

Ordinary Board Meeting Agenda

Date: 19/09/2019

Time: 5.00pm

Venue: NAWMA Boardroom: 71-75 Woomera Avenue, Edinburgh Park

1. Present

2. Apologies

3. Disclosure of Conflicts

Conflicts of Interest

That all members of the Board declare that they have read and considered all papers circulated within this agenda and had no known conflict of interest or potential conflict of interest with respect to those matters. If a conflict becomes apparent during discussion, then the member will declare at that time.

Confidentiality Statement

That all members of the Board declare that they will keep all matters tabled for discussion at this meeting confidential until it is provided to the meeting in the first instance and subsequently when it is appropriate for matters to be released to the public generally.

4. Confirmation of Minutes

Recommended: That the Minutes of the Northern Adelaide Waste Management Authority Board Meeting held on Wednesday, 3 July 2019 be received, confirmed and adopted.

Recommended: That the Circular Resolution of the Northern Adelaide Waste Management Authority Board Meeting distributed on Thursday, 1 August 2019 be received, confirmed and adopted.

Recommended: That the Minutes of the Northern Adelaide Waste Management Authority Audit Committee Meeting held on Tuesday, 2 July 2019 be received and noted.

5. Matters Arising From The Minutes

5.1 Financial Anomalies Update

5.2 Education Report

6. Questions Without Notice

7. NAWMA Management and Administration Report

Reports for Decision

7.1. 2018/2019 Draft Balance Date Audit Report

7.2. 2018/2019 Draft Financial Statements

7.3. Schedule of Constituent Council Interest in Net Assets for FY19

7.4. Capital Works Program Summary

7.5. Pooraka (Research Road) Resource Recovery Centre Upgrade

7.6. Draft NAWMA Site Tour Policy

7.7. Independent Chair Position Renewal

7.8. Internal Resources

7.9. CEO Performance Committee Report (**Confidential**)

7.10. CEO Remuneration Review (**Confidential**)



Reports for Information

- 7.11. 2018/2019 Draft Annual Report
- 7.12. Operational Report – Collections, Processing and Disposal
- 7.13. Operational Report – Recycling and Resource Recovery (***Confidential***)
- 7.14. WHS Steering Committee Minutes (latest)

8. Other Business

- 8.1 Waste Levy Increase Study (***Confidential***)

9. Next Meeting of the Board

The next meeting of the Board to be held Thursday, 21 November 2019 at 4.00pm at NAWMA Boardroom: 71-75 Woomera Avenue, Edinburgh Park



Minutes of the Board of Northern Adelaide Waste Management Authority

Date: 3/07/2019

Time: 5.01pm

Venue: NAWMA Boardroom: 71-75 Woomera Avenue, Edinburgh Park

Welcome

1. PRESENT

Mr Brian Cunningham	Independent Chairperson
Mr Sam Green	City of Playford
Ms Grace Pelle	City of Playford
Cr Shirley Halls	City of Playford
Cr Julie Woodman	City of Salisbury
Cr Graham Reynolds	City of Salisbury
Mr Henry Inat	Town of Gawler
Cr Paul Koch	Town of Gawler
Cr Paul Little	Town of Gawler

2. IN ATTENDANCE

Mr Adam Faulkner	Chief Executive Officer
Mr Danial Dunn	Resource Recovery Manager
Ms Amy Quintrell	Executive Assistant
Ms Rachel Zhou	Finance Manager
Mr Eddie Christopoulos	Collections and Processing Manager
Ms Penelope Morrison	Educations and Projects Coordinator

APOLOGIES

Mr Charles Mansueto	City of Salisbury
Cr Diane Fraser	Town of Gawler

3. DISCLOSURE OF CONFLICTS

Declaration of the following;

Conflicts of Interest

That all members of the Board declare that they have read and considered all papers circulated within this agenda and had no known conflict of interest or potential conflict of interest with respect to those matters. If a conflict becomes apparent during discussion, then the member will declare at that time.

Independent Chairperson declared a material conflict on Agenda Item 7.4 East Waste Recyclables Tender and will leave the meeting for this item.

Confidentiality Statement

That all members of the Board declare that they will keep all matters tabled for discussion at this meeting confidential until it is provided to the meeting in the first instance and subsequently when it is appropriate for matters to be released to the public generally.

Management to consider wording of Confidentiality Statement

4. CONFIRMATION OF MINUTES

Moved Cr Reynolds that the Minutes of the Joint Northern Adelaide Waste Management Authority Audit Committee and Board Meeting held on Wednesday, 1 May 2019 be received, confirmed and adopted.
Seconded Cr Woodman **Carried**

5. MATTERS ARISING FROM THE MINUTES

5.1. Financial Anomalies Update (Confidential)

1. Moved Cr Reynolds that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority orders that the public, with the exception of the Northern Adelaide Waste Management Authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - (ii) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the report, attachment and discussion confidential
Seconded Cr Halls **Carried**

2. Moved Mr Inat that the Report is received and noted
Seconded Cr Woodman **Carried**

3. Moved Cr Little that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that the report, attachment and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed
Seconded Cr Halls **Carried**

4. Moved Cr Koch that the meeting moves out of confidence
Seconded Cr Halls **Carried**

5.2. Collection Vehicles Signage

CEO advised that the Council logo signage on the Suez Collection Vehicles has commenced and provided the Board with two (2) photographs of the signage for information.

6. QUESTIONS WITHOUT NOTICE

Nil

Ms Pelle entered the meeting at 5.06pm

7. NAWMA MANAGEMENT AND ADMINISTRATION REPORT

Reports for Decision

Agenda Item 7.8 moved to start of Agenda with Board approval

7.8 Education Report – progress against *Community Communications Action Plan*

Moved Mr Green that the Report is received and noted and the Board asks that further consideration be given to the quantifiable outcomes of the *Community Communications Action Plan*
Seconded Cr Koch **Carried**

Educations and Projects Coordinator left the meeting at 5.38pm and did not return



7.1. FY19/20 Draft Budget and Annual Business Plan including Solid Waste Levy Impacts

Moved Cr Little that:

1. That the 2019/2020 NAWMA Fees and Charges be amended to account for the \$7/tonne Solid Waste Levy uplift at 1 July 2019, and
2. That the subsequent Budget Review One (BR1) be amended to account for the additional revenue and expense pass through costs relating to the uplift in the Solid Waste Levy, and any further Fees and Charges increases as a result of the projected \$30/tonne Solid Waste Levy uplift, and
3. The Board authorise the Independent Chairman and Chief Executive Officer to write to the Minister for Environment and Water, and State Treasurer seeking an urgent meeting to address the advocacy position (a) through (h) outlined in the Report, and
4. That the 2019/2020 Budget and Annual Business Plan are adopted as presented

Seconded Mr Green **Carried**

7.2. FY19/20 Draft Constituent Council Service Level Agreements

Moved Ms Pelle that the Board adopt the FY19/20 Constituent Council Service Level Agreements, as endorsed by the Constituent Councils

Seconded Cr Reynolds **Carried**

7.3. 2018/2019 External Interim Audit Report

Moved Cr Woodman that the Report is received and noted

Seconded Ms Pelle **Carried**

***Independent Chairman left the meeting at 5.54pm due to a material conflict in Item 7.4
Cr Koch as Deputy Chairman assumed the role of Chair for this Item***

7.4. East Waste Recyclables Tender

1. Moved Cr Woodman that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority orders that the public, with the exception of the Northern Adelaide Waste Management Authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - (ii) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the report, attachments, minutes and discussion confidential

Seconded Cr Little **Carried**

Confidential Resolution removed

3. Moved Mr Inat that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that the report, attachments, minutes and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Cr Woodman **Carried**

4. Moved Cr Little that the meeting moves out of confidence

Seconded Mr Inat **Carried**

Independent Chairman returned to the meeting at 5.59pm and resumed the role of Chair



7.5. In-fleet truck management system update

1. Moved Cr Reynolds that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority orders that the public, with the exception of the Northern Adelaide Waste Management Authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - (ii) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the report, attachment, minutes and discussion confidential

Seconded Cr Halls **Carried**

Confidential Resolution removed

3. Moved Cr Reynolds that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that the report, attachment, minutes and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Cr Halls **Carried**

4. Moved Cr Woodman that the meeting moves out of confidence

Seconded Cr Reynolds **Carried**

Cr Little left the meeting at 6.15pm and did not return

NAWMA Chief Executive Officer and Staff left the meeting at 6.16pm

7.6. CEO Performance Development and Review Committee – Outcomes of Mid-Year Review 2019

1. Moved Mr Green that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority orders that the public be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board will receive, discuss and consider:

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

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the report, attachments, minutes and discussion confidential

Seconded Cr Woodman **Carried**

Confidential Resolution removed

3. Moved Mr Inat that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that the report, attachments, minutes and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Cr Woodman **Carried**

4. Moved Cr Koch that the meeting moves out of confidence

Seconded Cr Halls **Carried**

NAWMA Chief Executive Officer and Staff returned to the meeting at 6.23pm



7.7. Landfill Alternative Technology Project (Longlist to Shortlist)

1. Moved Cr Halls that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority orders that the public, with the exception of the Northern Adelaide Waste Management Authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - (ii) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion consideration of the report, attachments and discussion confidential

Seconded Cr Woodman **Carried**

Confidential Resolution removed

3. Moved Mr Inat that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that the report, attachments and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Cr Woodman **Carried**

4. Moved Cr Koch that the meeting moves out of confidence

Seconded Cr Woodman **Carried**

Reports for Information

7.9. Operational Report – Recycling and Resource Recovery

1. Moved Cr Woodman that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority orders that the public, with the exception of the Northern Adelaide Waste Management Authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - (ii) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/ discussion/consideration of the report and discussion confidential

Seconded Cr Reynolds **Carried**

2. Moved Cr Woodman that the Report is received and noted

Seconded Ms Pelle **Carried**

3. Moved Cr Reynolds that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that Table One be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Ms Pelle **Carried**

4. Moved Cr Woodman that the meeting moves out of confidence

Seconded Cr Woodman **Carried**

7.10. Operational Report – Collections, Processing and Disposal

1. Moved Cr Halls that the Report is received and noted

Seconded Cr Woodman **Carried**



2. Moved Cr Reynolds that the minutes of the Balefill Management Consultative Committee (BMCC) of 8 April 2019 and 4 June 2019 be received and noted

Seconded Cr Woodman **Carried**

7.11. Energy from Waste (EfW) Submission

Moved Cr Woodman that the Report is received and noted

Seconded Cr Reynolds **Carried**

7.12. Parliamentary Inquiry into the Recycling Industry

Moved Ms Pelle that NAWMA's Chief Executive Officer provide a written submission to the Environment, Resources and Development Committee (ERD) Senate Inquiry into the Recycling Industry

Seconded Cr Reynolds **Carried**

7.13. WHS Steering Committee Minutes (latest)

Moved Mr Green that the Report is received and noted

Seconded Cr Reynolds **Carried**

8. OTHER BUSINESS

8.1. Variation to Board Meeting start times

Moved Cr Koch that the Board confirm a variation to the current Board Meeting start times, with all future Board Meetings to be scheduled for 4.00pm

Seconded Cr Halls **Carried**

8.2. Strategy Workshop

Moved Mr Green that the Board support the proposal of a Strategy Workshop to take place on Thursday 19 September at 3.30pm prior to the scheduled Board Meeting

Seconded Cr Woodman **Carried**

9. NEXT MEETING OF THE BOARD

The next meeting of the Board is to be held on Thursday 19 September 2019 at 5.00pm at NAWMA Boardroom: 71-75 Woomera Avenue, Edinburgh Park

10. CLOSURE OF THE MEETING

The meeting closed at 6.51pm



From: [Adam Faulkner](#)
To: [Sam Green](#); [Grace Pelle](#); [Shirley Halls](#); [Henry Inat](#); [Paul Koch](#); cr.little@gawler.sa.gov.au; [Charles Mansueto](#); [Julie Woodman](#); greynolds@salisbury.sa.gov.au
Cc: [Brian Cunningham](#); [Danial Dunn](#); [Amy Quintrell](#)
Subject: Circular Resolution; Opportunity to join City of Salisbury Linyi Delegation
Date: Thursday, 1 August 2019 3:30:11 PM
Attachments: [Linyi Briefing note to Board_01082019_AF.pdf](#)

Good afternoon NAWMA Board Directors

An opportunity has arisen for NAWMA representatives to join the City of Salisbury in a delegation to tour their Friendship City Agreement city in the Shandong Province of China, Linyi.

I attach a Briefing Paper which captures the clear benefits in joining the delegation, which are broadly;

- Exportation of NAWMA Intellectual Property
- Importation of Technology and Equity for NAWMA's emerging energy from waste strategy
- Visitation of energy from waste reference plants

Can I please ask that you review the attached Briefing Paper, and respond by circular email to all Board Directors by **4:00pm Wednesday 7 August 2019** your endorsement (or otherwise) of the recommendation in two (2) parts;

RECOMMENDATION

That the Board resolve by Circular Resolution that NAWMA send the Chief Executive Officer and Resource Recovery Manager to accompany City of Salisbury delegates on the tour of Linyi, Shandong Province, China

And

That a Report be furnished within three (3) months of the tour outlining findings and any preliminary opportunities that are to be explored further.

NAWMA Independent Chairman Brian Cunningham and I are available to discuss any element of this opportunity by phone at your convenience. Otherwise we look forward to receiving your support (or otherwise) by 4:00pm Wednesday 7 August 2019.

With thanks

Adam Faulkner | Chief Executive Officer
 NAWMA
 M: 0409 255 421
www.nawma.sa.gov.au



Proudly in Partnership with Member Councils | City of Salisbury | City of Playford | Town of Gawler
And our Client Rural and Regional Councils

NAWMA Board Briefing Note; Linyi Delegation

Report Subject:	Opportunity to join City of Salisbury Delegation to Linyi, Shandong Province, China	Report Author:	Chief Executive Officer
Date:	1 August 2019	Information Type:	Decision report (financial, strategy, reputational)
Attachments:	Friendship City Agreement; City of Salisbury, City of Linyi		

Purpose of the Report

To provide the Board with a Circular Report outlining an opportunity for NAWMA representatives to join a City of Salisbury delegation to China.

Background

One of NAWMA's Constituent Councils, City of Salisbury, has a Memorandum of Understanding (MOU) with a large Chinese city in the Shandong Province, Linyi. The MOU is in the form of a Friendship City Agreement (attached for reference). Among other matters, the Friendship City Agreement (FCA) calls for exchange and cooperation of economy and technology.

In October 2019, the Shandong Provincial Government will hold the Shandong International Sister Cities Cooperation and Development Conference. Immediately after, the Linyi Municipal Government will hold the 10th China International Trade and Logistics Expo, as well as the 2019 China (Linyi) International Cooperation and Exchange Forum specifically undertaken by the Linyi Foreign Affair Department.

In combination this is an opportunity to share knowledge, garnish intellectual property, meet technology and equity parties in one of the fastest growing population provinces in the second biggest global economy. The entry point is the City of Salisbury FCA with City of Linyi, and specifically an invitation from the City of Linyi to City of Salisbury to attend the Conference, Trade Expo and Exchange Forum.

Report

City of Salisbury have accepted the invitation from City of Linyi, and resolved to send a delegation comprising of;

- Mayor Gillian Aldridge
- Councillor Graham Reynolds (and Chair of the City of Salisbury Strategic and International Relations Sub Committee)
- Chief Executive Officer John Harry, and
- Sean Keenihan in the capacity of Chair SA Australia China Business Council



Given NAWMA's growing global reputation as a world leader in waste management and resource recovery, City of Salisbury had preliminary discussions with Independent Chairman Brian Cunningham and Chief Executive Officer Adam Faulkner on the possibility of joining the Delegation to Linyi.

After some deliberations and discussions, three (3) distinct value propositions were identified for NAWMA participating in the Delegation, being:

1. Can NAWMA export our Intellectual Property and MRF infrastructure design, build and commission capability to one of the fastest growing regions in China, and one, which like all of China, is hastily trying to retrospect domestic recycling capability (due to switching off the global supply with China SWORD) ?
2. Can NAWMA potentially import technology and investment into our region to satisfy or stimulate our regional waste to energy strategy ?
3. Our energy from waste strategy will require NAWMA to visit reference plants, and this visit could be structured to allow visitation of working technologies (of which there are many) outside of Europe

Exporting Intellectual Property (IP):

China's government will play an increasingly key role in integrated solid waste management strategy. Besides increased cooperation efforts between the national government and local governments to encourage investments in solid waste management from the private sector and foster domestic recycling practices, first, there appears to be a growing demand for specialised independent knowledge that can provide clearer operating models for waste management and resource recovery.

NAWMA owns and operates the only Local Government Materials Recovery Facility (MRF) in South Australia, and one of very few Council run facilities in Australia. NAWMA also owns and operates Australia's first combined solar thermal and landfill gas renewable energy facility on a landfill. The integrated NAWMA model is gaining growing national and international praise for its innovation, effectiveness and efficiency.

NAWMA has hosted international delegations from China, India, South Africa, United States of America, and hosted the first two (2) tranches of the Global Leadership Forum on the Circular Economy – bringing over 50 delegates from some of the biggest worldwide companies and governments through NAWMA's facilities. This is in addition to countless visits, technical tours, and knowledge building workshops for Councils, Governments, and companies nation-wide.

The IP that NAWMA possesses has a high currency, both domestically and abroad.

Since China implemented the China SWORD Policy and the subsequent Blue-Sky Policy in 2017 which banned incoming recyclables, there has been frenetic activity to retrospectively build domestic recycling capacity. China turned off the largest global importation of recyclables almost overnight and are left with an undersupply to feed the many mills and manufacturing facilities. NAWMA has fielded a number of enquiries from Chinese Municipalities and private companies about the MRF and the high-quality sorted commodities we produce.

While we cannot export our sorted recyclable commodities into China, we are in a strong position to export our knowledge of waste management and more specifically the MRF and recycling industry.

This knowledge sharing would bring reputational benefits to NAWMA, Constituent Councils, and the region, but it could also provide for future revenue opportunities if we were to commercialise our IP (ie consulting, plant design construct commissioning model etc).



An entry point such as the Linyi Delegation into China to showcase our world class infrastructure, model, and knowledge could expedite the exportation of IP.

Importation of Technology and Investment

NAWMA is embarking on the preliminary feasibility into landfill alternative technologies in readiness for the post closure of Uleybury Balefill. While there is still much work to do in terms of feasibility and due diligence, a significant milestone in preparing the business case for any energy from waste application for the Northern Region will be visitation of working technologies across the globe. Most of the energy from waste technologies are located in Europe, however there is a growing application of thermal treatment technology in China. Including the worlds largest energy from waste plant in Shenzhen;

<https://www.shl.dk/shenzhen-east-waste-to-energy-plant/>

As the diligence into landfill alternative technologies continues, NAWMA will need to engage with technology providers and equity partners (potentially both) in order to construct a Special Purpose Vehicle (SPV) that will take carriage of and deliver the project. Any energy from waste application for NAWMA would be a region wide solution and require strategic, prudential, and financial packaging to drive the multimillion-dollar investment. It would be region defining, and a multi-generational solution to waste that cannot be recovered or recycled.

The opportunity to engage with Chinese technology and equity entities as part of the feasibility and diligence would be beneficial even at this early stage of our project. Previous visitation to NAWMA from Chinese private companies has shown an appetite for investing in the Northern Adelaide region waste and recycling sector.

If NAWMA were to send representatives to accompany the Linyi delegation, several sideline meetings would be arranged with known technology and/or resource recovery investment entities in order to maximise value from the visitation.

Reference Plant Visits

As per the NAWMA Board Resolution (03 July 2019) visitation of energy from waste reference plants will form part of the diligence process undertaken over the next 1-2 years into landfill alternative technologies. While most of the reference plants are located in Europe, there is a growing energy from waste application in China.

Should NAWMA join the City of Salisbury delegation, sideline energy from waste plant visitation and technical tours would be arranged. Preliminary enquiries have been placed with management at energy from waste plants at;

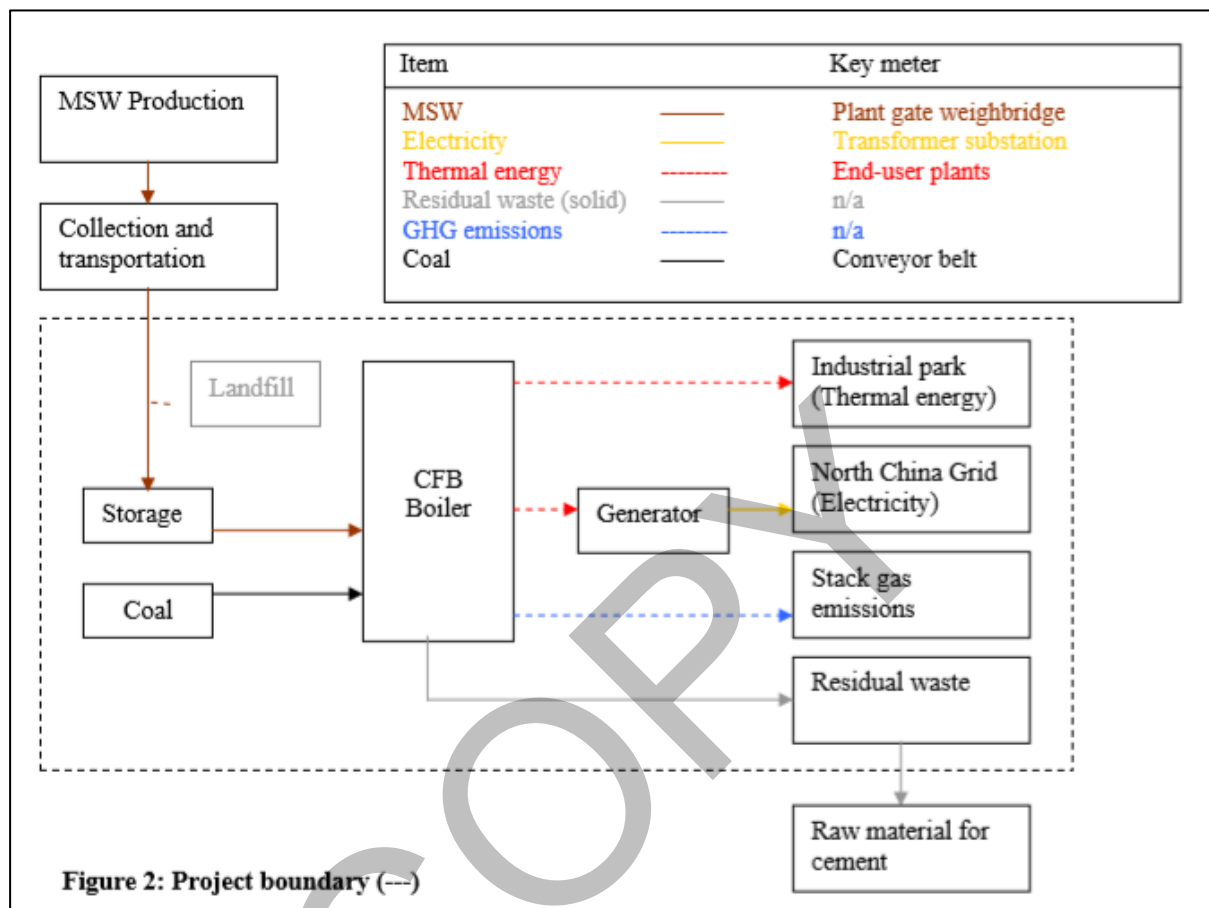
- Shenzhen East Waste to Energy Plant, Shenzhen, China
- Zibo Green Energy (Valmet) Energy from Waste Plant, Zibo, China
- Linyi Thermal Combustion Facility, Linyi, China

Coincidentally, a large energy from waste facility is located in Linyi. A visitation would be organised with the Linyi National Environmental New Energy Co Ltd who run the thermal treatment waste to energy plant at their closed landfill site in Linyi. The combustion of waste at this plant generates electricity to run the site, and also provide thermal heat to a nearby industrial precinct. The synergies with this facility and NAWMA's preliminary feasibility into energy from waste are significant.



