committee receives and endorses the Interim Audit Management Letter and acknowledges all matters of note will be addressed prior to 30 September 2024.</p> <p>Seconded Ms L Green</p>  | <p><b>ONGOING</b></p> <p>Matters relating to one action remain ongoing, as detailed in information report.</p> <p>Remaining actions are complete and currently in practice.</p>  |
| 17/09/2024  | 9.6 | Proposed Internal Audit Function      | <p>That the Audit and Risk Management Committee:</p> <ol style="list-style-type: none"> <li>1. Notes and accepts the proposed internal audit process, as detailed within this report, for implementing East Waste’s Internal Audit Function.</li> <li>2. Supports the engagement of a suitable externally appointed internal auditor to undertake an assurance mapping and risk analysis exercise initially, associated with the Internal Audit Function.</li> </ol> | <p><b>COMPLETE</b></p> <p>UHY Haines Norton have been engaged as East Waste's internal Auditor through to 30 June 2027. Work has commenced on the Assurance Mapping &amp; Risk Analysis exercise, with a two-year internal audit workplan to be presented to April meeting cycles.</p> |
| 11/13/2024  | 9.7 | Proposed Diversity & Inclusion Policy | <p>That the Audit &amp; Risk Management Committee recommend the proposed Diversity and Inclusion Policy (Attachment A, Item 9.7, Audit &amp; Risk Management Committee Meeting 13 November 2024 be referred to the East Waste Board Working Party for review.</p>  | <p><b>ONGOING</b></p> <p>The proposed Diversity and Inclusion Policy is currently under review by the East Waste Board Working Party.</p>  |

# ITEM 9.6 - ATTACHMENT D

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

|  | Feb    | Apr/May | Jun    | Sep    | Nov    |   |
|--|--------|---------|--------|--------|--------|---|
| <b>Audit &amp; Risk Management Committee Meeting</b> | Feb 19 | Apr 23  | Jun 18 | Sep 17 | Nov 12 | ✓ Item previously presented/endorsed      |
| <b>Board Meeting</b>                                 | Feb 27 | May 1   | Jun 26 | Sep 25 | Nov 27 | ✓ Item included in current meeting Agenda |
|  |        |         |        |        |        | • Item deferred to a future meeting       |
|  |        |         |        |        |        | Item not presented this calendar year     |

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