Public information on the Linyi waste to energy plant is limited, however the link below provides a (very) technical summary for those interested, and Figure 2 below is a flow diagram of the Linyi Thermal Treatment Plant;

<https://cdm.unfccc.int/Projects/DB/JQA1236038811.54/view>



Budget: Estimation of approximately \$7.5k p/person which would be funded from NAWMA's existing training, conferences and development budget.

Representatives: It is recommended that NAWMA Chief Executive Officer (Adam Faulkner) and Resource Recovery Manager (DanialDunn) are the nominated representatives. Finance Manager (Rachel Zhou) would be the replacement representative if one of the primary representatives could not attend for unforeseen reasons. Rachel has over 10 years' experience in the MRF sector and speaks fluent Mandarin.

RECOMMENDATION

That the Board resolve by Circular Resolution that NAWMA send the Chief Executive Officer and Resource Recovery Manager to accompany City of Salisbury delegates on the tour of Linyi, Shandong Province, China

And

That a Report be furnished within three (3) months of the tour outlining findings and any preliminary opportunities that are to be explored further.



Friendship City Agreement

Between

*City of Linyi, Shandong Province,
the People's Republic of China*

and

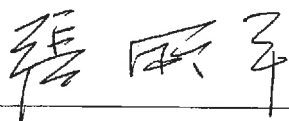
*City of Salisbury, South Australia,
the Commonwealth of Australia*

The City of Linyi and the City of Salisbury, wishing to enhance mutual understanding, friendship, trade and investment between the Chinese and the Australian peoples and further develop cooperation between the two cities, have reached an agreement to enter into a Friendship City Agreement.

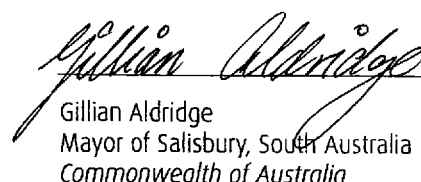
This Agreement has been developed in accordance with the Principles of the Joint Communiqué on the Establishment of Diplomatic Relations between the People's Republic of China and the Commonwealth of Australia. It acknowledges and gives due consideration to the framework established by the Memorandum of Understanding on Strengthening Business Cooperation Through Collaboration Between Prefectures of Shandong and South Australian Local Councils signed in May 2015.

The two Cities have identified areas of mutual interest and opportunity and enter into this Agreement on the basis of sincere cooperation and mutual benefit.

1. The two Cities shall carry out, in accordance with the principles of equality and mutual benefit, exchanges and cooperation in various forms in the fields of economy, trade, science and technology, culture, education, sports, health, qualified personnel, and other areas of mutual interest and opportunity identified from time to time, to promote common prosperity and development.
2. Regular contact shall be maintained between the leaders and relevant departments of the two Cities to facilitate consultations on the exchanges and cooperation as well as matters of common interest.
3. This Agreement shall enter into force on the date of its signature. It will be valid for five years. Upon expiration, it may remain in force if neither City terminates it.
4. Each City is responsible for its own costs associated with the planned activities under this Agreement and neither City is liable to the other for any losses or damages arising from or in relation to this Agreement.
5. This Agreement, signed on November 9, 2015 in Salisbury, is a statement of cooperative intention and does not create any legally binding commitment or obligations. The Agreement is done in duplicate in Chinese and English, both texts being equally authentic.



Zhang Shuping
Mayor of Linyi, Shandong Province
People's Republic of China



Gillian Aldridge
Mayor of Salisbury, South Australia
Commonwealth of Australia

Minutes of the Audit Committee of Northern Adelaide Waste Management Authority

Date: 2/07/2019

Time: 8.02am

Venue: Teleconference (Committee dialled in via 08 8128 0601)

Welcome

1. PRESENT

Mr Peter Brass	Independent Chairperson
Mr Charles Mansueto	Committee Member
Cr Graham Reynolds	Committee Member
Mr Mark Labaz	Committee Member

2. IN ATTENDANCE

Mr Adam Faulkner	Chief Executive Officer
Ms Amy Quintrell	Executive Assistant
Mrs Rachel Zhou	Finance Manager

APOLOGIES

Mr Brian Cunningham	Ex-Officio Member
Mr Mark McAllister	Committee Member

3. DISCLOSURE OF CONFLICTS

Declaration of the following;

Conflicts of Interest

That all members of the Audit Committee declare that they have read and considered all papers circulated within this agenda and had no known conflict of interest or potential conflict of interest with respect to those matters. If a conflict becomes apparent during discussion, then the member will declare at that time.

Confidentiality Statement

That all members of the Audit Committee declare that they will keep all matters tabled for discussion at this meeting confidential until it is provided to the meeting in the first instance and subsequently when it is appropriate for matters to be released to the public generally.

4. CONFIRMATION OF MINUTES

Moved Mr Labaz that the Minutes of the Northern Adelaide Waste Management Authority Audit Committee held on Tuesday 14 May 2019 be received, confirmed and adopted.
 Seconded Cr Reynolds **Carried**

5. BUSINESS ARISING

5.1 Financial Anomalies update (confidential)

- Moved Mr Mansueto that the Northern Adelaide Waste Management Authority Audit Committee recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority orders that the public, with the exception of the Northern

Adelaide Waste Management Authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Audit Committee will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - (ii) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Audit 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 report and discussion confidential
 Seconded Cr Reynolds **Carried**

2. Moved Mr Labaz that the Report is received and noted.

Seconded Mr Mansueto **Carried**

3. Moved Cr Reynolds that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Audit Committee orders that the report and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Mr Mansueto **Carried**

4. Moved Cr Reynolds that the meeting moves out of confidence

Seconded Mr Mansueto **Carried**

6. WORK PROGRAM

6.1. Work Program

Moved Mr Labaz that the Report is received and noted

Seconded Cr Reynolds **Carried**

7. GENERAL BUSINESS

7.1 2018/2019 External Interim Audit Report

Moved Mr Labaz that the Report is received and noted

Seconded Mr Mansueto **Carried**

7.2 East Waste Recyclables Tender

1. Moved Cr Reynolds that the Northern Adelaide Waste Management Authority Audit Committee recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority orders that the public, with the exception of the Northern Adelaide Waste Management Authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Audit Committee will receive, discuss and consider:

- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - (ii) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Audit 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 report and discussion confidential
 Seconded Mr Labaz **Carried**

2. Moved Mr Labaz that the Report is received and noted.

Seconded Mr Mansueto **Carried**



3. Moved Mr Labaz that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Audit Committee orders that the report and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed
Seconded Mr Mansueto **Carried**

4. Moved Mr Labaz that the meeting moves out of confidence
Seconded Mr Mansueto **Carried**

7.3 Finance System Transition

Moved Cr Reynolds that the Report is received and noted
Seconded Mr Mansueto **Carried**

7.4 Solid Waste Levy increase implications

Moved Mr Labaz that the Report is received and noted
Seconded Mr Mansueto **Carried**

8. OTHER BUSINESS

Nil

9. NEXT MEETING OF THE AUDIT COMMITTEE

The next meeting of the Audit Committee is to be held on Thursday 12 September 2019 at 8.00am at Brian Cunningham's Boardroom, Level 11, 147 Pirie Street, Adelaide

10. CLOSURE OF THE MEETING

The meeting closed at 9.01am

Adopted by Audit Committee
Thursday 12 September 2019

Independent Chair
Mr Peter Brass





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Agenda Item 5.1

Report Subject: Financial Anomalies Update	Report Author: Chief Executive Officer
Meeting Date: 19 September 2019	Report Type: Information report (finance, governance)
Attachments: Nil	

Purpose of the Report

To provide the Board with an update on the resolution of the financial anomalies presented at the 03 July 2019 NAWMA Board Meeting.

Background

The Board were briefed on a number of financial anomalies that had been documented at a Special Meeting of the NAWMA Audit Committee on 29 March 2019, and again at the 14 May 2019 Board Meeting. The anomalies consisted of some instances of undercharging, missed invoicing, and inaccurate reporting and payment (Waste levy).

The anomalies were reported to the NAWMA Board on 3 July 2019.

The Chief Executive Officer moved into a Chief Financial Officer role on 5 March 2019 after detecting some inaccuracies, and to oversee the day to day financial matters of NAWMA while addressing the anomalies. The previous Finance Manager has moved on. A new Finance Manager has now been recruited and has already commenced the transition to a more repeatable and reliable finance function.

Report

This Report is to advise the Board that all financial anomalies have been closed out, all outstanding monies received, and the waste levy payment made.

More importantly, NAWMA's new Finance Manager and Chief Executive Officer have overseen a complete overhaul of internal processes to ensure these types of anomalies will not occur again.

RECOMMENDATION

That the Report is received and noted



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Agenda Item 5.2

Report Subject:	Education Report – <i>Measuring effectiveness of education programs</i>	Report Author:	Education and Projects Coordinator
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Meeting Date:	19 September 2019	Information Type:	Information report (operations)
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Attachments:	Nil
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Purpose of the Report

To provide the Board with examples of methods that could assist with measuring the effectiveness of NAWMA's education programs.

Background

Information regarding methods of providing evidence of education program effectiveness was requested at the May and July 2019 Board meetings.

Report

A number of methods exist to measure the impact of NAWMA's education programs on community behaviour change. These are summarised below.

Biennial kerbside audit

The audits provide excellent detail about the types of contamination evident and in which streams this occurs. Results reflect averages from pooled results and show long-term trends.

Monthly MRF waste diversion statistics

These show trends over shorter periods for two categories that are not recovered at the MRF - tonnages of general waste and glass fines.

Daily observation on MRF sort line

This provides ongoing feedback on common contamination types and general regions where it is generated.

Targeted bin inspections

Observation of bin contents in areas where targeted education programs are occurring provides detailed information on behaviour change at a household level.

Waste Track

Waste Track software will provide access to information on contamination type and frequency over time at a household level.

RECOMMENDATION

That the Report is received and noted.



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Agenda Item 7.1

Report Subject:	2018/2019 Draft Balance Date Audit Report	Report Author:	Finance Manager
Meeting Date:	19 September 2019	Report Type:	Decision report (finance, governance)
Attachments:	7.1.1 – HLB Mann Judd 2018/2019 Draft Balance Date Audit Report		

Purpose of the Report

To provide the Board with FY18/19 Balance Date Audit Report and Management Representation Letter.

Background

HLB Man Judd Auditors were engaged by NAWMA to undertake the FY18/19 annual audit process. HLB have completed their report which is provided for the Board together with the accompanying final draft financial statements (appended at 7.1.1).

The attendance of Jon Colquhoun of HLB Man Judd at the 12 September Audit Committee meeting provided the opportunity for the Committee to discuss the audit report and its outcomes in detail, with the opportunity for Committee Members to ask any questions.

Report

The Board are referred to the appended Balance Date Audit Report prepared by HLB Mann Judd. The Report concludes that an unqualified audit report has been issued. The outstanding matters are outlined in Section 1 of the Report, and all that remains is essentially the Board approval of the Financial Statements. It is anticipated that this will occur at the scheduled 19 September 2019 NAWMA Board Meeting.

RECOMMENDATION

That the Report is received and noted and the HLB Mann Judd report is approved by the NAWMA Board.



REPORT TO THE AUDIT COMMITTEE

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Year ended 30 June 2019



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Executive Summary

Purpose

The purpose of this closing report is to communicate significant matters arising from our audit to the Board. This report has been discussed with management.

Scope

We conducted our audit of the financial report of Northern Adelaide Waste Management Authority (the “Authority”) for the year ended 30 June 2019 in accordance with the terms of our engagement letter dated 16 April 2019 and with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free from material misstatement.

Audit status

Our audit was conducted in accordance with Australian Auditing Standards for the year ended 30 June 2019 and is in the process of being completed. [Click here for more details.](#)

Audit Opinion

Subject to our final review of the financial report and finalisation of the outstanding matters outlined in [Section 1](#), we will be in a position to provide our audit opinion for the year ended 30 June 2019, a draft copy of which is set out at [Appendix 1](#).

We expect to sign an unqualified audit report after the outstanding matters are completed.

Significant accounting and audit issues

The risks of material misstatement we have identified along with the procedures performed and results from these procedures are detailed in [Section 2 – Significant Accounting and Auditing Issues](#).

Summary of misstatements

We have identified misstatements during our audit. The list of corrected and uncorrected misstatements are detailed in [Appendix 4](#).

Independence

We confirm that we have complied with the ethical requirements regarding our independence as auditor of Northern Adelaide Waste Management Authority. [More details.](#)

Fraud

We confirm that no matters have come to our attention that indicate material misstatement in the financial statements due to non-compliance with laws and regulations or fraudulent activity. Management has confirmed that they are unaware of any fraudulent activity. [More details.](#)

1. Audit Status

We have completed our audit work except for the following which are required in order to finalise the audit:

MATTER	RESPONSIBILITY
Final Review of amended financial statements	HLB Mann Judd
Receipt of signed Management Representation Letter (Draft at Appendix 3)	Management
Board/Audit Committee approval of financial statements	Board/Audit Committee
Issue Independent Auditor’s Report (Draft at Appendix 1)	HLB Mann Judd
Issue Auditor’s Independence Declaration (Draft at Appendix 2)	HLB Mann Judd

Access and co-operation

We confirm that we were not restricted in any way from being able to perform our audit and were provided with access to all information when requested. We would like to express our thanks to management and accounting staff for their co-operation and assistance.

2. Significant Accounting and Auditing Issues

During the planning phase of the audit we identified a number of significant risks and other areas of focus for the audit. Those matters are detailed in our planning letter dated 16 April 2019 and are listed below.

Certain additional matters arose during the course of our audit, which we have considered and discussed with management. We believe that appropriate action has been taken by management to address those issues.

We request that the Audit Committee review the matters mentioned below and:

- Confirm to us that there are no other matters of which you are aware that would impact on these issues;
- Confirm to us that there are no other significant issues that should be considered before the adoption of the financial statements; and
- Concur with the resolution of the issues described below.

Significant Risks & Other Focus Areas

SIGNIFICANT RISKS / OTHER FOCUS AREAS	AUDIT WORK PERFORMED	FINDINGS
Management over-ride of controls	<ul style="list-style-type: none"> Review of minutes of meetings of the Board and Audit Committee General journals testing 	<p>In accordance with Australian Auditing Standards, we are required to consider the risk of management override of controls. Whilst we have not encountered any specific examples of management override in our dealings with management, the risk is present in all entities. In order to test this, we have reviewed a sample of material general journals entered into the accounting system during the year ended 30 June 2019, focusing on non-standard journal entries.</p> <p>We did not identify any indicators of management overriding the system of internal control for improper purposes.</p> <p>Management did not advise of any actual or suspected fraud.</p>
Revenue and related risk of fraud	<ul style="list-style-type: none"> Fraud risk rebuttal Document control environment over the revenue/debtors cycle Substantive analytics and substantive test of details over revenue accounts Review of minutes of meetings of the Board and Audit Committee 	<p>Our testing did not identify any significant issues.</p> <p>Management did not advise of any suspected or actual fraud.</p>

Other Area of Focus: Provision for Post Closure Rehab and Stage 3 Capping

ACCOUNT DESCRIPTION	TYPE	30 JUNE 2019 \$000	30 JUNE 2018 \$000	RISK	MANAGEMENT JUDGEMENT	ASIC FOCUS AREA
Post Closure Rehab and Stage 3 Capping	Liability	2,624	2,560	Other	✓	✓

OTHER FOCUS AREA	WORK PERFORMED & OBSERVATIONS	FINDINGS
Provision for Post Closure Rehab and Stage 3 Capping	<ul style="list-style-type: none"> Assessment of key assumptions utilised in formulating the estimates in accordance with AASB 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i> for reasonableness 	<p>The balance of the provisions for Stage 3 Capping and Post Closure Rehabilitation as at 30 June 2019 comprised of the following:</p> <ul style="list-style-type: none"> Provision for Post Closure Rehabilitation \$1,574k (2018: \$1,535k) Provision for Stage 3 Capping \$1,050k (2018: \$1,025k) <p>The assessment of the liability for Capping and Post Closure Rehabilitation in accordance with AASB 137 involves the use of accounting estimates and assumptions. Management engaged Golder Associates to provide an independent assessment of the liability for the year ended 30 June 2018.</p> <p>Golder Associates calculated the provisions based on the present value of the future estimated costs. The provisions were restated by Management for the year ended 30 June 2019 by increasing the balance by 2.5% being the inflation rate used in the Golder Associates calculation.</p> <p>We recommend that NAWMA should assess and consider the assumptions underlying the calculations for the provision each year rather than just an arbitrary inflationary increase in the provision.</p>

Other Area of Focus: New Accounting Standards AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*

ACCOUNT DESCRIPTION	TYPE	RISK	MANAGEMENT JUDGEMENT	ASIC FOCUS AREA
New Accounting Standards	Financial Statement Disclosure	Other	✓	✓

OTHER FOCUS AREA	WORK PERFORMED & OBSERVATIONS	FINDINGS
New Accounting Standards AASB 15 Revenue from Contracts with Customers and AASB 16 Leases	<ul style="list-style-type: none"> Review of the financial statement disclosures for the impact on the future financial performance and position on adoption of the new accounting standards 	<p>We understand that management’s assessment is that AASB 15 <i>Revenue from Contracts with Customers</i> will not have a material impact on the future financial performance and position of NAWMA on adoption as NAWMA do not have any contracts with customers by which NAWMA is prepaid for goods or services.</p> <p>NAWMA is required to adopt AASB 16 <i>Leases</i> for the 2020 financial year. Management believes that the introduction of AASB 16 <i>Leases</i> will have a material impact on the future financial performance and position of NAWMA. A formal assessment on the impact has been completed to quantify the impact.</p> <p>We recommend for the assessment to also include whether NAWMA will retrospectively restate comparatives for each reporting period presented or apply a modified retrospective restatement method.</p> <p>Refer to Section 5 of this report for further details on upcoming financial reporting changes.</p>

Other Area of Focus: Migration from MYOB to Microsoft Dynamics NAV

DESCRIPTION	TYPE	RISK	MANAGEMENT JUDGEMENT	ASIC FOCUS AREA
Migration from MYOB to Microsoft Dynamics NAVISION	Other	Other	x	x

OTHER FOCUS AREA	WORK PERFORMED & OBSERVATIONS	FINDINGS
Migration of accounting package from MYOB to Microsoft Dynamics NAVISION	<ul style="list-style-type: none"> Tested a sample of MYOB general ledger closing balances to Microsoft Dynamics NAVISION opening balances 	<p>NAWMA migrated its accounting software from MYOB to Microsoft Dynamics NAVISION at the start of November 2018. The closing balances in MYOB were then entered into Microsoft Dynamics NAVISION.</p> <p>Our testing did not identify any significant issues.</p>

3. Internal Control Findings

During the course of our audit for the year ended 30 June 2019 we obtained an understanding of the Authority's internal control structure and procedures sufficient to allow us to determine our audit procedures for the purpose of expressing our opinion on the financial report.

Our consideration of the control structure and procedures would not necessarily disclose all significant control deficiencies, as our audit is based on selective tests of accounting records and supporting data, and is not intended to provide specific assurance on the internal control structure

4. Specific matters to be reported to those charged with Governance

4.1 Independence and ethics

The Partner and staff on the Authority's audit engagement team for the year ended 30 June 2019 have confirmed their independence. This includes compliance with the ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

The firm and the HLB Network have implemented policies and procedures to ensure compliance with independence requirements.

4.2 Non-audit services

We confirm that no non-audit services were provided to the Authority during the year ended 30 June 2019.

4.3 Audit considerations in relation to fraud

Under Australian Auditing Standard ASA 240 *The Auditors' Responsibility to Consider Fraud in an Audit of a Financial Report*, the auditor is responsible for planning and performing the audit to obtain reasonable assurance about whether the financial report is free from material misstatement as a result of fraud or error.

The directors have a responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for the accounting policies and accounting estimates inherent in the financial report.

While our audit work during the year was not primarily directed towards the detection of fraud, as part of our audit procedures, we considered the following:

- Likelihood of material misstatements arising from fraudulent financial reporting or omissions of amounts or disclosures designed to deceive financial report users; and
- Likelihood of material misstatements arising from misappropriation of assets involving theft and embezzlement of assets.

As a result of the above procedures we have not become aware of any instances of fraud or non-compliance with legislative, regulatory or contractual requirements.

4.4 Presentation of Audited Financial Report on the internet

It is our understanding that the Authority intends to publish a hard copy of the audited financial report and auditor's report for members, and also to electronically present the audited financial report and auditor's report on its internet website. When information is presented electronically on a website the security and controls over information on the website should be addressed by the directors to maintain the integrity of the data presented. The examination of the controls over the electronic presentation of the audited financial information on the Authority's website is beyond the scope of the audit of the financial report. Responsibility for the electronic presentation of the financial report on the Authority's website is that of the Board Members.

4.5 Other matters

Apart from the issues detailed in [section 2](#), we confirm that:

- We noted no errors or irregularities that would cause the financial report to contain a material misstatement, and noted no apparent illegal acts.
- There were no difficulties encountered in dealing with management relating to the performance of the audit.
- The accounting policies selected by the Authority are appropriate to the particular circumstances of the Authority.
- There are no financial report disclosure issues that we wish to bring to your attention.
- We are not aware of any significant unusual transactions in controversial or emerging areas for which there is a lack of authoritative accounting guidance or consensus.
- We are not aware of any material inconsistencies or material misstatements of fact in information accompanying the financial report.
- We are not aware of any significant matters arising during the audit in connection with the Authority's related parties.
- We have had no differences of opinion with management about significant auditing, accounting or disclosure matters.

5. Upcoming Financial Reporting Changes

We wish to bring to your attention some upcoming changes in financial reporting which may cause significant changes to your future reported financial position and performance. We have provided an overview of the major changes below and would be happy to discuss the impact on your business and assist with transition where applicable.

5.1 AASB 16 Leases

The new leases standard is effective for reporting periods beginning on or after 1 January 2019.

For lessees, AASB 16 removes the distinction between operating and finance leases: if an agreement contains a lease as defined in AASB 16 then it is recorded on the balance sheet (subject to the exceptions discussed below). The balance sheet will have a right-of-use asset (non-current) and a lease liability (split between current and non-current). The income statement will show interest expense in relation to the liability and depreciation of the right-of-use asset.

There are two optional exceptions to the general lease recognition criteria that apply on a lease-by-lease basis. If these are utilised then the leases are accounted for under the existing operating lease accounting treatment:

- Short-term leases – those leases where the lease term is less than 12 months and there is no purchase option included within the lease;
- Low value assets – the underlying assets being leased are considered low value (approximately \$5,000).

AASB 16 may result in significant changes to balance sheets and ratios such as earnings before interest and tax (EBIT / EBITDA). This may affect bank

covenants, bonus arrangements, earn out clauses, solvency ratios and therefore communication with relevant stakeholders should be considered.

On transition, lessees have the choice to either retrospectively restate comparatives for each reporting period presented or apply a modified retrospective restatement method where adjustments are made via retained earnings on date of initial application (i.e. 1 January 2019 for 31 December 2019 year ends).

The requirements for lessor accounting have been carried forward from AASB 117 Leases largely unchanged. If you are a lessor, you will only be required to make adjustments on transition to the new leases standard if you are an intermediate lessor.

5.2 New definition of 'business'

There has recently been a change to the definition of 'business' in AASB 3 *Business Combinations* via amending standard AASB 2018-6 *Amendments to Australian Accounting Standards – Definition of a Business*. The new definition must be applied to acquisitions occurring during the first annual reporting period beginning on or after 1 January 2020.

The standard narrows the definition of 'business' and 'outputs' to focus on returns from selling goods and services to customers, rather than on cost reductions. It also clarifies that to be considered a 'business', an acquired set of activities and assets must include, as a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The revised definition is expected to assist preparers in determining whether a transaction should be accounted for as a business combination or as an asset acquisition.

5.3 New definition of ‘material’

The definition of ‘material’ in AASB 101 *Presentation of Financial Statements* and AASB 108 *Accounting Policies, Changes in Estimates and Errors* has been refined to assist entities in making judgements about whether information is material for inclusion in the financial statements.

OLD DEFINITION	NEW DEFINITION
<p>Omissions or misstatements of items are material if they <u>could</u>, individually or collectively, <u>influence the economic decisions</u> that users make on the basis of the financial statements.</p>	<p>Information is material if omitting, misstating or <u>obscuring</u> it <u>could reasonably be expected to influence</u> the decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.</p>

Preparers of financial statements are encouraged to refer to the new guidance and improved explanations that have been introduced by the amendments in cases of uncertainty regarding materiality judgements.

The standard is to be applied prospectively for annual reporting periods beginning on or after 1 January 2020.

APPENDICES



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Appendix 1: Draft Independent Auditor's report

Independent Auditor's Report to the Members of Northern Adelaide Waste Management Authority

Opinion

We have audited the financial report of Northern Adelaide Waste Management Authority ("the Authority") which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by the those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2019, and its financial performance and its cash flow for the year then ended in accordance with Australian Accounting Standards and complies with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Board Members for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

The Board Members are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Jon Colquhoun
Director

Adelaide, South Australia
xx September 2019

Appendix 2: Draft Auditor's Independence Declaration

TO THE BOARD MEMBERS OF NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

STATEMENT OF AUDITORS INDEPENDENCE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

I confirm that, for the audit of the financial statements of Northern Adelaide Waste Management Authority for the year ended 30 June 2019, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(5) of the *Local Government (Financial Management) Regulations 2011*.

HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Jon Colquhoun
Director

Adelaide, South Australia
xx September 2019

Appendix 3: Draft Management Representation Letter

Mr Jon Colquhoun
HLB Mann Judd
169 Fullarton Road
DULWICH SA 5065

Dear Jon,

This representation letter is provided in connection with your audit of the financial report of Northern Adelaide Waste Management Authority, for the year ended 30 June 2019, for the purpose of you expressing an opinion as to whether the financial report is, in all material respects, in accordance with Australian Accounting Standards and other mandatory professional reporting requirements in Australia.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated 16 April 2019, for the preparation of the financial report in accordance with Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and confirm that the financial report is fairly presented in accordance therewith, and is free from, material misstatement, including omissions.
2. The financial records of the entity have been kept so as to be sufficient to enable a financial report to be prepared and audited, and other records and registers required by the entity's constitution have been properly kept and are up-to-date.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error. We have designed, implemented and maintained adequate internal control to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained.
4. All transactions have been recorded in the accounting records and are reflected in the financial report.
5. The following have been properly recorded and/or disclosed in the financial report, or there are no such items requiring recording or disclosure:
 - (a) Related party transactions and related amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements and guarantees (written or oral);
 - (b) Arrangements involving restrictions on cash balances, compensating balances and line-of-credit or similar arrangements;
 - (c) Agreements to repurchase assets previously sold;
 - (d) Material liabilities, contingent liabilities and assets including those arising under derivative financial instruments;
 - (e) Losses arising from the fulfilment of, or an inability to fulfil, any sale commitments or as a result of purchase commitments for inventory quantities in excess of normal requirements or at prices in excess of prevailing market prices.
6. We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.

7. The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral. Allowances for depreciation have been adjusted for all important items of property, plant and equipment that have been abandoned or are otherwise unusable.
8. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. In particular:
 - (a) We consider that the measurement processes, including related assumptions and models, used by management in determining accounting estimates in the context of the applicable financial reporting framework are appropriate, and the measurement processes have been applied consistently.
 - (b) The assumptions appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the entity, where relevant to the accounting estimates and disclosures.
 - (c) Disclosures related to accounting estimates are complete and appropriate under the applicable financial reporting framework.
 - (d) No subsequent event requires adjustment to the accounting estimates and disclosures included in the financial report.
9. We have assessed at the end of the reporting period whether there is any indication that an asset may be impaired, having considered, as a minimum, the impairment indicators noted in AASB 136. If any such indication exists, we have estimated the recoverable amount of the asset.
10. We have considered the requirements of AASB 136 "Impairment of Assets" when assessing the impairment of assets and in ensuring that no assets are stated in excess of its recoverable amount.
11. We have assessed the recoverability of all receivables, and confirm that adequate allowance has been made for any receivables which may not be collected.
12. We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value.
13. The entity has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.
14. There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles.
15. There are no known actual or possible litigation and claims whose effects should be considered when preparing the financial report. All known actual or possible litigation and claims have been accounted for and disclosed in accordance with the applicable financial reporting framework.
16. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards.
17. You have not advised us of any financial report misstatements requiring correction.
18. We believe that the effects of the uncorrected financial report misstatements aggregated by you, noted on the attached schedule of "Unadjusting Entries", during the audit and communicated to us are immaterial, both individually and in the aggregate, to the financial report taken as a whole. Details of the uncorrected misstatements are attached.
19. All events occurring subsequent to the date of the financial report and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.
20. If any matter which may materially affect the financial report arises during the period from the date of the auditor's report to the date the financial report is issued, we will inform you.

Information Provided

21. We have provided you with:
- (a) Access to all information of which we are aware that is relevant to the preparation of the financial report, such as records, documentation and other matters;
 - (b) All financial records and related data and other information, explanations and assistance necessary for the conduct of the audit;
 - (c) Minutes of all meetings of members, Board, and committees of the Board.
 - (d) Additional information, explanations and assistance that you have requested from us for the purposes of the audit; and
 - (e) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
22. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
23. There has been no fraud or suspected fraud that affects the entity and involves:
- (a) Management;
 - (b) Employees who have significant roles in internal control; or
 - (c) Others where the fraud could have a material effect on the financial report.
24. There have been no allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, regulators or others.
25. There have been no instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
26. There have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that whose effects should be considered when preparing the financial report.
27. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Other Matters

28. We have assessed the ability of the entity to continue as a going concern and are satisfied that it will so continue. We have no knowledge of events or conditions and related business risks beyond the period of this assessment that may cast significant doubt on the entity's ability to continue as a going concern.
29. There have been no non-audit services performed by HLB Mann Judd.

We understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully

Chief Executive Officer

Chairman

Date _____

Date _____

Appendix 4: Summary of Misstatements

4.1 Corrected misstatements

There were no material misstatements identified during the audit that required correcting

4.2 Uncorrected misstatements

During our audit we identified a number of differences which have not been adjusted by management.

These differences have been discussed with management. Under Auditing Standard ASA 450 *Evaluation of Misstatements Identified during the Audit* we are obliged to request that management correct those misstatements.

Management advised us that in their opinion those differences are not material in either size or nature to the financial statements. Those differences have therefore not been adjusted in the draft financial statements. We agree with management’s assessment that these unadjusted differences are not material.

ACCOUNT NAME	EFFECT ON NET ASSETS DR (CR) \$	EFFECT ON PROFIT DR (CR) \$	NARRATIVE
DR 41430 Mixed Glass		19,526	To correct overstated accrued revenue
CR 11240 Accrued Revenue	(19,526)		
	(19,526)	19,526	

Total impact of unadjusted errors is a \$19,526 decrease to profit.

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DISCLAIMER:

Other than our responsibility to the Authority's Board and Management, neither HLB Mann Judd nor any member or employee of HLB Mann Judd undertakes responsibility arising in any way from reliance placed by a third party on this Report to the Board. Any reliance placed is that party's sole responsibility.

Our Report to the Board is for the sole use of the Authority and is not to be used by any other person for any other purpose and may not be distributed, duplicated, quoted, referred to, in whole or in part, without our prior written consent.

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Proudly in Partnership with Member Councils | City of Salisbury | City of Playford | Town of Gawler
 And our Client Rural and Regional Councils

Agenda Item 7.2

Report Subject:	2018/2019 Draft Financial Statements	Report Author:	Finance Manager
Meeting Date:	19 September 2019	Report Type:	Decision report (finance, governance)
Attachments:	7.2.1 – 2018/2019 Draft Financial Statements 7.2.2 – HLB Mann Judd Certification of Auditors Independence 7.2.3 – NAWMA Management Representation Letter to HLB Mann Judd		

Purpose of the Report

To provide the Board with the Draft 2018/19 Financial Statements prepared by Dean Newbery & Partners in consultation with NAWMA's Finance Manager.

Background

HLB Mann Judd Auditors engaged by NAWMA to undertake the annual audit process have completed their audit report which has been provided for the Board (Agenda Item 7.1) together with the accompanying financial statements (appended at 7.2.1).

The report tabled here has been viewed and endorsed by the NAWMA Audit Committee on 12 September 2019.

NAWMA's Management Representation Letter to HLB Mann Judd is appended at 7.2.3, as is NAWMA's Certification of Auditor Independence (appended at 7.2.2).

Report

In FY19, total Income and financial result at NAMWA compared to the prior year (FY18) has been improved by:

- NAMWA took over Pooraka (Research Road) Resource Recovery Centre management from City of Salisbury from 2 July 2019
- MRF volume increase due to recycling material sorting arrangements with other SA councils after SKM Recycling exited SA market in early FY19
- Slightly improved commodity prices compared to FY18 even if volatility in commodity supply chain and pricing continues

Compared to BR3, both FY19 revenue and financial result have slightly gone up due to higher patronage at two (2) Resource Recovery Centres particularly from commercial customers in the last couple of months closing FY19 year end. More operating details and KPI figures on YOY growth and BR3 comparison are shown in Table 1 overleaf.



Table 1 – Key Operating Performance Indicators and Movements

(\$000)	FY19	FY18	Movement (FY19 vs FY18)	BR3	Movement (Actual vs BR3)
Total Income	34,034	29,342	16% ▲	33,544	1% ▲
User Charges	33,758	29,026	16% ▲	33,053	2% ▲
Operating Surplus / (Deficit)	(220)	(195)	-25 ▼	(351)	+131 ▲
Net Surplus / (Deficit)	4	(16)	+20 ▲	(40)	+44 ▲

In FY19, NAWMA has retained a solid cash position as at 30 June 2019, both Net Financial Liability Ratio and Current Ratio have been maintained better than BR3 budget, which indicates our Authority's ability to generate sufficient revenue from its operating activities to meet its financial obligations and short-term liabilities. Please see more financial KPI details and measurements in Table 2 below.

Table 2 – Key Financial Performance Indicators and Movements

(\$000)	FY19	FY18	Movement (FY19 vs FY18)	BR3	Movement (Actual vs BR3)
Current Assets	5,849	3,799	54% ▲	3,689	59% ▲
Net Cash Received in Operating Activities	1,771	380	366% ▲	1,020	74% ▲
Net Financial Liabilities Ratio	3.5%	3.6%	-0.1% ▼	3.2%	+0.3% ▲
Current/Quick Ratio	1.2	1.1	16% ▲	1.0	17% ▲

The 2018-2019 Audited Model Financial Statements have been reviewed and endorsed by the NAWMA Audit Committee.

RECOMMENDATION

That the Audited Model Financial Statements 2018-19 be received and adopted by the Board,

And

That the Board give approval for the Independent Chairman and CEO to sign the Audited Model Financial Statements, and the Management Representation letter to HLB Mann Judd,

And

That the Board give approval for the Audited Model Financial Statements to be distributed to Constituent Councils.



NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

General Purpose Financial Report for the year ended 30 June 2019

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NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2019****CERTIFICATION OF FINANCIAL STATEMENTS**

I have been authorised by Northern Adelaide Waste Management Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards*.

- the financial statements present a true and fair view of the Authority's financial position at 30 June 2019 and the results of its operations and cash flows for the financial year.

- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.

- the financial statements accurately reflect the Authority's accounting and other records.

.....

Adam Faulkner
CHIEF EXECUTIVE OFFICER

.....

Brian Cunningham
CHAIRPERSON

Date:

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
INCOME			
User charges	2	33,758	29,026
Investment income	2	209	108
Reimbursements	2	67	77
Other	2	-	131
Total Income		<u>34,034</u>	<u>29,342</u>
EXPENSES			
Employee costs	3	2,753	2,191
Materials, contracts & other expenses	3	29,756	25,524
Finance costs	3	351	373
Depreciation, amortisation & impairment	3	1,394	1,449
Total Expenses		<u>34,254</u>	<u>29,537</u>
OPERATING SURPLUS / (DEFICIT)		(220)	(195)
Asset disposal & fair value adjustments	3	(9)	(1)
Amounts received specifically for new/upgraded assets		233	115
NET SURPLUS / (DEFICIT)		<u>4</u>	<u>(81)</u>
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	45
Total Other Comprehensive Income		-	45
TOTAL COMPREHENSIVE INCOME		<u>4</u>	<u>(36)</u>

This Statement is to be read in conjunction with the attached Notes.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

STATEMENT OF FINANCIAL POSITION

as at 30 June 2019

ASSETS	Notes	2019 \$'000	2018 \$'000
Current Assets			
Cash and cash equivalents	4	2,613	1,061
Trade & other receivables	4	3,172	2,689
Stock on Hand		64	49
Total Current Assets		<u>5,849</u>	<u>3,799</u>
Non-current Assets			
Infrastructure, Property, Plant & Equipment	6	14,709	15,567
Financial Assets	5	-	1,018
Total Non-current Assets		<u>14,709</u>	<u>16,585</u>
Total Assets		<u>20,558</u>	<u>20,384</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	3,410	2,271
Provisions	7	191	263
Borrowings	7	1,186	1,079
Total Current Liabilities		<u>4,787</u>	<u>3,613</u>
Non-Current Liabilities			
Borrowings	7	6,318	7,415
Provisions	7	2,698	2,605
Total Non-current Liabilities		<u>9,016</u>	<u>10,020</u>
Total Liabilities		<u>13,803</u>	<u>13,633</u>
NET ASSETS		<u>6,755</u>	<u>6,751</u>
EQUITY			
Accumulated Surplus		6,095	6,091
Asset Revaluation Reserve		660	660
TOTAL EQUITY		<u>6,755</u>	<u>6,751</u>

This Statement is to be read in conjunction with the attached Notes.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

**STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2019**

2019 \$'000	Accumulated Surplus	Asset Revaluation Reserve	TOTAL EQUITY
Balance at end of previous reporting period	6,091	660	6,751
Net Surplus/ (Deficit) for Year	4	-	4
Other Comprehensive Income			
Gain on revaluation of infrastructure, property, plant & equipment	-	-	-
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
Balance at end of period	6,095	660	6,755

2018 \$'000	Accumulated Surplus	Asset Revaluation Reserve	TOTAL EQUITY
Balance at end of previous reporting period	6,172	615	6,787
Net Surplus/ (Deficit) for Year	(81)	-	(81)
Other Comprehensive Income			
Gain on revaluation of infrastructure, property, plant & equipment	-	45	45
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
Balance at end of period	6,091	660	6,751

This Statement is to be read in conjunction with the attached Notes

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

STATEMENT OF CASH FLOWS
for the year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		33,342	28,933
Investment receipts		209	108
<u>Payments</u>			
Operating payments to suppliers & employees		(31,429)	(28,338)
Finance payments		(351)	(323)
Net Cash provided by (or used in) Operating Activities	8	1,771	380
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		233	115
Maturity of Investments		1,018	-
Sale of surplus assets		-	5
<u>Payments</u>			
Expenditure on new/upgraded assets		(480)	(6,075)
Purchase of Investments		-	(1,018)
Net Cash provided by (or used in) Investing Activities		771	(6,973)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings		-	4,454
<u>Payments</u>			
Repayments of Borrowings		(990)	(1,082)
Net Cash provided by (or used in) Financing Activities		(990)	3,372
Net Increase (Decrease) in cash held		1,552	(3,221)
Cash & cash equivalents at beginning of period	8	1,061	4,282
Cash & cash equivalents at end of period	8	2,613	1,061

This Statement is to be read in conjunction with the attached Notes

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011*.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Salisbury, City of Playford and the Town of Gawler.

1.2 Historical Cost Convention

Except where stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards which requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

2 The Local Government Reporting Entity

Northern Adelaide Waste Management Authority operates as a regional subsidiary pursuant to Section 43 of the SA Local Government Act 1999 and Section 25 of the Local Government Implementation Act, and has its principal place of business at Woomera Avenue, Edinburgh Park SA 5111.

These financial statements have been prepared for use by the Constituent Councils of the Authority.

3 Income Recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS *for the year ended 30 June 2019*

Note 1 - Significant Accounting Policies (cont)

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 9.

5 Infrastructure, Property, Plant & Equipment

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use".

5.1 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. No capitalisation threshold is applied to the acquisition of land or interests in land.

5.3 Subsequent Recognition

Certain asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

5.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 1 - Significant Accounting Policies (cont)

Plant, Furniture & Equipment	5 to 10 years
Buildings	30 years
Infrastructure:	
Waste Facility	10 to 20 years
Landfill Construction	Amortised proportionately to rate of filling

5.5 Land Assets

As at 30 June 2018, an independent valuation was undertaken on all Land and Building assets held by the Authority. The independent valuation was undertaken by AssetVal Pty Ltd and valued land and building assets to the current market value.

Given the material value of Land and Building assets subsequent to the valuation performed, Land and Building assets are shown as a separate class of asset and disclosed accordingly in Note 6.

5.6 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

6 Payables

6.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received.

Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

7 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as the Authority's experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS *for the year ended 30 June 2019*

Note 1 - Significant Accounting Policies (cont)

7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently.

Accumulation Fund Members

Accumulation fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (9.5% in 2017/18; 9.5% in 2016/17). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Defined Benefit Members

Defined benefit scheme is where the benefit payable is based on a formula determined by the member's contribution rate, number of years of contribution and final average salary. The Authority makes employer contributions as determined by the scheme's Trustee based on advice from the Scheme's Actuarial. The most recent full actuarial investigation conducted by the Scheme's actuary, , Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2017. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

The Authority also makes contributions to other superannuation schemes selected by employees under the 'choice of fund' legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the new assets of the scheme, and no further liability attaches to the Authority.

8 Rehabilitation

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet.

An independent assessment of the Authority's landfill capping and post closure rehabilitation obligations was undertaken by Golder Associates Pty Ltd as at 30 June 2018.

The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs bi-annually with the assistance of external consultants to ensure all projected costs have been independently verified. The next independent review is to be undertaken in 2019/20.

9 Leases

Lease arrangements have been accounted for in accordance with AASB 117.

In respect of finance leases, where the Authority substantially carries all the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed as assets under lease, and are amortised to expense over the period during which the Authority is expected to benefit from the use of the leased assets.

Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS *for the year ended 30 June 2019*

Note 1 - Significant Accounting Policies (cont)

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

10 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

11 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards.

12 Critical Accounting Estimates and Judgements

The Board evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the Authority.

13 New Accounting Standards

In the current year, the Authority adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. Certain new accounting standards have been published that are not mandatory for the 30 June 2019 reporting period and have not been used in preparing these reports.

AASB 7 Financial Instruments – Disclosures and *AASB 9 Financial Instruments* commenced from 1 July 2018. The introduction of the new standards has had no impact on Authority's disclosures as the Authority has no non-contractual receivables.

The Authority believes that the introduction of *AASB 16 Leases* will have a material impact on the future reported financial performance and position. It is estimated that a Right-of-Use Asset and equivalent Lease Liability of \$5.757 million will be recorded as at 1 July 2019. As a result of the introduction of *AASB 16*, it is estimated that Operating Expenses will increase by an estimated \$0.25 - \$0.3 million in FY2020 to account for the different accounting treatment of its operating leases compared to the current adopted policies of the Authority.

Given the nature and terms of the Authority's contracts and services it provides to its customers, the introduction of *AASB 15 Revenue from Contracts* is not assessed as having any impact on existing accounting policies given there is no deferral of revenues nor ongoing specific performance obligations which need to be met. As the Authority is a not-for-profit, *AASB 1058* is applicable as from 1 July 2019 however given the nature of the operations, it is not expected to have an impact on the existing accounting policies of the Authority.

14 Stock on Hand

The Authority records stock on hand as at reporting date to reflect the value of stockpiled recycled finished goods held. The value attributed to stock items is based on the expected sale price of goods held based on existing contract rates held with customers and/or public market rates, whichever is applicable.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 2 - INCOME

	Notes	2019 \$'000	2018 \$'000
USER CHARGES			
Waste Management Operations		<u>33,758</u>	<u>29,026</u>
		<u>33,758</u>	<u>29,026</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		39	44
Rental income		<u>170</u>	<u>64</u>
		<u>209</u>	<u>108</u>
REIMBURSEMENTS			
Reimbursement		-	11
Fuel Tax Credit Reimbursements		<u>67</u>	<u>66</u>
		<u>67</u>	<u>77</u>
OTHER INCOME			
Promotional Income		-	131
		<u>-</u>	<u>131</u>

Note 3 - EXPENSES

EMPLOYEE COSTS			
Salaries and Wages		2,362	1,663
Employee leave expense		4	70
Superannuation		214	166
Workers' Compensation Insurance		31	72
Allowances		-	20
Other		<u>142</u>	<u>200</u>
Total Operating Employee Costs		<u>2,753</u>	<u>2,191</u>
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		18	16
- Other Services		-	5
Bad and Doubtful Debts		-	32
Lease costs		<u>1,378</u>	<u>1,083</u>
Subtotal - Prescribed Expenses		<u>1,396</u>	<u>1,136</u>
<u>Other Materials, Contracts & Expenses</u>			
Promotions		22	125
Bank Fees		33	19
Landfill Royalty		213	226
Contractors		18,535	15,618
Electricity		266	225
Environmental Protection Agency Levy		7,818	6,847
Fuels & Oils		281	179
Professional services		279	466
Waste Recycle Bins		360	242
Administration & Other Expenses		<u>553</u>	<u>441</u>
Subtotal - Other Materials, Contracts & Expenses		<u>28,360</u>	<u>24,388</u>
		<u>29,756</u>	<u>25,524</u>

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 3 - EXPENSES (cont)

	Notes	2019 \$'000	2018 \$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Waste Processing Facility		222	167
Uleybury Landfill Plant & Equipment		29	28
Education Program Plant & Equipment		1	1
Office Furniture & Equipment		28	18
Property & Improvements		15	15
Landfill Cell Stage Three		297	409
Landfill Capping Stage Three		119	71
Post Closure Rehabilitation		71	147
Buildings		130	120
Material Recovery Facility		482	341
Impairment - Buildings		-	132
		<u>1,394</u>	<u>1,449</u>
FINANCE COSTS			
Interest on Loans and Overdraft		<u>351</u>	<u>373</u>
		<u>351</u>	<u>373</u>
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		-	5
Less: Carrying amount of assets sold		<u>(9)</u>	<u>(6)</u>
Gain (Loss) on disposal		<u>(9)</u>	<u>(1)</u>

Note 4 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		1,552	725
Deposits at Call		<u>1,061</u>	<u>336</u>
		<u>2,613</u>	<u>1,061</u>
TRADE & OTHER RECEIVABLES			
Debtors - general		3,025	2,701
Less: Provision for Doubtful Debts		-	(32)
Accrued Revenues		147	6
Prepaid Expenses		-	14
		<u>3,172</u>	<u>2,689</u>

Note 5 - OTHER FINANCIAL ASSETS

FINANCIAL ASSETS			
Term Deposit		-	1,018
		<u>-</u>	<u>1,018</u>

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2018 \$'000				2019 \$'000			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	1,776	-	-	1,776	1,776	-	-	1,776
Waste Processing Facility	-	3,124	(1,380)	1,744	-	3,269	(1,597)	1,672
Uleybury Landfill Plant & Equipment	-	2,100	(1,969)	131	-	2,125	(1,994)	131
Education Program Plant & Equipment	-	50	(44)	6	-	34	(30)	4
Office Furniture & Equipment	-	126	(67)	59	-	177	(65)	112
Property & Improvements	-	1,594	(1,474)	120	-	1,605	(1,490)	115
Landfill Cell Stage One	-	-	-	-	-	-	-	-
Landfill Cell Stage Two	-	-	-	-	-	-	-	-
Landfill Capping Stage One	-	-	-	-	-	-	-	-
Landfill Capping Stage Two	-	-	-	-	-	-	-	-
Landfill Cell Stage Three	-	3,084	(840)	2,244	-	3,084	(1,137)	1,947
Landfill Capping Stage Three	-	1,024	(146)	878	-	1,050	(265)	785
Post Closure Rehabilitation	-	1,553	(1,054)	499	-	1,591	(1,125)	466
Buildings	3,285	247	(108)	3,424	3,285	247	(238)	3,294
Mobile Garbage Bins	-	-	-	-	-	-	-	-
Material Recovery Facility	-	4,679	(341)	4,338	-	5,178	(823)	4,355
WIP	-	348	-	348	-	52	-	52
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	5,061	17,929	(7,423)	15,567	5,061	18,412	(8,764)	14,709
<i>Comparatives</i>	875	25,950	(16,102)	10,723	5,061	17,929	(7,423)	15,567

This Note continues on the following pages.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

Note 6 cont. - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2018	CARRYING AMOUNT MOVEMENTS DURING YEAR						2019
	\$'000	\$'000						\$'000
	CARRYING AMOUNT	Additions		Disposals	Transfer	Revaluation	Depreciation	CARRYING AMOUNT
Capital		New/Upgrade						
Land	1,776	-	-	-	-	-	-	1,776
Waste Processing Facility	1,744	-	154	(4)	-	-	(222)	1,672
Uleybury Landfill Plant & Equipment	131	-	30	(1)	-	-	(29)	131
Education Program Plant & Equipment	6	-	-	(1)	-	-	(1)	4
Office Furniture & Equipment	59	-	84	(3)	-	-	(28)	112
Property & Improvements	120	-	10	-	-	-	(15)	115
Landfill Cell Stage Three	2,244	-	-	-	-	-	(297)	1,947
Landfill Capping Stage Three	878	26	-	-	-	-	(119)	785
Post Closure Rehabilitation	499	38	-	-	-	-	(71)	466
Buildings	3,424	-	-	-	-	-	(130)	3,294
Material Recovery Facility	4,338	-	499	-	-	-	(482)	4,355
WIP	348	-	-	-	(296)	-	-	52
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	15,567	64	777	(9)	(296)	-	(1,394)	14,709
<i>2018 Totals</i>	10,723	-	16,119	(6)	(10,042)	90	(1,317)	15,567

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 7 - LIABILITIES

	Notes	2019 \$'000		2018 \$'000	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		2,263	-	1,917	-
Accrued expenses - other		1,147	-	354	-
		3,410	-	2,271	-
BORROWINGS					
Loans		1,186	6,318	1,079	7,415
		1,186	6,318	1,079	7,415
PROVISIONS					
Annual Leave		147	-	147	-
Long Service Leave		44	74	116	46
Provision for Capping Stage 3A		-	1,050	-	1,024
Provision for Post Closure Site Rehabilitation		-	1,574	-	1,535
		191	2,698	263	2,605

Movements in Provisions - 2019 year only
(current & non-current)

	Opening Balance	Additional Amounts Recognised/ (Derecognised)	Payments	Closing Balance
Provision for Capping Stage 3A	1,024	26	-	1,050
Post Closure Site Rehabilitation	1,535	39	-	1,574
Total	2,559	65	-	2,624

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 8 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Statement of Financial Position as follows:

	Notes	2019 \$'000	2018 \$'000
Total cash & equivalent assets	4	2,613	1,061
Less: Short-term borrowings		-	-
Balances per Cash Flow Statement		<u>2,613</u>	<u>1,061</u>

**(b) Reconciliation of Change in Net Assets to Cash
from Operating Activities**

Net Surplus (Deficit)	4	(81)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,394	1,449
(Gain) / Loss on Disposal	9	(1)
Grants for capital acquisitions treated as Investing Activities	(233)	(115)
Bad Debts Expense	-	29
	<u>1,174</u>	<u>1,281</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(483)	(252)
Net (increase) decrease in inventory	(15)	(49)
Net increase (decrease) in trade & other payables	1,139	(497)
Net increase (decrease) in other provisions	(44)	(103)
Net Cash provided by (or used in) operations		<u>380</u>

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Physical resources received free of charge	-	-
- Non-cash grants & contributions	-	-
<i>Amounts recognised in Income Statement</i>	-	-
- Finance Leases	-	-
Total Non-Cash Financing and Investing Activities	<u>-</u>	<u>-</u>

(d) Financing Arrangements

Corporate Credit Cards	15	15
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The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 9 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

<p>Bank, Deposits at Call, Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Short Term Deposits</p>	<p>Terms & conditions: Deposits on Call do not have a maturity period and have an average interest rates of 1% (2018: 1.5%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
<p>Receivables - Gate Fees & Associated Charges</p>	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
<p>Liabilities - Creditors and Accruals</p>	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. There is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

Note 9 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2019	Floating	Fixed interest maturing in			Non-interest bearing	Total
	Interest Rate	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets						
Amortised Cost						
Cash Assets	1,552	1,061	-	-	-	2,613
Receivables	-	-	-	-	3,172	3,172
Total	1,552	1,061	-	-	3,172	5,785

Financial Liabilities

Payables	-	-	-	-	3,410	3,410
Current Borrowings	-	1,186	-	-	-	1,186
Non-Current Borrowings	-	-	4,977	1,341	-	6,318
Total	-	1,186	4,977	1,341	3,410	10,914

EXCESS OF FINANCIAL ASSETS OVER LIABILITIES

1,552	(125)	(4,977)	(1,341)	(238)	(5,129)
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2018	Floating	Fixed interest maturing in			Non-interest bearing	Total
	Interest Rate	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets						
Amortised Cost						
Cash Assets	725	336	1,018	-	-	2,079
Receivables	-	-	-	-	2,689	2,689
Total	725	336	1,018	-	2,689	4,768

Financial Liabilities

Payables	-	-	-	-	2,271	2,271
Current Borrowings	-	1,079	-	-	-	1,079
Non-Current Borrowings	-	-	4,987	2,428	-	7,415
Total	-	1,079	4,987	2,428	2,271	10,765

EXCESS OF FINANCIAL ASSETS OVER LIABILITIES

725	(743)	(3,969)	(2,428)	418	(5,997)
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NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 10 - COMMITMENTS FOR EXPENDITURE

	2019	2018
<u>Notes</u>	\$'000	\$'000
Expenditure Commitments		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	15	30
Waste Collection, Processing and Mobile Garbage Bin Supply Contracts	80,696	82,268
	<u>80,711</u>	<u>82,298</u>
These expenditures are payable:		
Not later than one year	14,049	14,766
Later than one year and not later than 5 years	56,136	56,300
Later than 5 years	10,526	11,232
	<u>80,711</u>	<u>82,298</u>

The Authority manages multiple external contracts with external suppliers for the collection, processing and disposal of waste on behalf of its Constituent Councils and customers. The commitments disclosed above reflect a consolidation of multiple contracts entered into with external suppliers. In future years, all contracts will be required to be renewed with external suppliers in accordance with adopted procurement policies and procedures of the Authority.

Note 11 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events that occurred after reporting date that requires to be disclosed.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 12 - OPERATING LEASES

Lease payment commitments of Authority

No contingent rentals were paid during the current or previous reporting periods. No lease imposes any additional restrictions on the Authority in relation to additional debt or further leasing.

No lease contains any escalation clause. Commitments under non-cancellable operating leases that have not been

	2019 \$'000	2018 \$'000
Not later than one year	1,035	1,075
Later than one year and not later than 5 years	2,620	3,326
Later than 5 years	3,004	482
	<u>6,659</u>	<u>4,883</u>

Note 13 - DISCLOSURES OF RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair of the Board, Chief Executive and other officers prescribed under Section 112 of the *Local Government Act 1999*. In all, 6 persons were paid the following total compensation:

	2019 \$'000	2018 \$'000
Salaries, allowances & other short term benefits	803	764
Long term benefits	59	105
TOTAL	862	869

Transactions with Related Parties:

The following transactions occurred with Related Parties:

Related Party Entity	Sale of Goods and Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
City of Salisbury	12,221	1,096	Provision of waste collection, processing and disposal services
City of Playford	7,828	691	Provision of waste collection, processing and disposal services
Town of Gawler	2,029	179	Provision of waste collection, processing and disposal services

Amounts recorded as outstanding from Related Parties are recorded in Trade and other receivables in Note 4.

The Related Parties disclosed above are equity owners of the Authority and are referred to as Member Councils. Member Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial and operating decisions of the Authority. No one Member Council individually has control of those policies.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**
for the year ended 30 June 2019**Note 14 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED**

The following assets and liabilities do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to user of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. POTENTIAL INSURANCE LOSSES

The Authority insures against all known insurable risks using a range of insurance policies, each of which is subject to a deductible "insurance excess", the amount of which varies according to the class of insurance.

The Authority has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to the Authority may have existed at reporting date.

2. LEGAL EXPENSES

All known costs have been recognised.

3. PERFORMANCE BONDS/GURANTEES

The Authority has a performance bond/guarantee held with the Local Government Finance Authority to the Environment Protection Authority for an amount of \$1,350,000 in accordance with the requirements under its Post Closure remediation obligations for the Uleybury Landfill site.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 15 - FAIR VALUE MEASUREMENTS

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land assets
- Building assets
- Stock on Hand

The Authority does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

(a) **Fair value hierarchy**

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair value of assets and liabilities that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Authority selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the association are consistent with one or more of the following valuation approaches:

- *Market approach*: uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.
- *Income approach*: converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.
- *Cost approach*: reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Authority gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 15 - FAIR VALUE MEASUREMENTS (Cont.)

The following tables provide the fair values of the Authority's assets measured and recognised on a recurring basis after initial recognition, categorised within the fair value hierarchy.

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2019					
\$'000					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	1,776	-	1,776
- Buildings	6	-	3,285	-	3,285
- Stock on Hand		64	-	-	64
Total financial assets recognised at fair value		64	5,061	-	5,125

2018					
\$'000					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	1,776	-	1,776
- Buildings	6	-	3,285	-	3,285
- Stock on Hand		49	-	-	49
Total financial assets recognised at fair value		49	5,061	-	5,110

(b) **Disclosed fair value measurements**

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used.

	Fair Value Hierarchy Level	Valuation Technique	Inputs Used
There has been no change in the techniques used to measure the value of items disclosed in the financial statements.	1	Market	Based on expected sale price of goods based on existing contract prices.
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	2	Market Value	Observable sales of similar properties – both vacant land and land with improvements

TO THE BOARD MEMBERS OF NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY**STATEMENT OF AUDITORS INDEPENDENCE
ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2019**

I confirm that, for the audit of the financial statements of Northern Adelaide Waste Management Authority for the year ended 30 June 2019, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(5) of the *Local Government (Financial Management) Regulations 2011*.



HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants



Jon Colquhoun
Director

Adelaide, South Australia
12 September 2019

hlb.com.au

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19/09/2019

Mr Jon Colquhoun
HLB Man Judd
169 Fullarton Road
DULWICH SA 5065

Dear Jon,

This representation letter is provided in connection with your audit of the financial report of Northern Adelaide Waste Management Authority, for the year ended 30 June 2019, for the purpose of you expressing an opinion as to whether the financial report is, in all material respects, in accordance with Australian Accounting Standards and other mandatory professional reporting requirements in Australia.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated 16 April 2019, for the preparation of the financial report in accordance with Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and confirm that the financial report is fairly presented in accordance therewith, and is free from, material misstatement, including omissions.
2. The financial records of the entity have been kept so as to be sufficient to enable a financial report to be prepared and audited, and other records and registers required by the entity's constitution have been properly kept and are up-to-date.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error. We have designed, implemented and maintained adequate internal control to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained.
4. All transactions have been recorded in the accounting records and are reflected in the financial report.
5. The following have been properly recorded and/or disclosed in the financial report, or there are no such items requiring recording or disclosure:

- (a) Related party transactions and related amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements and guarantees (written or oral);
 - (b) Arrangements involving restrictions on cash balances, compensating balances and line-of-credit or similar arrangements;
 - (c) Agreements to repurchase assets previously sold;
 - (d) Material liabilities, contingent liabilities and assets including those arising under derivative financial instruments;
 - (e) Losses arising from the fulfilment of, or an inability to fulfil, any sale commitments or as a result of purchase commitments for inventory quantities in excess of normal requirements or at prices in excess of prevailing market prices.
6. We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.
7. The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral. Allowances for depreciation have been adjusted for all important items of property, plant and equipment that have been abandoned or are otherwise unusable.
8. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. In particular:
- (a) We consider that the measurement processes, including related assumptions and models, used by management in determining accounting estimates in the context of the applicable financial reporting framework are appropriate, and the measurement processes have been applied consistently.
 - (b) The assumptions appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the entity, where relevant to the accounting estimates and disclosures.
 - (c) Disclosures related to accounting estimates are complete and appropriate under the applicable financial reporting framework.
 - (d) No subsequent event requires adjustment to the accounting estimates and disclosures included in the financial report.
9. We have assessed at the end of the reporting period whether there is any indication that an asset may be impaired, having considered, as a minimum, the impairment indicators noted in AASB 136. If any such indication exists, we have estimated the recoverable amount of the asset.
10. We have considered the requirements of AASB 136 "Impairment of Assets" when assessing the impairment of assets and in ensuring that no assets are stated in excess of its recoverable amount.
11. We have assessed the recoverability of all receivables, and confirm that adequate allowance has been made for any receivables which may not be collected.
12. We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value.
13. The entity has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.
-

14. There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles.
15. There are no known actual or possible litigation and claims whose effects should be considered when preparing the financial report. All known actual or possible litigation and claims have been accounted for and disclosed in accordance with the applicable financial reporting framework.
16. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards.
17. You have not advised us of any financial report misstatements requiring correction.
18. We believe that the effects of the uncorrected financial report misstatements aggregated by you, noted on the attached schedule of "Unrecorded Adjusting Entries", during the audit and communicated to us are immaterial, both individually and in the aggregate, to the financial report taken as a whole. Details of the uncorrected misstatements are attached.
19. All events occurring subsequent to the date of the financial report and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.
20. If any matter which may materially affect the financial report arises during the period from the date of the auditor's report to the date the financial report is issued, we will inform you.

Information Provided

21. We have provided you with:
 - (a) Access to all information of which we are aware that is relevant to the preparation of the financial report, such as records, documentation and other matters;
 - (b) All financial records and related data and other information, explanations and assistance necessary for the conduct of the audit;
 - (c) Minutes of all meetings of members, Board, and committees of the Board.
 - (d) Additional information, explanations and assistance that you have requested from us for the purposes of the audit; and
 - (e) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 22. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 23. There has been no fraud or suspected fraud that affects the entity and involves:
 - (a) Management;
 - (b) Employees who have significant roles in internal control; or
 - (c) Others where the fraud could have a material effect on the financial report.
 24. There have been no allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, regulators or others.
-

25. There have been no instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
26. There have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that whose effects should be considered when preparing the financial report.
27. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Other Matters

28. We have assessed the ability of the entity to continue as a going concern and are satisfied that it will so continue. We have no knowledge of events or conditions and related business risks beyond the period of this assessment that may cast significant doubt on the entity's ability to continue as a going concern.
29. There have been no non-audit services performed by HLB Mann Judd.

We understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully

Chief Executive Officer

Chairman

Date _____

Date _____

Schedule of Unrecorded Adjusting Entries:

Account No	Name	Debit	Credit
41430	Mixed Glass	19,526.34	
11240	Accrued Revenue		19,526.34

To adjust the accrued revenue overstated

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Agenda Item 7.3

Report Subject:	Schedule of Constituent Council Interest in Net Assets for FY19	Report Author:	Finance Manager
Meeting Date:	19 September 2019	Report Type:	Decision report (finance, governance)
Attachments:	Nil		

Purpose of the Report

To provide the Board with an updated Schedule of Constituent of Council Interest in Net Assets for the year ended 30 June 2019.

Background

The attention of the Board is drawn to Clause 15 of the NAWMA Charter, in particular the following:

Clause 15.8

The Board will, at the end of each financial year prepare a schedule of assets and liabilities. In addition, the Board must maintain a record to be known as the "Schedule of Constituent Council's Interest in Net Assets".

Clause 15.9

The "Schedule of Constituent Council's Interest in Net Assets" will reflect the proportionate contributions each Constituent Council has made to the growth of the net assets of NAWMA having regard to the proportionate contribution to subscriptions. The Schedule when updated by the Board at the end of each financial year will reflect the proportionate contribution of each Constituent Council since the commencement of NAWMA and once accepted by each Constituent Council will be evidence of the agreed proportion of a Constituent Council's interests in the net assets as at 30 June in that year.

Report

Below are the schedule percentages for the year ended 30 June 2019 according to FY18/19 year-end results, and compared against last financial year, with variance.

Table 1: Constituent Council Interests in Net Assets; movement on previous reporting period

Constituent Council	Interest in Net Assets 18/19	Interests in Net Assets 17/18	Variance
Town of Gawler	9.88%	10.16%	-0.28 %
City of Playford	34.57%	33.54%	1.03%
City of Salisbury	55.55%	56.30%	-0.75%

While the variance year on year is not material, it is the significant growth in the City of Playford that is driving up their net interest.

RECOMMENDATION

That the Board accept the agreed proportion of the Constituent Council's Interest in Net Assets for the year ended 30 June as follows:

- Town of Gawler 9.88%
- City of Playford 34.57%
- City of Salisbury 55.55%





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Agenda Item 7.4

Report Subject: Capital Works Program Summary	Report Author: Chief Executive Officer
Meeting Date: 19 September 2019	Report Type: Information report (finance, governance)
Attachments: 7.4.1 - Multicriteria Analysis	

Purpose of the Report

To provide the Board with a summary of the forecast Capital and Operational Improvement Projects using a Multicriteria Analysis scorecard.

Background

NAWMA is in a period of significant growth and change. Through the implementation of NAWMA's adopted Strategic Plan 2018-2025 and other Board Resolutions, in addition to some operational requirements, there are 10 significant projects that are either being implemented, being investigated/modelled, or are future capital improvement opportunities.

It is hoped that this Report gives the Board a better understanding of the whole-of-NAWMA picture in order to critically assess the Authorities financial position and risk appetite.

Report

NAWMA's Senior Management Team have looked to summarise the major capital and operational improvement projects leading up to our critical transition date of 2025. As the Board will recall, 2025 is a substantial milestone for NAWMA as it's the year where our multimillion dollar contracts for collections and organics processing cease, the landfill will likely reach capacity, and our lease expires at Bellchmabers Road. While these significant matters don't necessarily feature prominently in the Multicriteria Analysis (MCA), the projects listed are the works we are completing or modelling that will give NAWMA "clean air" operationally, financially, and strategically, to plan for 2025.

The Board are referred to the appended full MCA where the 10 significant capital and operational projects are listed in full, along with the criteria that was agreed on as critical indicators of project relevance and return on investment. The criteria are a blend of diversion from landfill, financial, social, and environmental in order to focus more broadly than Return on Investment.

From the MCA scoring, the projects are then "ranked" in order of score – highest to lowest. This doesn't necessarily mean that a project scoring say 7 to 10 should not proceed, it just gives NAWMA's Administration and Board some context other than hard financial numbers. For example, the Pooraka Upgrade ranks very low at number nine (9), however as part of the Safe Work SA Prohibition Notice issued to City of Salisbury (that was transferred to NAWMA), it is a requirement that an upgrade of the site occur (in some form) in order to reduce the risk of fall from heights. However, the MCA scoring as it stands will give the Board pause for thought about how and in what form the project can proceed.

A summary of the Project Description, MCA Score, Ranking, and Status is provided in Table 1 overleaf.



Table 1: Summary of Multicriteria Analysis and Weighted Score Ranking

Project Description	MCA Overall Scores	MCA Weighted Score Ranking	Status
1. Kerbside Food Organics Garden Collection (FOGO) Rollout	52	7	Investigation/modelling
2. MRF Robotics	65	2	Under construction
3. MRF Glass Recovery	70	1	Under construction
4. Pooraka Upgrade	43	9	Investigation/modelling
5. Uleybury Eastern Expansion	22	10	Investigation/modelling
6. Education Centre (Woomera)	55	4	Under construction
7. Landfill Alternative Diligence	54	5	Underway
8. Fleetmax	49	8	Underway
9. Repair/Revolve Community Centre (Pooraka)	53	6	Future improvement opportunity
10. MRF Expansion	61	3	Under construction

Concurrent with the MCA scorecard, NAWMA's Finance Manager is forecasting cash flow, borrowings, working capital, interest cover ratio, and net financial liabilities ratio. This critical financial modelling will assist the NAWMA Board with tier decision making around the projects that are currently under investigation/modelling and future capital improvement opportunities. As identified by the NAWMA Audit Committee, the risk register score for each project will be overlaid onto the MCA, as will the strategic risk. While it is essential that NAWMA continues to transition and upgrade its facilities and service offerings, there is no appetite to stretch the organisation financially or significantly uplift pass through finance/operational costs to the Constituent Councils. This piece of work also allows the Committee, Board and Management to look at risk holistically. At some point there needs to be a phase of consolidation in order to balance risk against continuous improvement.

NAWMA will build the financial modelling into the MCA and bring this report back to the Board at a subsequent meeting. It is envisaged that this MCA + financial modelling will become a regular living document and reference point for the NAWMA Board, Audit Committee and Technical Working Group over the coming years.

One key outcome of producing this information is it became very evident that these projects are left to very few of the administration to deliver, meaning the Chief Executive Officer and Board will need to carefully consider a resourcing strategy as we move through to delivery phase. This does not necessarily mean more staff, more so looking for opportunities to utilise capacity within our Constituent Councils where possible or partnering with the private sector/consultants to share workload.

RECOMMENDATION

That the Report is received and noted.



NAWMA Major Projects		1. Kerbside Food Organics Garden Collection (FOGO) Rollout		2. MRF Robotics		3. MRF Glass Recovery		4. Pooraka Upgrade			
Brief description		Rollout of approximately 30,000 FOGO bins to households that haven't opted into voluntary scheme		Artificially trained robotic that identifies and picks missed recyclables in the MRF waste line		Retrieves and cleans up small glass fraction that is currently going to landfill from MRF		A requirement of SAFE Work SA Prohibition Notice issued on CoS (transferred to NAWMA), and lease			
Base Criteria	Weighting	Comments	Score (1-5)	Comments	Score (1-5)	Comments	Score (1-5)	Comments	Score (1-5)		
LANDFILL DIVERSION & RESOURCE RECOVERY		25		20		21		25		11	
Landfill diversion performance (from current BAU)	20	Will improve diversion, however will also generate new organic waste	4	Estimated between 5-8% yield improvement	4	Estimated up to 15% yield improvement	5	Estimated 5% additional diversion through better design and operation	2		
Consistency with waste hierarchy and value added products	5	Very consistent	4	Very consistent	5	Very consistent	5	Moderately consistent	3		
SERVICE / COMMUNITY IMPACT		15		8		9		10		5	
Service level and access to waste facilities for community / Constituent Councils	15	Consistent access to 3 bin system for entire community	4	Improved service level through waste diversion and reputation enhancement	3	Improved service level through waste diversion and reputation enhancement	3	Significantly improved service levels for Constituent Councils, community, residents	5		
COSTS		40		4		3		3		5	
Net cost to NAWMA (including capital & operating costs, collection costs, revenues)	15	Bin asset costs pass through to Constituent Councils over life of asset (7-10 years), as will opex (collections). Significant reduction in RRC green waste dumping revenue modelled	1	Capex funded through borrowings and GISA grant (50:50). ROI less than 4 years	4	Capex funded through borrowings and GISA Grant (50:50). ROI less than 2.5 years	5	Capex funded through CoS contribution (fixed) and NAWMA borrowings. Some opex savings through reduced transport. Net breakeven over lease	1		
Net cost per tonne of waste diverted	10	Capex, Opex, reduced revenue results in high cost per tonne diverted	2	ROI brings down net cost per tonne diverted	4	ROI brings down net cost per tonne diverted	5	Modelled 5% diversion for high capital upgrade	2		
Scale of Capital investment required (5 = minimal, 1 - significant / major investment)	5		2		2		1		2		
Opportunity for grant funding (GISA/Fed/CRC)	10	\$25/household over 5 years	4	\$0.5M funding secured	5	\$0.5M funding secured	5	Fixed funding from CoS as part of lease agreement	2		
ENVIRONMENTAL IMPACTS		20		9		15		16		7	
Compliance with state policy, regulation and Waste Strategy	5	Would bring NAWMA Councils into line with best practice 3 bin system	3	In line with State Waste Strategy, and advanced remanufacturing intent	4	In line with State Waste Strategy, and advanced remanufacturing intent	4	A requirement of SAFE Work SA Prohibition Notice issued on CoS (transferred to NAWMA)	5		
Carbon impact (landfill emissions, transport and processing emissions & product benefits)	5	Less methane emissions from organics in landfill, more collection truck movements, will generate additional garden waste	3	Lowering landfill emissions	5	Lowering landfill emissions	4	Less truck movements through upgrade consolidating wastes	3		
Sustainability of project benefits (e.g. social or community service)	5	Long term gains, and increased access of services for all community	3	High sustainability and community benefits	4	High sustainability and financial benefits	4	Improved community facility	3		
Impact on surrounding community (noise, dust, odour, traffic)	5	Additional truck movements	2	DA approved no impact on surrounding landowners	4	DA approved no impact on surrounding landowners	4	Improvements will reduce traffic movements and access	4		
TOTAL WEIGHTED SCORES		100		52		65		70		43	

NAWMA Major Projects	5. Uleybury Eastern Expansion		6. Education Centre (Woomera)		7. Landfill Alternative Diligence	
Brief description	Civil improvements to the Eastern Wall will gain 60,000 cubic metres of airspace (approx. 6 months)		Retrofitting existing education centre from a school classroom to an adult learning space		Feasibility into technology solution to process non-recyclable waste post-Uleybury	
Base Criteria	Comments	Score (1-5)	Comments	Score (1-5)	Comments	Score (1-5)
LANDFILL DIVERSION & RESOURCE RECOVERY		5		16		22
Landfill diversion performance (from current BAU)	NA	1	Behaviour change could result in 1-2% diversion uplift	3	Potential to divert 80-90% of residual waste	5
Consistency with waste hierarchy and value added products	Not consistent	1	Very consistent	4	Lower consistency	2
SERVICE / COMMUNITY IMPACT		2		7		7
Service level and access to waste facilities for community / Constituent Councils	Additional airspace allows lengthened access to Uleybury Balefill & Renewable Energy Park	4	Improved community asset to influence behaviour change and ownership	5	Long term diligence could result in a new asset for the community	3
COSTS		4		5		3
Net cost to NAWMA (including capital & operating costs, collection costs, revenues)	Civil works funded through opex. Approximate 6mo airspace gain for considerable outgoings. Final cost modelling being developed	1	Improvements funded through budget	3	Diligence (consulting) funded through consulting budget. Diligence will be investment into potential significant asset in 5-7 years	1
Net cost per tonne of waste diverted	No diversion	1	Minor investment in resource for community behaviour change	3	Minor investment in diligence phase	3
Scale of Capital investment required (5 = minimal, 1 - significant / major investment)	3	3	5	5	4	4
Opportunity for grant funding (GISA/Fed/CRC)	NA	0	Possible funding through GISA	2	Funding requested from Senate Inquiry, with follow up to Treasurer	0
ENVIRONMENTAL IMPACTS		5		13		8
Compliance with state policy, regulation and Waste Strategy	NA	2	In line with State Waste Strategy	3	Waiting for EPA Final Position Paper on this technology option	2
Carbon impact (landfill emissions, transport and processing emissions & product benefits)	More landfilling, more emissions, albeit captured and converted to electricity	2	Zero carbon impact as using sustainable/circular products	3	Potential to significantly minimise/zero landfill emissions	4
Sustainability of project benefits (e.g. social or community service)	Longer landfill life as community asset	1	Improved community (adult education) facility	3	Potential for multi generational landfill diversion asset for community/region	4
Impact on surrounding community (noise, dust, odour, traffic)	Localised community impact from utilising all of DA approved landfill life (2027)	1	Nil.	5	Diligence wont impact anyone. Any eventual asset would negate need for landfill	4
TOTAL WEIGHTED SCORES		22		55		54



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Agenda Item 7.5

Report Subject:	Pooraka (Research Road) Resource Recovery Centre Upgrade	Report Author:	Chief Executive Officer
Meeting Date:	19 September 2019	Information Type:	Decision report (finance, operational)
Attachments:	7.5.1 – Tonkin Design Drawings (slimmed) 7.5.2 – W&M Financial and Operational Assessment (August 2019)		

Purpose of the Report

To provide the board with an opportunity to receive a report on the preferred Pooraka (Research Road) Resource Recovery Centre upgrade.

Background

In 2017 and 2018, NAWMA and City of Salisbury carried out a series of negotiations to set a series of conditions where NAWMA would take over the complete operations of Pooraka (Research Road) Resource Recovery Centre (PRRC), which is the public transfer station on Research Road, Pooraka. On 09 May 2018, the NAWMA Board resolved by Circular Resolution to authorise the Independent Chairperson and Chief Executive Officer to execute the lease agreement for an initial term of 10 years.

As part of the negotiations, it was agreed that NAWMA would initiative a site upgrade and modernisation to improve user experience and traffic flow, with a view to attracting new customers to the site. However, the primary reason for the site upgrade was to satisfy a Safe Work Prohibition Notice that was issued to City of Salisbury (& transferred to NAWMA as the new operator) by removing the safety risk – being customer risk of fall from heights into the sawtooth open top bin.

City of Salisbury committed to a capital contribution of \$560k, including a civil and electrical component along with a transformer upgrade.

Report

Operations in Year 1 (2018/2019):

Following the execution of the Lease with City of Salisbury, NAWMA took over the operation of the PRRC on 02 July 2018. During the first financial year, NAWMA thinned out the labour component and equipment, while doing modest upgrades to the staff lunchroom, signage, bin positioning and overall operational rationale. NAWMA achieved a \$1.71M (excluding hard waste vouchers and native use) revenue base, which delivered a modest operational surplus.

The plan was to run the facility for the first year, harmonising pricing with NAWMA's Edinburgh North RRC, and build a steady customer base. Concurrently, planning has been underway to identify a preferred upgrade design that would remedy the safety risk (Prohibition Notice), improve transport efficiencies, improve recycling opportunities, while demarcating a future space for a possible repair café/revolve centre.



Upgrade Preferred Design:

NAWMA has engaged local South Australian firm Tonkin Consulting to prepare the conceptual drawings, and local waste expert consultant Waste & Management Services (W&M) (Geoffrey Webster) to assist NAWMA's Collections and Processing Manager to finetune the preferred design.

The Board are referred to Attachment 7.5.1 Tonkin Design Drawings (slimmed) and Attachment 7.5.2 W&M Financial and Operational Assessment; Upgrade Justification Report.

After considering a range of contemporary RRC designs and knowing the capital and operational intensive conveyor operating at NAWMA's Edinburgh North RRC, it was decided to recommend a relatively simple and pragmatic upgrade solution. NAWMA intends to fill in the existing "sawtooth" with concrete to bring the surface of the floor to 50cm below the customer drop off ground. This will enable the NAWMA Operator to effectively push and sort the general and green waste into two bunkers at the end of the filled in sawtooth. These bunkers will allow for top loading of semi-trailers to maximise transport efficiencies (as opposed to the current open top roll on roll off 30m bins). This design would also eliminate the fall from height risk and allow for enhanced recycling opportunities for customers and NAWMA Operators.

Financial Return on Investment (simple):

NAWMA's capital contribution is illustrated in Table 1. A high-level capital budget of \$1.15M is offset by the City of Salisbury capital contribution, and the modelled operational savings. Given NAWMA's preferred design is less capital intensive and may not require the full transformer upgrade, City of Salisbury may not be willing to contribute the full \$560k contribution. If this is the case, the (simple) payback period increases by close to a year.

	CoS Contribution Civil + Electrical + Transformer Upgrade	CoS Contribution Civil + Electrical
Capital Expenditure		
Cost Estimate	\$1,154,589	\$1,154,589
Council Capital Upgrade Contribution (*full)	\$560,000*	\$446,000
Net Capital Required	\$594,589	\$708,589
Operational Savings (per annum)		
Green Waste Transport Efficiencies	\$66,000	\$66,000
General Waste Transport Efficiencies	\$30,360	\$30,360
Disposal Savings (through increase resource recovery)	\$59,400	\$59,400
Annual Operations Savings	\$155,760	\$155,760
Payback Period (straight)	3.8 years	4.6 years



NAWMA may be able to argue that it is Councils long term asset and post NAWMA operations that is benefitting from the upgrade, and a request should be made for the full \$560k contribution irrespective of whether the transformer is upgraded or not. NAWMA is also proposing a possible Phase 2 Development, including an enhanced recycling undercover area, and possible repair café/revolve centre which will be a community facing asset. It is hoped that these plans are testament to NAWMA's intention to transition the PRRC to a modern public facility that could double as a low skill training centre (Mens Shed model) and community/social enterprise hub and incentivise Council to release the maximum capital investment into the site.

The extract from the 10 Year Lease, as it relates to the capital improvement, is reproduced below;

2. Infrastructure Investment

Subject to and conditional upon the lessor and lessee entering into a written agreement in relation to the obligations and responsibilities of each in respect to certain upgrade works to the premises (**Capital Upgrade Agreement**) the Lessor and Lessee agree to make the following contributions at such times and on such terms and conditions to be included in the Capital Upgrade Agreement;

- 2.1 The Lessor will contribute an amount towards civil and electricity works capped at a maximum of \$446,000 and an amount capped at a maximum of \$114,000 toward a Transformer upgrade and in no circumstances will the combined contribution exceed a maximum cap of \$560,000; and

NAWMA's capital contribution would need to be funded by borrowings from the Local Government Finance Authority (LGFA) and paid back over the remaining nine (9) years of the Lease initial term.

Consultation has been held with City of Salisbury at senior officer level. Subject to the NAWMA Boards endorsement of the preferred upgrade design and financial model, NAWMA's Chief Executive Officer would officially write to City of Salisbury outlining the justification for the design, indicative timeline, and request for the full capped \$560k capital contribution.

RECOMMENDATION

That the Board endorse the preferred Pooraka (Research Road) Resource Recovery Centre Capital Upgrade as contained in the Body of the Report and Attachments 7.5.1 and 7.5.2,

And

That the Board authorise the Independent Chairperson and Chief Executive Officer to enter into a loan agreement with the Local Government Finance Authority for a minimum of \$594,598.00 with a 10% contingency

And

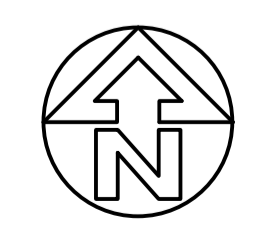
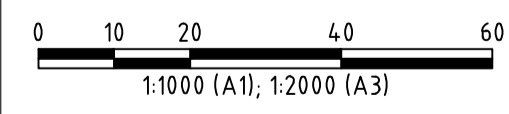
The Board endorse the Chief Executive Officer writing to City of Salisbury outlining the preferred upgrade design, future proposed plans, and request for the full \$560,000 capital contribution




NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY RESEARCH ROAD, POORAKA WASTE TRANSFER STATION UPGRADE



Sheet List Table	
Sheet Number	Sheet Title
001	LOCATION PLAN & DRAWING SCHEDULE
002	-
003	-
100	EXISTING SITE & DEMOLITION PLAN
101	-
102	CONCEPT DESIGN GENERAL LAYOUT (PHASE 1)
103	CONCEPT DESIGN GENERAL LAYOUT (PHASE 2)
104	CONCEPT TYPICAL SECTIONS - LOADING TUNNEL
105	CONCEPT TYPICAL SECTIONS - CAR & TRAILER
106	CONCEPT TURNING PATHS - 19m SEMI
107	CONCEPT TURNING PATHS - CAR & TRAILER
108	CONCEPT TURNING PATHS - SERVICE TRUCK
109	CONCEPT TURNING PATHS - STREET SWEEPER
110	CONCEPT SIGNAGE PLAN
200	-
201	-




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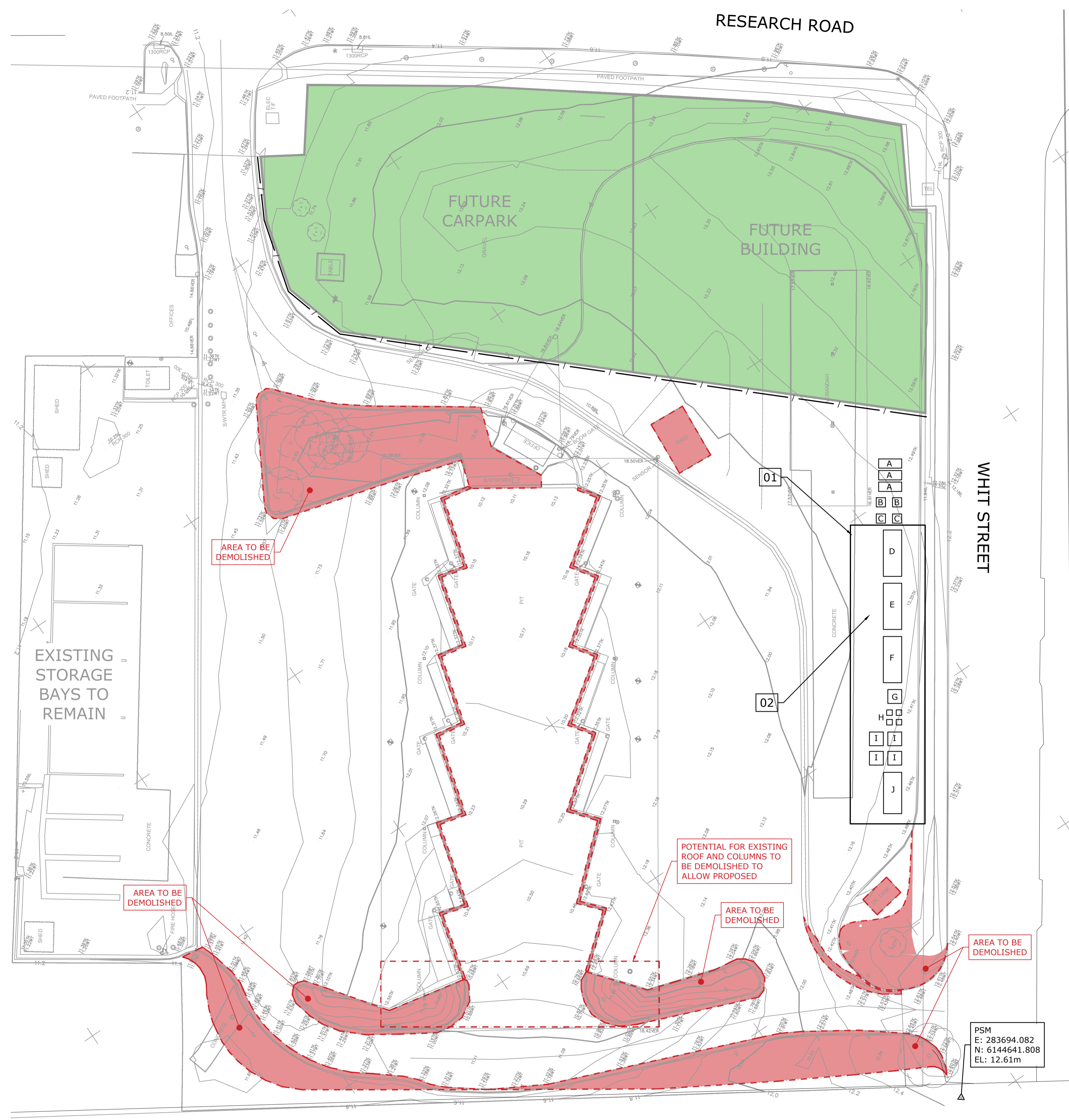
PRELIMINARY

3	FINAL ISSUE	09.07.19	AW	JJ	CD	JT	AW
2	FOR CLIENT COMMENT	28.06.19	AW	JJ		JT	AW
1	DRAFT - IN PROGRESS	27.05.19	AW	JJ			AW
REV	AMENDMENT / REASON FOR ISSUE	DATE	DES.	DWN.	DWGCHK	VERIFIED	APPROVED

LOCATION PLAN & DRAWING SCHEDULE

SHEET SIZE	SCALE:	FILENAME:	JOB NUMBER	SHEET NUMBER	REVISION
A1	1:1000	20190352 CONCEPT.DWG	20190352	001	3

100mm ON ORIGINAL DRAWING - DO NOT SCALE DRAWING



LEGEND

AREA FOR DEMOLITION

EXISTING ROOF STRUCTURE BOUNDARY

WHIT STREET

RESEARCH ROAD

FUTURE CARPARK

FUTURE BUILDING

EXISTING STORAGE BAYS TO REMAIN

AREA TO BE DEMOLISHED

AREA TO BE DEMOLISHED

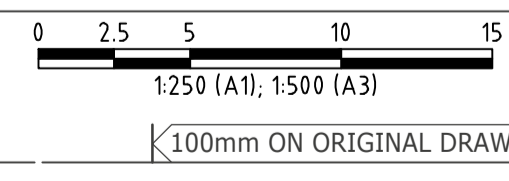
POTENTIAL FOR EXISTING ROOF AND COLUMNS TO BE DEMOLISHED TO ALLOW PROPOSED

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AREA TO BE DEMOLISHED

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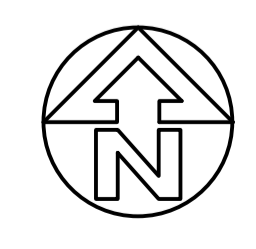
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SURVEYED: ASSC
SURVEY DATE: 04/03/2019

COORDS & DATUM
MGA94 ZONE 54
ALL LEVELS TO A.H.D.

SHEET SIZE
A1



REV	AMENDMENT / REASON FOR ISSUE	DATE	DES.	DWN.	DWGCHK.	VERIFIED	APPROVED
5	MINOR AMENDMENTS. FINAL ISSUE.	28.08.19	AW	JJ	CD	JT	AW
4	MINOR AMENDMENTS	15.07.19	AW	PS	CD	JT	AW
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PRELIMINARY

NORTHERN ADELAIDE WASTE MANAGEMENT AUTH.
WASTE TRANSFER STATION
RESEARCH ROAD, POORAKA
EXISTING SITE & DEMOLITION PLAN

FILENAME: 20190352 CONCEPT.DWG JOB NUMBER: 20190352 SHEET NUMBER: 100 REVISION: 5



WASTE RECEPTACLES LEGEND

- A 3m³ OHL BIN
- B 1.5m³ GAS BOTTLE
- C 1.2m SQ. BATTERY STORAGE PALLETS
- D 30m³ RORO E-WASTE
- E 30m³ RORO CARDBOARD BIN
- F 15m³ RORO CARDBOARD BIN
- G 1.5m³ GLOBES BIN
- H 4 x 240L X-RAY TUBES BINS
- I 1.5m³ PAINT STILLAGE
- J 5000L OIL STORAGE

LEGEND

- [Grey Box] EXTENT OF NEW PAVEMENT
- [Dark Grey Box] FILL AREA OF SHED WITH 0.5m SET DOWN
- [Green Box] AREA FOR FUTURE CARPARK & BUILDING DEVELOPMENT
- [Light Green Box] GREEN WASTE STORAGE AREA (108m²)
- [Purple Box] GENERAL WASTE STORAGE AREA (108m²)
- [Dashed Line] PROPOSED ROOF EXTENSION BOUNDARY
- [Red Dashed Line] EXISTING ROOF BOUNDARY
- [Green Dashed Line] 1.2m HIGH PUSH-UP WALL
- [Blue Dashed Line] 3.5m HIGH PUSH-UP WALL
- [Blue Dotted Line] PROPOSED STORMWATER PIPE. INDICATIVE SIZE Ø300 RCP
- [BIN Symbol] 3 BY 1m x 1m BINS AT EACH DROP-OFF AREA
- [Line Symbol] PROPOSED NEW FENCE
- [Arrow Symbol] DIRECTION OF FALL

LEGEND

1. WASTE DROP-OFF RECEPTABLES
2. PROPOSED LEAN TO STRUCTURE ROOF LINE

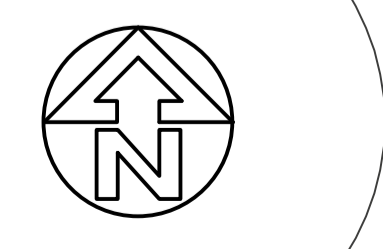
NOTE

PRIOR TO COMMENCING ANY CONSTRUCTION WORKS, THE CONSTRUCTOR SHALL LOCATE AND DEPTHEN ALL OTHER EXISTING UNDERGROUND SERVICES IN VICINITY OF WORKS. ANY DISCREPANCIES OF DEPTH OR LOCATION FROM THAT INDICATED ON THESE DRAWINGS SHALL BE REPORTED TO THE ENGINEER.

TAKE CARE OF HAZARDS ASSOCIATED WITH BURIED, CONCEALED OR OVERHEAD SERVICES. TAKE PRECAUTIONS AND UNDERTAKE EXPLORATION TO ESTABLISH LOCATIONS OF, AND PROTECT, EXISTING SERVICES ON SITE. SERVICES SHOWN ON DRAWINGS ARE IN APPROXIMATE LOCATIONS ONLY. SERVICES OTHER THAN THOSE SHOWN MAY EXIST ON SITE. MARK LOCATIONS OF SERVICES CLEARLY ON SITE, AND ON AS-BUILT DRAWINGS. HAND EXCAVATE WITHIN ONE METRE OF IN-GROUND SERVICES.

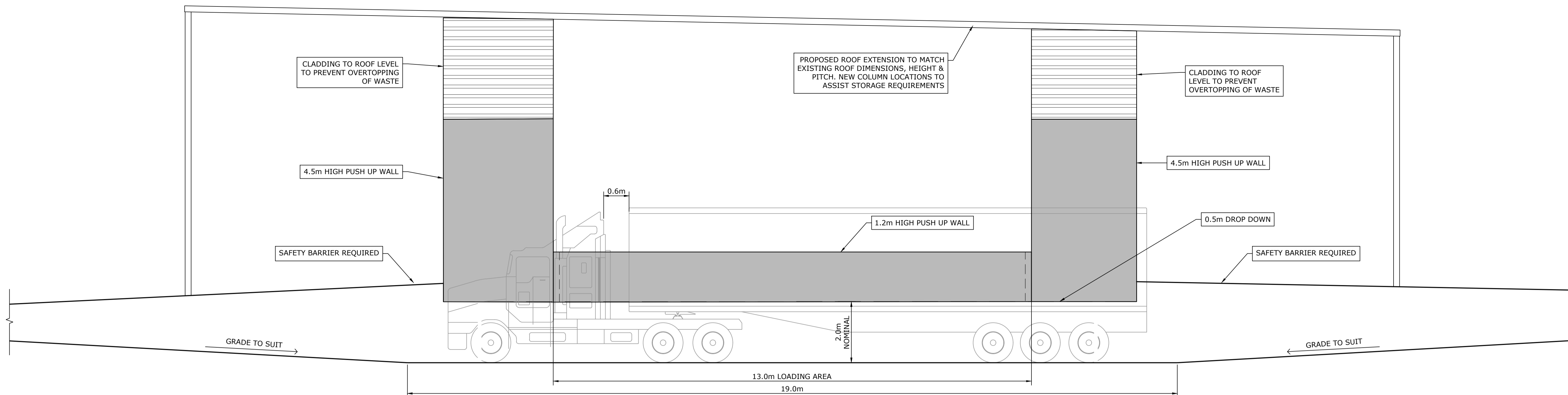
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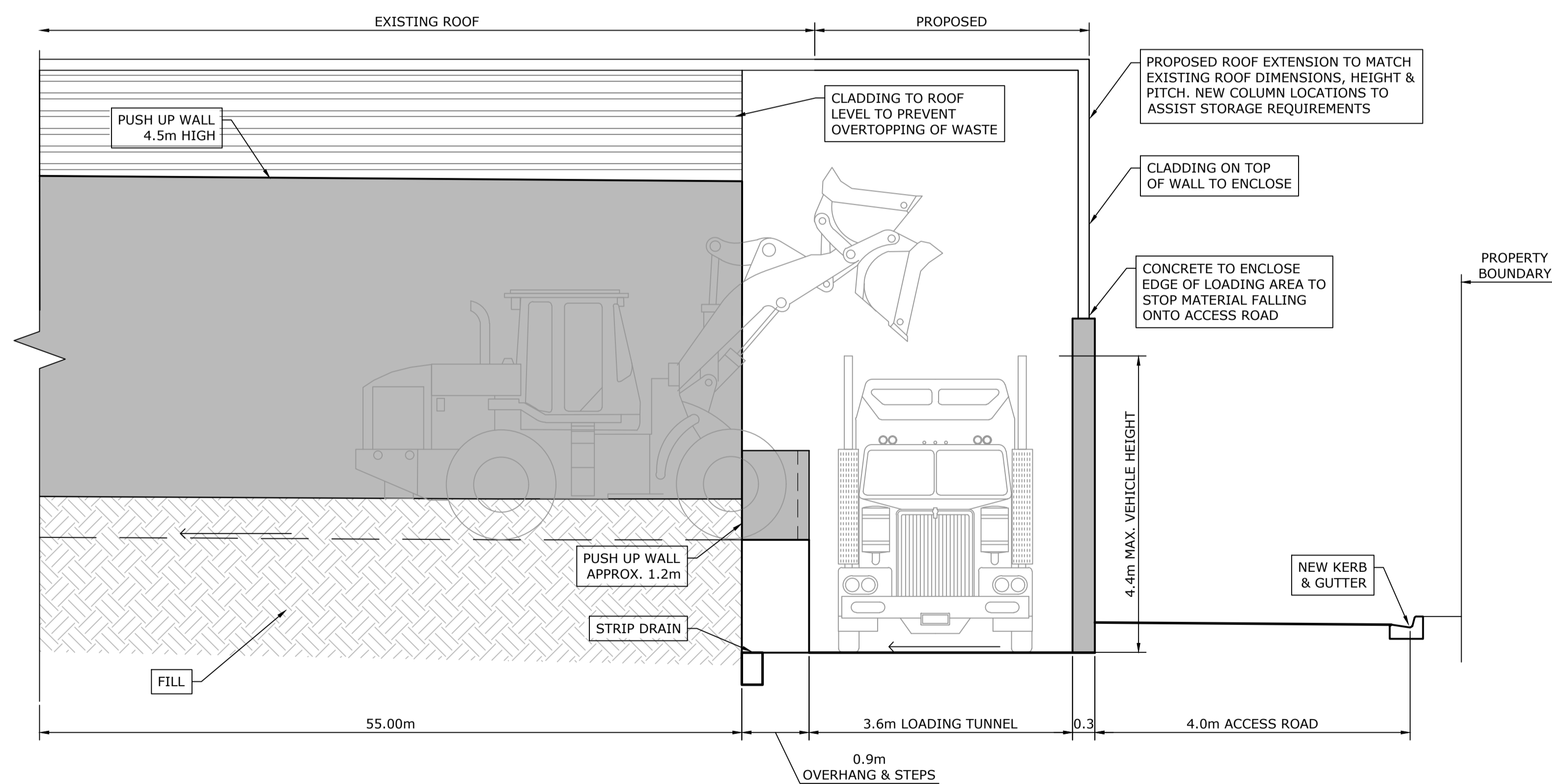


PRELIMINARY
NORTHERN ADELAIDE WASTE MANAGEMENT AUTH.
WASTE TRANSFER STATION
RESEARCH ROAD, POORAKA
CONCEPT DESIGN GENERAL LAYOUT PHASE 2

FILENAME: 20190352 CONCEPT.DWG	JOB NUMBER 20190352	SHEET NUMBER 103	REVISION 5
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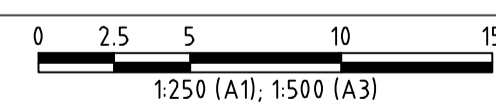


SECTION A-A
TYPICAL SECTION THROUGH LOADING TUNNEL



SECTION B-B
TYPICAL SECTION THROUGH WTS & LOADING TUNNEL

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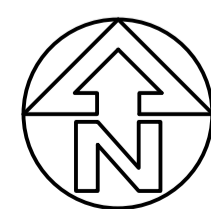
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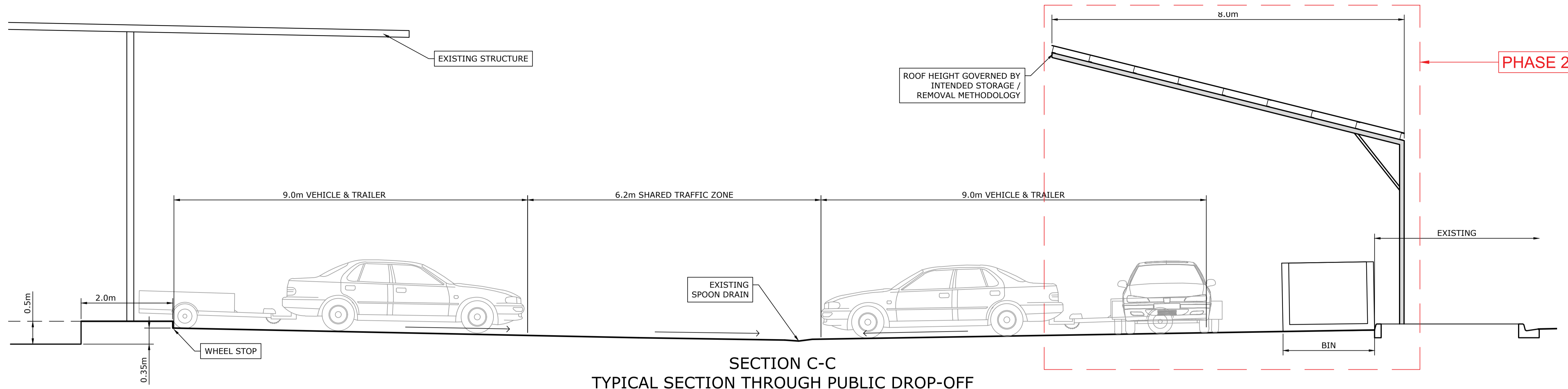


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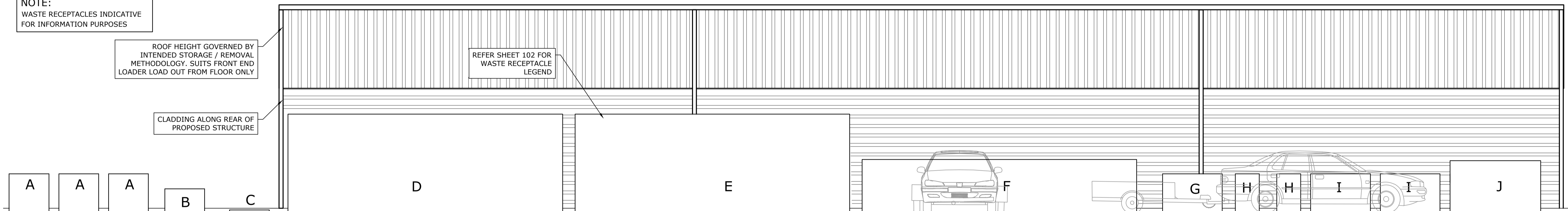
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WASTE TRANSFER STATION
RESEARCH ROAD, POORAKA
CONCEPT TYPICAL SECTIONS - LOADING TUNNEL

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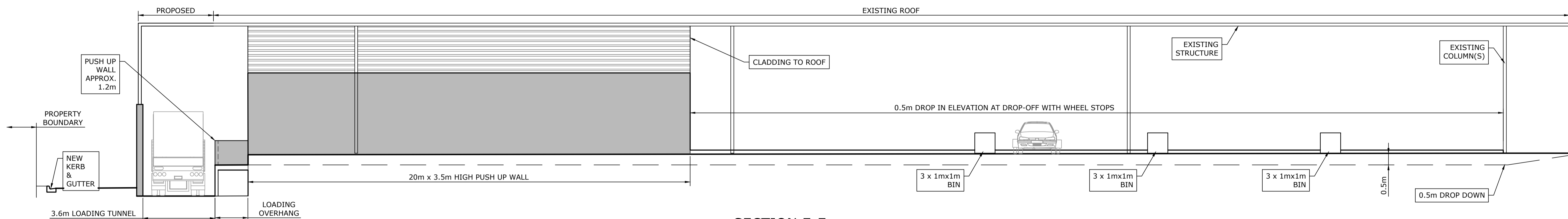


SECTION C-C
TYPICAL SECTION THROUGH PUBLIC DROP-OFF

NOTE:
WASTE RECEPTACLES INDICATIVE FOR INFORMATION PURPOSES

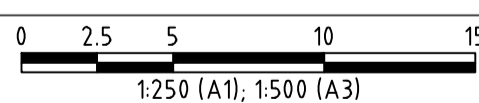


SECTION D-D
TYPICAL SECTION THROUGH PUBLIC WASTE DROP-OFF (PHASE 2)



SECTION E-E
TYPICAL SECTION THROUGH GENERAL WASTE PUBLIC DROP-OFF & LOADING TUNNEL

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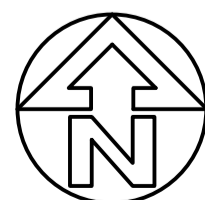
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SHEET SIZE

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WASTE TRANSFER STATION
RESEARCH ROAD, POORAKA
CONCEPT TYPICAL SECTIONS - CAR & TRAILER

FILENAME:	JOB NUMBER	SHEET NUMBER	REVISION
20190352 CONCEPT.DWG	20190352	105	5

RESEARCH RD TRANSFER STATION UPGRADE

FINANCIAL AND OPERATIONAL ASSESSMENT

AUGUST 2019



21 Rundle St
Kent Town, SA 5067
Telephone 08 8363 9100

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1 Introduction

Waste and Management Services (WAM) was engaged the Northern Adelaide Waste Management Authority (NAWMA) to assist in the development and assessment of a proposed upgrade of the existing Research Road Waste Transfer Station at Pooraka. Redevelopment options were previously prepared by Masterplan in consultation with NAWMA. Following a review with WAM, a preferred option was selected to progress to Concept Design. The upgrades will improve the functionality and operational efficiency of the facility.

Tonkin Consulting (Tonkin) was engaged to undertake the development of conceptual design information for proposed upgrades to the Waste Transfer Station (WTS) with Concept Design Drawings included in Appendix A and is entitled "Research Road Waste Transfer Station, Concept Design Report, 16 July 2019" (Tonkin Report).

As part of this work, Tonkin was required to prepare a detailed cost estimate, recognising the potential variability in pricing based on the fact that limited design information is available at this time. Based on this cost estimate, NAWMA needs to look at the financial justification behind the proposed development.

2 Background

2.1 Location and Status

The site is located at Research Road, Pooraka, South Australia.

2.2 Existing Structures

The site is an operational WTS and the following structures are existing on site:

- Sort and Save / gas and E-waste canopy
- Workers shed
- General waste canopy
- Two sheds in north-west corner of the site
- Gatehouse / cashiers office

2.3 Incoming Waste Streams

The concept design of upgrades to the Research Road WTS have made allowance for the handling, storage and removal of the waste streams entering the site.

Storage area and waste receptacle sizes were provided by NAWMA based on anticipated incoming waste volumes entering the site. The following waste streams are received at the site:

- General waste
- Waste soil
- E-Waste
- Green waste
- C&D waste
- Paper and cardboard
- Paint
- Oil
- Gas bottles
- X-ray tubes

3 Review of Operations

Although infrequent in nature, sites designed similarly to the Research Rd facility with a sawtooth bin system relying on a significant height differential face a continual risk of staff or customers falling from the upper level to the lower exposing themselves to harm from this fall. As part of this review, NAWMA is seeking how to mitigate this risk as much as practicable.

3.1 Design Considerations

Where a risk management activity necessitates a change to the way a site is run or managed, these should be undertaken in accordance 'Hierarchy of Control'. The "Hierarchy of Control" is designed to eliminate the risk, or if that is not reasonably practicable, to reduce the risk so far as is reasonably practicable. This hierarchy is:

1. Elimination of hazard;
2. Substitution of hazardous processes or materials with safer ones;
3. Engineering controls;
4. Administrative controls; and
5. Personal protective equipment.

Following on from these principles, and in order to assist the team in determining the best way forward, several key design parameters were identified at the start of the process. These were:

- Capital is available through Council's capital works budget with funds allocated through the lease arrangements for the facility
- Need to isolate customers from a potential fall hazard
- System needs to be robust
- Anticipate double handling requirement for staff, but must minimise manual labour
- Maintain existing labour force
- NAWMA has time to effectively implement whatever solutions is desired

These design principles were then combined with relevant externalities (e.g. EPA requirements) to ensure not only would the proposed way forward comply with NAWMA requirements, but also meet the needs of relevant key stakeholders.

Utilisation of these principles, and following the 'hierarchy of control', several improvement options were identified/assessed for the Research Road facility.

3.2 Option Assessment

In order to effectively assess various options identified for improving safety at the site, each option has been discussed at a high-level with various pros and cons incorporated into each section. This information is then built into a simple summary sheet. These are not meant to be exhaustive operational and risk assessments for each option but rather provide guidance to enable a preferred option to be selected.

3.2.1 Implement procedural change

The easiest and least costly option would be to implement a number of new operating procedures for customers at the facility. This approach however would do nothing to address the fall from heights risk at the facility. Such a method would fall within the administrative controls section of the hierarchy of control and is seen as being a lower order solution for the issues at the site. It is also believed that regardless of the efforts of staff to educate customers and then supervise disposal activities, there would invariably be another scenario whereby someone could potentially be injured due to disposing of waste too close to the edge of the sawtooth area and inadvertently falling off the edge.

3.2.2 Open tipping bays away from sawtooth

This option has its own operational risks with respect to interaction between customers and on site plant and equipment. In order to minimise any potential interaction with the height differential associated with the sawtooth tipping area, the opportunity for creating separate disposal areas away from the current drop off location(s) was identified. Separate bays could be operated, material deposited within these bays by customers, sorting activities undertaken and then separated material loaded into bins for off site recycling/disposal.

In order to do this however, plant and equipment would be required to operate in and around customers using the facility. This level of interaction would introduce a significant level of risk that is unacceptable as it more likely to result in an injury to a user of the facility than current operations. With the goal being to reduce such dangers, this option should be rejected.

In addition to the above, in order to gain EPA approval to operate in the manner identified, new infrastructure would likely be required as well as changing traffic flows around the site. It is unclear if this is possible for the site as it is a relatively small site and constrained on all sides. This again would make it difficult to be recommended as a suitable option to move forward with.

3.2.3 Create a flat floor

Opportunity exists to remove any 'fall from height' risks through filling in the sawtooth and creating a flat floor under cover. To do this would require significant capital outlay through the demolition of portions of the sawtooth structure, filling of the void and concreting the top surface of this area to create the overall flat floor system. Challenges would exist in how to effectively place and load bins (ensuring operational objectives such as separating recyclables from the waste stream), requiring a larger footprint to ensure council maintained operational efficiencies. To cater for this larger operational footprint, the site building would also have to be modified to cover waste disposal activities and meet EPA requirements as discussed above.

An option to assist in constraining the required operational area would be to install barrier systems along the current line of columns supporting the roof of the transfer facility. This would effectively define the disposal area and allow storage of materials for sorting and management prior to disposal. Installation of the barriers is critical as they are likely to break over time as site operating equipment will damage them and eventually cause them to break away from their securing system.

Timeframes to undertake this work would be substantial with engineering design work required as well as significant preparatory work to get the site ready to receive waste. Whilst such renovations were occurring, the site would most likely be required to close or Council seek an exemption from the EPA to enable the site to operate in a non-compliant manner whilst the upgrade took place. It is believed the EPA would grant such an exemption however with the needs associated with increasing the overall size of the facility, this may be for an extended period of time. Whilst operating in such a mode, site operations would be less efficient and cost effective.

Use of the barrier system would mitigate some of this issue as they would preclude the need to increase the overall size of the facility. Fall from heights risks would also only be partially addressed by this approach. People will stand on the barriers whilst unloading trailers and could potentially fall and injure themselves. In WAM's opinion this level of risk is significantly less than the current risk as the potential injury associated with such a fall is far less.

Such an option could meet all requirements.

3.2.4 Conveyor and Compactor Systems Installation

Council has previously undertaken an upgrade option development in the form of filling the current pit area and installing a conveyor and packer system that automatically collects and transfers material deposited by customers into a large bin and compacts it to maximise transport efficiencies.

This approach creates the flat floor and eliminates fall from heights risks as identified in section 3.2.3 however a number of other challenges are introduced. These include

- Capital outlay is high as not only is Council required to cover the capital cost of filling the pit area, but additional costs would be incurred in installing the two conveyor systems (one for general waste and one for organics) and then the capital cost associated with 2 compactor systems.
- 7 compactor bins would be required - 2 placed on the compactor units themselves and then spares that would be required for swap overs and storage
- Ongoing electrical and maintenance costs
- Increased in labour cost with site view restricted by conveyer obstructions (hungry board) on rear of conveyer system so product doesn't fall over rear of belt.
- Additional civil works are required for the bin collection area and protection from public entry.
- Reduced recovery of material with staff not able to remove product from conveyer once placed due to Workplace Health and Safety (WHS) issues
- Only able to run conveyer when public are clear (potential for major injury on conveyer when operating) with this site having over 40,000 users per annum this is not practical.

Whilst the primary directive to reduce fall from heights risk is achieved by this method, in WAM's opinion the additional challenges identified above make this option unattractive for Council to pursue.

3.2.5 Raise the floor and have a nominal height differential

Similar to developing a flat floor concept, this option would raise the floor to a level approximately 0.5m below the upper tipping level where the customers are based. By pursuing this approach, WAM believes site operations will achieve a number of the benefits associated with the flat floor system whilst not being affected by the various negative effects.

By maintaining a 0.5m height differential, waste material can be deposited in the pit area by customers and can be effectively managed by site plant and equipment. The site loader can readily push up against the cast in-situ concrete wall and work the material along the wall to a storage area located adjacent the load out area.

The 0.5m height differential also keeps operating plant and equipment below the roof structure and minimises the risk of either the sorting excavator or loader from coming into contact with any of the site structural elements. This combines with the elevation of the load out area where long haul vehicles will be placed at a level that enables both the loader and excavator to effectively load out materials into transport systems that will maximise transport efficiencies.

By having the additional storage capacity as compared to the flat floor system, the ability of the facility to handle waste tonnages within the current building envelope is maintained. It is recommended that the EPA be consulted through this process but it is believed there should be support in principle from the EPA for this sort of development.

Whilst not eliminating the fall from heights risk, the potential of a significant or catastrophic injury occurring is reduced significantly with a design such as that proposed in this design option.

In addition to the above factors, developing this option will enable Council staff to target recyclables in the residual waste stream. Current disposal methods at the site result in waste being deposited directly into 30m3 bins where potentially recyclable material is lost to the waste stream. An assessment by Council staff indicates that they believe there is the potential to divert approximately an additional 5% of material from the waste stream with potentially steel, wood and paper/cardboard all materials to be targeted for diversion.

3.2.6 Utilise existing sawtooth using a barrier system

Implementing a barrier system reduce the likelihood of customers and staff from being exposed to such a risk however there are a number of instances witnessed by WAM staff where people will stand on such barriers to facilitate unloading and in doing so, increase the potential risk of harm. Furthermore, the impacts from such an event should it occur are not changed (or made worse).

In so saying, utilising existing environmental control structures already in place, incorporating physical barriers to control customer movements could be a cost-effective method to address such concerns. Such a system would also incorporate additional procedural requirements such that both levels 3 and 4 from the Hierarchy of Control would be implemented.

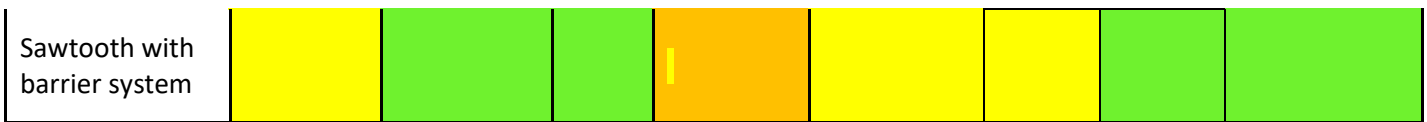
The barrier system will reduce the frequency of catastrophic fall from height situations from arising however when they do occur, they will likely be of an increased level of severity. As such the opportunity to mitigate risks presented to Council through the proposed upgrade would not be fully taken up by this option.

This use of a barrier system would however not facilitate transport efficiencies identified later in this section and

3.2.7 Preferred option

A qualitative assessment of each of the above options using several key criteria has been incorporated into the table below. For each option, an assessment has been made as to how well the proposed operation will comply with the requirements of the relevant parameter. A non-compliance (i.e. red square) effectively rules this out as an option for Council to pursue.

Option	Hierarchy of Controls	EPA Compliance	Cost	Risk Mitigation	Operational Efficiency	Enviro	Social	Site Infrastructure
Operational Procedures	Red	Green	Green	Red	Green	Yellow	Yellow	Green
Open Tipping Bays away from Sawtooth	Green	Red	Yellow	Orange	Red	Yellow	Yellow	Red
Create Flat floor Operation	Green	Green	Yellow	Green	Yellow	Green	Green	Yellow
Conveyor and Compaction System	Green	Green	Orange	Orange	Yellow	Yellow	Yellow	Yellow
Create a minor height differential	Green	Green	Yellow	Yellow	Green	Green	Green	Yellow



Green – compliance with requirements

Yellow – compliance with requirements but with manageable associated impacts

Orange – compliance with requirements but introduction of additional impacts that are difficult to manage

Red – non compliance with requirements

From this table it can be seen that remaining with the sawtooth configuration leads to non-compliances that are unacceptable in terms of mitigating risk or introducing other complicating factors that will make the site operationally inefficient. Systems which work with customers directly disposing of materials into large bins also result in a lost opportunity for the diversion of potentially recyclable material from the waste stream. This negative environmental consequence of the current style of operations can be addressed by implementing an operational process that enables site staff to sort material deposited at the facility. Flat floor options present this opportunity and could lead to an improved level of diversion of recyclable materials from the site waste streams. With WHS issues preventing the conveyor system from enabling sorting activities from occurring, the attractiveness of this option is decreased.

When considering cost impacts of the various options, both capital expenditure and operational costs need to be considered. Whilst maintaining the current sawtooth configuration is the cheapest, its failure to address the fall from heights issues eliminates from this assessment.

The conveyor and compaction systems have a higher capital cost to the development of the flat floor options as well as an increased operational cost. This combines with separate WHS issues introduced by operating such a system along with the reduced potential for positive sorting activities to be undertaken by site staff to make the conveyor and compaction option less desirable than other options available to Council.

Of the two remaining options, several issues have been identified with the flat floor system including the need to expand the working footprint of the shed as well as the long term maintainability of the barrier system that would define the waste disposal area. Similarly the restriction imposed by the ceiling height is another factor that makes this option less desirable than the option with the minor height differential maintained. Both of these options enable Council to target more effective transport options to that currently being employed at the facility and should deliver cost savings in this area of site operations.

Based on the above considerations, it is WAM’s opinion that going to a straight edged pit option with a minor height differential (ie 0.5m) provides Council with the best option for overall risk mitigation as well as achieving improved operational efficiencies and waste diversion opportunities.

4 Key Proposed Upgrade Features

4.1 Undercover Storage Areas

Undercover drop-off and temporary storage facilities have been provided for, general waste, green waste, E-waste, cardboard, globes, x-ray tubes, paint, and waste oil.

4.1.1 General Waste and Green Waste Drop-off Area

4.1.1.1 Design

The existing sawtooth drop-off area is proposed to be converted to a public drop-off area incorporating a new waste transfer shed floor slab with a 500 mm grade separation to the public unloading area, waste storage areas at the southern end of the shed and a loading tunnel for waste loadout.

The internal dimensions were governed by the following:

- Existing roof structure
- Redevelopment plans included in Appendix A
- Vehicle movements for the required design vehicles
- Storage area requirements nominated by NAWMA

The shed material storage areas are summarised in Table 4.1 of the Tonkin Report and comprise of 4.5 m high precast concrete panels to allow storage and loading of materials against the walls. Cladding is proposed to be installed between the top of the push up walls and the roof to prevent the overtopping of stockpiled waste.

Waste will be sorted into the correct storage areas by an operator and the site wheel loader (Cat 924 or equivalent). Loader access to the shed has been provided at the northern end adjacent to the gatehouse.

A loading tunnel with a nominal 2.0 metre grade separation to the waste transfer shed floor slab, runs along the southern edge of the shed. The final height of the grade separation will be determined in detailed design. The loading tunnel currently sits outside of the extents of the existing roof structure. As a result, an extended roofline has been indicated with the structural requirements for augmenting the existing structure to be determined during detailed design.

Stockpiled waste will be loaded into the loadout vehicle trailer (19m semi-trailer) by loader and transported off site.

The solution presented includes a cantilever of the concrete waste transfer shed floor slab from the retaining wall within the loading zone. This configuration ensures sufficient tipping clearance and access from the loader bucket to the transport vehicle and trailer. And provides a walkway to allow driver egress from the loading tunnel to the shed floor if required. A 1.2 metre push up wall provides a safety barrier for personnel accessing the loading area.

Translucent sheeting is proposed to the southern side of the loading tunnel to harness natural light and augment the internal lighting system. Ventilation is not expected to be an issue as the main shed area has no side and as such is considered to be largely open all the time.

It is recommended that the waste transfer shed floor slab be subjected to a surface hardening treatment to increase strength and abrasion resistance and extend design life.

4.1.1.2 Finished Floor Level (FFL)

The WTS FFL will be determined to satisfy internal drainage requirements and integrate with the surrounding site levels.

The waste sorting and storage area is to be 500 mm lower than the drop-off areas.

4.1.1.3 Public Drop-off

General Waste and Green Waste

Public drop-off will occur on both sides of the general waste / green waste drop-off canopy. Approximately 9 bays have been allowed on either side for public drop off by car and trailer.

The existing roof extents provide an undercover canopy area for the unloading of general waste and green waste into the shed. To restrict public access to the shed and provide a delineated sorting and storage area, it is proposed that a grade separation of 500 mm be created with appropriate wheel stop / kerb as shown on Concept Design Drawings Sheet 102 to prevent vehicles access. Waste will be dropped over the edge to the storage and sorting area below to be managed by the wheel loader. The configuration allows for waste to be emptied into the shed by simply lowering the tailgate and sweeping or shovelling the material out.

Other Waste Streams

An existing sort and save facility exists at the site and will be retained as part of Phase 1 works. Various recyclable streams are diverted through this facility and will continue to do so moving forward. In addition to this, stillages will be placed on either side of the main disposal pit area into which customers will be able to place a range of material streams that would otherwise be deposited into the general waste stream. Often customers will have mixed loads of materials and bypass recycling options and go straight to the disposal area of the site. By providing the stillages, this will enable customers to divert materials as part of the broader unloading process and facilitate recycling initiatives.

As part of Phase 2 works, an allowance on the plans has been made to the west of the shed for a series of additional waste drop-off containers will be provided for disposal and sorting of other waste streams as nominated in Section 3.1. Management and assessment of reuse potential for these waste streams is to be determined by site staff.

The drop-off areas is to be located on the eastern side of the site entrance road after the gatehouse.

A new structure is proposed to provide cover to the waste drop off bins / receptacles. The structure is proposed to be 32.0 metres (L) by 8.0 metres (W). The internal clearance height is governed by the waste storage, sorting and load out methodology in this area.

It is envisioned that cardboard and e-waste will be dropped off on the ground in front of the 30 m³ RO-RO bins to then be placed in the bins by the site loader. Other waste streams can be placed directly in the bin / receptacle provided.

It is assumed that the RO-RO bins will be manoeuvred out from under the structure for removal to eliminate the need to size the structure to accommodate the overall tipping height of the RO-RO truck.

Tonkin Consulting included this lean-to in their broader site costing structure however NAWMA has removed this element with an associated cost reduction of approximately \$174,000.

Phase 2 works will be subject to separate financing approval.

4.1.1.4 Pavement

New pavement has been proposed for the general and green waste shed extents including both the area to be filled and the adjacent drop-off areas. The infilled area in place of the existing sawtooth and the adjacent green waste and general waste storage areas will have a new concrete slab installed. The drop-off areas adjacent will be new asphalt pavement.

All other new paved areas are assumed to be asphalt pavement with localised shaping as required to match into existing site pavements. Levels of all site pavements are to be determined during detailed design.

5 Capital Cost Estimate

A capital cost estimate has been prepared for the proposed upgrade. Details of the cost estimate are included in Appendix B. A summary with key cost elements is provided below:

Item	Description	Cost
1	Preliminaries	\$103,817
2	Site Prep and Earthworks	\$56,900
3	Site Pavements	\$167,490
4	Structures	\$571,550
5	Stormwater Drainage	\$20,400
6	Electrical*	\$30,000
6	Miscellaneous	\$10,000
	Subtotal	\$960,157
	Contingency + CITB Levy (20% + 0.25%)	\$194,431.79
	Total	\$1,154,588.79

*The electrical component has been added separately to the initial Tonkin estimate.

6 Financial Assessment

When considering whether or not NAWMA should proceed with the proposed development, various operational, financial and Worker Health and Safety (WHS) factors need to be built into the assessment process.

In discussions with NAWMA staff, it is believed that financial advantages from the proposed developed will be gained in the following key areas:

- Increased Rate of Recyclables Separation; and
- Transport Efficiencies.

NAWMA has also had Council indicate they will provide a grant of \$560,000 to contribute towards the proposed development.

6.1 Increased Rate of Recyclables Separation

In developing the preferred design, several complementary operational activities were identified as being both desirable and possible moving forward. Site plant and equipment will be based in the waste receipt area giving staff the opportunity to remove recyclable material from the waste stream. With the previous design and material going directly into waste bins, sorting and removal of recyclables was not possible.

In addition to this, it is proposed to place stillages adjacent the car and trailer parking bays giving customers the opportunity to divert recyclables prior to loads going into the waste receival area.

NAWMA staff believe there is the opportunity to divert at least 5% of materials from the waste stream. With disposal costs at approximately \$180/tonne (at the time of the new system being in place) and the alternative disposal cost being \$30/tonne (this could be less depending on materials recovered), this can be a positive driver to support diversionary activities.

6.2 Transport Efficiencies

Site operations currently contract a hooklift bin operator to come to the site to remove the 30m³ bins that are used at the facility. Each bin movement is charged at \$143 with 110 movements occurring per month. This equates to approximately \$15,730 per month. By developing the new infrastructure, NAWMA will have the opportunity to move to a top loading transport system for the movement of residual waste as well as recyclables.

Residual waste placed in a walking floor trailer has been quoted to NAWMA as being \$400 per movement. Due to the increased volume of the walking floor as compared to the bins, the number of loads required per month reduces to approximately 33 per month with a monthly anticipated cost of \$13,200.

In addition to the general waste savings, NAWMA have been negotiating with their green waste disposal option and they have received a proposal based on the proposed infrastructure upgrade that results in a net \$66,000 saving per annum on transport.

6.3 Plant and Equipment

Council will operate a loader, fork with rotator head and small excavator to ensure the identified improvements can be achieved. It is understood that this level of machinery usage is consistent with current plant usage requirements.

Based on the above considerations, a high level financial assessment was undertaken and run over a 10 year time frame. Key inputs into the assessment were based on the previous discussion and are summarised as follows:

Capital Expenditure	
Cost Estimate	\$1,154,589
Council Grant	\$560,000
Net Capital Required	\$594,589
Operational Savings	
Green Waste Transport	\$66,000
General Waste Transport	\$30,360
Disposal Savings	\$59,400
Annual Operations Savings	\$155,760

Based on a discount rate of 12% and allowing for 2% annual CPI adjustments, a resultant EBITDA level NPV of \$313,999 was achieved. A payback period of around 4 years was also identified. In determining the pay back period, an interest rate of 3.5% was used with a 4 year payback period of the loan required to cover the net capital required.

Both of these indicators are supportive of NAWMA pursuing the proposed development.

7 Conclusion

The current facility located at Research Road Pooraka has served the community well over a number of years and provides an essential service to the community in the area of waste management. Changes over time in regulatory approach to WHS as well as improvements in material handling technologies however have led to opportunities that will mitigate risk to Council as well as lead to potential cost savings in the area of material handling and transport efficiencies.

Through the capital upgrades identified by NAWMA and its consultancy team, WAM believes that the identified site improvements will significantly reduce potential fall from height injury impacts as well as enable NAWMA to utilise high-volume transport systems that will lead to improved transport efficiency. Furthermore NAWMA's ability to undertake resource recovery activities on the residual waste stream will improve diversion rates and lead to stated Council and government goals in the increased diversion of waste from landfill.

Utilising a positive NPV and short-term payback period criteria to assess the financial suitability of the proposed capital upgrade, the resultant positive results would indicate such a proposal should be supported. This financial assessment combined with the reduced potential risk of harm to both patrons and workers at the facility further strengthens the argument for this work to proceed.

Additional detailed design and planning work is required to ensure such a proposal meets all required local and state regulatory approvals however this would be undertaken as part of the next phase of the project. Additional consideration is also required around transition planning to ensure the site can remain operational through the upgrade process and potential impacts on customers are mitigated.



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Agenda Item 7.6

Report Subject:	Draft NAWMA Site Tour Policy	Report Author:	Chief Executive Officer
Meeting Date:	19 September 2019	Information Type:	Decision report (operational, governance)
Attachments:	7.6.1 – Draft NAWMA <i>Site Tour Policy</i> 7.6.2 – Draft Terms and Conditions of Entry to NAWMA Sites		

Purpose of the Report

To provide the Board with an opportunity to review a draft NAWMA policy, *Site Tour Policy*, accompanied by the draft Terms and Conditions of Entry to NAWMA Sites.

Background

NAWMA's Chief Executive Officer and Senior Management Team have been inundated with requests from various Metropolitan and Regional Councils, local and interstate Media organisations and industry colleagues over the past 18 months for tours of NAWMA's facilities, particularly the MRF.

Report

The implementation of the *Site Tour Policy* will provide NAWMA's staff with a framework to assess the suitability of providing tours to the community at any of NAWMA's five sites. The purpose of the policy is not to restrict the access to any of NAWMA's facilities but rather to provide greater access to NAWMA's Constituent Councils and their communities.

Due to the small scale of NAWMA's Senior Management Team and Administration the number of requests for tours is overwhelming and the implementation of this policy will allow the CEO and Senior Management Team the flexibility to accept and decline tours where necessary, while continuing to provide education to our communities.

The Terms and Conditions of Entry to NAWMA Sites is a component of the policy and will govern how photos and media footage of NAWMA sites is used.

RECOMMENDATION

That the Report is received and noted, and the Site Tour Policy and Terms and Conditions of Entry to NAWMA Sites, are endorsed by the Board.



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NAWMA Site Tour Policy

Adopted: August 2019
For Review: August 2021

Author: Chief Executive Officer and Education
 and Projects Coordinator

Purpose of the Policy

To provide NAWMA's staff with a framework to assess the suitability of providing tours to the community at any of NAWMA's five sites, being the sites at:

- Materials Recovery Facility, 71-75 Woomera Avenue, Edinburgh
- Environmental Education Centre, 71-75 Woomera Avenue, Edinburgh
- Uleybury Landfill and Renewable Energy Park, Smith and Adams Road, Uleybury
- Bellchambers Road RRC and Waste Processing Facility, Bellchambers Road, Edinburgh North
- Research Road RRC and (to be developed) Community Revolve Space, Research Road, Pooraka

Who this Policy applies to:

This policy applies to all NAWMA staff.

Site visits

NAWMA's staff must respond to requests for visits to any of the NAWMA's five sites within a reasonable time from receiving the request and otherwise in accordance with the matrix in Table 1 below.

NAWMA staff must ensure that, unless an urgent visit is required by law, visits are only offered during regular business hours and following confirmation from the relevant site as to its availability to conduct the visit at the relevant time.

Table 1: Site visit request response matrix

Category	Who	Tour access
Tier 1	Elected members or staff from the councils for the City of Playford, Town of Gawler or the City of Salisbury in South Australia ("Constituent Councils")	Yes. Unlimited number of tours, but we will endeavour to coordinate to be efficient and must ensure site terms and conditions are made available to visitors before they enter the site
Tier 1a	Community groups operating (preferably solely) in a Constituent Council with direct	Yes. Limited to 1-2 tours per annum per Community group and must ensure site terms

	influence over residents residing in a Constituent Council	and conditions are made available to visitors before they enter the site
Tier 2	Council elected members, staff, community groups from councils other than Constituent Councils for whom Eastern Waste Management Authority (“East Waste”) provides waste management or resource management services. Community groups from Constituent Councils not covered by Tier 1a	Limited to 2-3 tours per annum coordinated by East Waste, supervised by NAWMA. Must ensure site terms and conditions are made available to visitors before they enter the site
Tier 2a	Council elected members, staff from councils other than Constituent Councils or East Waste Councils for whom NAWMA provides waste management or resource management services	Limited to 1 tour per annum coordinated by the Client Council, supervised by NAWMA. Must ensure site terms and conditions are made available to visitors before they enter the site
Tier 3	Industry and other government	By exception with approval from Chief Executive Officer, Collections and Processing Manager or Resource Recovery Manager. If access is given, the site terms and conditions must be made available to visitors before they enter the site
Tier 4	All others	No. Chief Executive Officer to approve by exception. Must ensure, if access is given, that site terms and conditions are made available to visitors before they enter the site

Uncertainty as to application of policy

If a NAWMA staff member considering a request for a site visit is unsure, based on the matrix in Table 1 or otherwise, how to respond to that request, that member must consult with the Chief Executive Officer or their delegate to determine how to respond to the request.

Visits required by law

Nothing in this policy is intended to deny access to a NAWMA site to persons or organisations with an obligation or legal right to access the relevant site. Such persons and/or organisations must be granted access to the relevant site on request in accordance with the requirements of the applicable



law or right, provided that, where practicable and doing so does not contravene the law or relevant right, those persons/organisations should:

- be given a copy of the terms and conditions for site entry prior to entering the relevant site; and
- provide as much notice of a site visit as is possible in the circumstances.

Policy breach

Any NAWMA staff member found to be in breach of this Policy may be subject to appropriate disciplinary action.

Contact

Any queries in relation to this policy can be directed to NAWMA's Education and Projects Coordinator in the first instance.

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Terms and Conditions of Entry to NAWMA Sites

About NAWMA

1. Northern Adelaide Waste Management Authority (“NAWMA”) is a regional subsidiary formed under the Local Government Act 1999 (the Act) to provide waste collection services for its three Constituent Councils. The primary purpose of NAWMA is to provide effective kerbside waste collection and management services for its Constituent Councils.

NAWMA sites

2. This document sets out the terms and conditions on which any persons (“you”) other than NAWMA personnel agree to enter any of the following sites (each, a “NAWMA Site”), including for the purposes of being part of a site tour:
 - Materials Recovery Facility, 71-75 Woomera Avenue, Edinburgh
 - Environmental Education Centre, 71-75 Woomera Avenue, Edinburgh
 - Uleybury Landfill and Renewable Energy Park, Smith and Adams Road, Uleybury
 - Bellchambers Road RRC and Waste Processing Facility, Bellchambers Road, Edinburgh North
 - Research Road RRC and (to be developed) Community Revolve Space, Research Road, Pooraka
3. By entering a NAWMA Site you agree to be bound by these terms and conditions.

Conditions of entry

4. While on a NAWMA Site, you:
 - a. must comply with the directions of all NAWMA personnel;
 - b. must comply with all applicable laws and NAWMA policies, including laws and policies concerning workplace health and safety;
 - c. must be accompanied by NAWMA personnel at all times;
 - d. remain responsible for all of your personal belongings;
 - e. must behave safely, respectfully and appropriately at all times, and must not engage in rude, violent, discriminatory or offensive behaviour toward anybody else on site;
 - f. must be dressed appropriately including by wearing any safety equipment that NAWMA personnel instruct you to wear;
 - g. must comply with all relevant signs on site;
 - h. must not smoke cigarettes or e-cigarettes without the express permission of NAWMA personnel;
 - i. must not touch or remove any site materials, except with the express permission of NAWMA personnel;



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- j. must not enter any area that is fenced off or clearly out of bounds or unsafe;
 - k. must not be under the influence of drugs or alcohol;
 - l. must not take photos, videos or any other recordings, whether of individuals or any part of the site, unless you have received prior written authorisation from NAWMA;
 - m. authorise NAWMA to confiscate any devices that you use to take unauthorised records while on site and/or to delete such recordings from your devices;
 - n. must try not to distract or obstruct NAWMA personnel who are at work, except as reasonably required;
 - o. must not bring with you any items that NAWMA or NAWMA personnel determines are not welcome on site, including weapons or potential weapons, drones, drugs, alcohol, fireworks, animals (other than assistance and guide dogs) and glass
5. You must supervise any persons who enter the NAWMA Site with you who are under the age of 18 or for whom you are officially or unofficially acting as a guardian -
6. If NAWMA has provided you with written permission to take photos, videos or other recordings at a NAWMA Site:
- a. such photos, videos or recordings are not for public display or commercial purposes or use unless NAWMA has expressly authorised such use;
 - b. such photos, videos or recordings may only be displayed or used in accordance with NAWMA's express authorisation;
 - c. such photos, videos or recordings are to be used only for the purpose for which NAWMA has authorised they be used and not for any other purposes under any circumstances; and
 - d. you acknowledge that damage may be an inadequate remedy for your use of the relevant photos, videos or recordings in breach of that authorisation and that NAWMA may, in addition to other remedies available at law, obtain injunctive or other equitable relief against you for such breach.

NAWMA's rights

7. To the extent permitted by law, NAWMA reserves the right to:
- a. deny entry to anybody in its discretion, including those who refuse to participate in a bag check or to comply with these terms and conditions and those under 18 who are not accompanied by an adult;
 - b. remove any person or object from, or require you or any object to leave or be removed from, a NAWMA Site for any reason, including for public safety or due to breach or anticipated breach of these terms and conditions;
 - c. ban any person from entering a NAWMA Site in future for any reason; and
 - d. take any step or do any thing which NAWMA or any NAWMA personnel determine is necessary for the safety of any person, in order to comply with applicable law, or for the safe and efficient operation of a NAWMA Site.

Disclaimer

8. To the extent permitted by law:
- a. you agree that you enter the NAWMA Site at your own risk;



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- b. if you are accompanied by someone under 18 or for whom you are acting officially or unofficially as guardian, you agree that you are responsible for them, will accompany them at all times and will ensure that they comply with these terms and conditions;
- c. NAWMA is not responsible for any loss, injury or damage, howsoever caused and regardless of the form of action, whether in contract, tort (including negligence), strict liability or otherwise, to you or those you are supervising, or to or of any property except where any such loss, injury or damage is caused by the wilful misconduct of NAWMA or its employees; and
- d. NAWMA will not be responsible for any indirect, special, incidental, or consequential damages of any kind (including lost profits), howsoever caused and regardless of the form of action, whether in contract, tort (including negligence), strict liability or otherwise.

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Agenda Item 7.7

Report Subject:	Independent Chair Position Renewal	Report Author:	Chief Executive Officer
Meeting Date:	19 September 2019	Information Type:	Decision report (governance)
Attachments:	Nil		

Purpose of the Report

To provide the Board with an opportunity to nominate the Independent Chairperson under Clause 7.2.1(b) of the NAWMA Charter.

Background

Mr Brian Cunningham's second two (2) year term expires on 11 October 2019. As per Clause 7.2.7 the Independent Chairperson is eligible for reappointment at the expiration of the term of office.

Report

Mr Cunningham has been the independent Chairperson of NAWMA since October 2015 and is in fact the inaugural independent chairperson for the Authority. Mr Cunningham has been an excellent Independent Chairperson and has provided a steady hand and commercial acumen that has positioned NAWMA (and therefore the Constituent Councils and region) as a leader in waste management and resource recovery.

Clearly the highlight of Mr Cunningham's chairmanship was his first two year guiding the Board and Technical Working Group in the critical stages of the Materials Recovery Facility (MRF) development. The commissioning of this critical piece of Australian resource recovery infrastructure has held the Constituent Councils in good stead, while others have faltered.

Equally as importantly, Mr Cunningham provided a seamless transition to the newly appointed Chief Executive Officer in July 2017. Brian has since overseen a dramatic growth phase for the Authority (in terms of service delivery, assets, revenue, and FTE's) all the while developing key relationships with the NAWMA Board, Audit Committee (where he sits Ex Officio), and Constituent Council Executive and Elected Members.

Mr Cunningham is one of South Australia's most astute business and governance leaders, and NAWMA is fortunate to have him presiding over such an important phase of the Authority. Mr Cunningham has signalled his willingness to preside for another term, at the will of the NAWMA Board and as jointly approved by the Constituent Councils.

Due to the expiration of the current term of office not aligning with Constituent Council Meeting dates, Management suggest that (subject to the Board endorsing Mr Cunningham for two-year extension) a one-off eight (8) week interim extension period for Mr Cunningham to continue as Chair be granted. This would allow each Constituent Council adequate time to table the matter in the respective Chambers or deal with it administratively if delegations allow.



RECOMMENDATION

That the Board nominate Mr Brian Cunningham for reappointment for two (2) years as the NAWMA Independent Chairperson at the expiry of this current term of office,

And

The Deputy Chairperson authorise the Chief Executive Officer to write to each Constituent Council seeking to jointly approve the nomination of Mr Brian Cunningham for reappointment for two (2) years as the NAWMA Independent Chairperson at the expiry of this current term of office,

And

That a one-off eight (8) week interim extension period (from the date of this meeting) for Mr Brian Cunningham to continue in the Independent Chairperson position be endorsed.





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Agenda Item 7.8

Report Subject: Internal Resourcing	Report Author: Education and Projects Coordinator
Meeting Date: 19 September 2019	Information Type: Decision report (operational, governance)
Attachments: 7.8.1 – Proposed Organisational Structure (marked up)	

Purpose of the Report

To provide the Board with a proposal to increase the influence of NAWMA's Community Education Unit (currently 1 FTE) to better develop and implement recycling behaviour change campaigns, whilst concurrently tapping into a financially incentivised way of providing a traineeship to a young person from the local community as a backfill in the Customer Service Team

Background

Due to NAWMA's progressive and assertive action around resource recovery and circular economy processes as well as the ongoing negative media focus on our sector, increasingly we are being asked to provide comment, expert advice and educational resources. To respond to this growing demand, it is necessary to have up-to-date resources and information available and to be increasing our engagement with the public so as to enable more of our community to better utilise our services.

Similarly, as the complexity, size and reputation of NAWMA grows, our residents (& those of Client Councils) are interacting with our public facing Customer Service Team more than ever before.

In order to meet the needs of both growing demands, and as part of our retention strategy of highly capable staff, NAWMA has temporarily created a job share arrangement with an existing Customer Service Officer (being 0.6FTE Education:0.4FTE Customer Service)

This temporary solution has proven very successful, and this paper looks to formalise this arrangement, while also complimenting it with the addition of a junior trainee to be recruited from the local region.

Report

An opportunity exists to expand the reach and effectiveness of NAWMA's Education department by creating an Education Support Officer (ESO) role. It is proposed to recruit an existing staff member from the Customer Service Team (CST), who already has a sound knowledge of NAWMA's services, and is currently acting in this position temporarily. Such a move would provide an opportunity for further skills development for this officer as well as create a new opening for a junior CST member, being a trainee role recruited from the local area.

An additional resource to assist with education-related activities would serve two key outcomes: 1) dissemination of NAWMA's information to a wider section of the community and 2) increase capacity for more on-ground engagement with people in the community. Both actions will assist with improved uptake and use of services, with the eventual aim to reduce recycling contamination and improve landfill diversion.



Any improvement in the correct uptake of NAWMA's services will have a positive financial impact. For example, a decrease in kerbside recyclables contamination of just 1% across the three Constituent Councils would result in an approximate saving of \$100,000 per annum. This is through reduced waste disposal costs, lower labour requirements, and improved recycling commodity yield and value. Many of our contamination issues are caused by a simple lack of knowledge (e.g., plastic take away cutlery cannot be recycled via the yellow-lid recycling bins; food waste is acceptable in the FOGO bin), which can be easily rectified through access to correct information. The key is having the resources to develop the content, and facilitate getting the message to as many people as possible in the best way – face to face.

By filling the ESO position internally, NAWMA could use the Commonwealth-funded Cert III in Business Traineeship program to employ a recent school leaver in a junior Customer Service role. The benefits of doing so are many and include:

- providing an opportunity for a local young person, who has recently completed Year 12, to gain valuable employment experience whilst completing a *Certificate III in Business*
- cost efficiencies as recruitment agency *Maxima* manages the recruitment process, training contracts, wages and entitlements, administration, training delivery and monitoring of skills development
- incentive payments at the 10 month and completion stages of the Trainee's 12 month tenure
- knowledge that *Maxima* will assist the trainee to find a work placement at the end of the traineeship (if not offered employment at NAWMA)
- NAWMA creating a system for potentially hosting trainees on an ongoing basis thus improving employment prospects within the local community

While the additional resource of 1.0 FTE (being the junior CST Trainee) is not included in the NAWMA 2019/2020 adopted Budget, the cost impact would be minimal, and it is envisaged that any additional costs would be offset through improvements in the contamination of recyclables.

Appended at 7.8.1 is the Proposed Organisation Structure including the above marked up in orange to reflect the changes to our current structure.

RECOMMENDATION

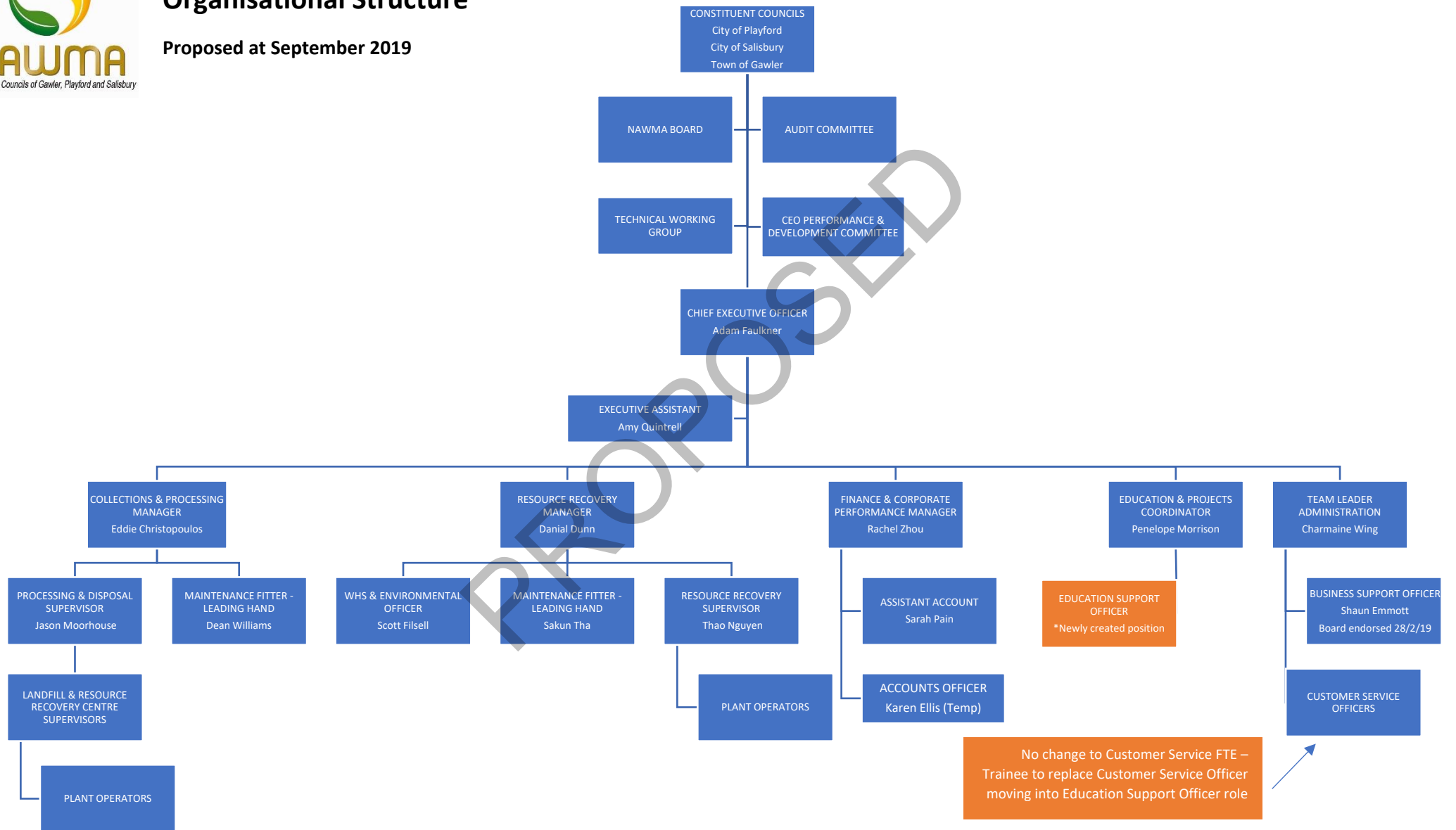
That the Board approve the creation of an ongoing Education Support Officer position as well as the backfilled vacancy Business Traineeship for a young person from the local community.





Organisational Structure

Proposed at September 2019



Confidential Agenda Item 7.9 removed

Confidential Agenda Item 7.10 removed



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Agenda Item 7.11

Report Subject:	2018/2019 Draft Annual Report	Report Author:	Chief Executive Officer
Meeting Date:	19 September 2019	Information Type:	Decision report (governance)
Attachments:	7.11.1 – Draft 2018/2019 Annual Report (<u>front page only</u> – hard copy to be tabled at Board Meeting)		

Purpose of the Report

To provide the Board with a draft copy of the 2018/2019 NAWMA Annual Report.

Background

In accordance with Local Government Act 1999 Clause 131.1:

A council must, on or before 30 November in each year, prepare and adopt an annual report relating to the operations of the council for the financial year ending on the preceding 30 June

Report

The Draft 2018/2019 Annual Report has been completed in conjunction with Adelaide graphic design and advertising agency NRG Advertising. The report includes the full set of audited financials, a report from the Chairman and Chief Executive Officer and finishes with a report from each unit of the Authority, including governance.

It has been a busy and productive year for NAWMA, which is captured in the Draft 2018/2019 Annual Report.

A hard copy will be provided at the Board Meeting due to the file size restricting electronic distribution. Once finalised and adopted by the Board, an endorsed hard copy will be provided to each Constituent Council CEO, Audit Committee Member and Board Director.

A copy of the draft 18/19 Annual Report was provided to the Audit Committee at their meeting of 12 September 2019 for their endorsement prior to the scheduled Board Meeting.

RECOMMENDATION

That the Report is received and noted, and the Draft 2018/2019 Annual Report is endorsed for publication and distribution





Annual Report

2018-2019

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Agenda Item 7.12

Report Subject:	Operational Report – Collections, Processing and Disposal	Report Author:	Collections and Processing Manager
Meeting Date:	19 September 2019	Information Type:	Information report (operational)
Attachments:	7.12.1 – Balefill Management Consultative Committee Minutes (5 August 2019)		

Purpose of the Report

To provide the Board with an update on NAWMA's collection, processing and disposal operations.

Background

This report discusses items that have occurred during the months of July to September 2019 at three (3) of NAWMA's sites;

1. Uleybury Landfill Renewable Energy Park
2. Edinburgh North – inclusive of Waste Processing Facility (WPF), Food Organics and Garden Organics (FOGO) and Resource Recovery Centre (RRC)
3. Pooraka Resource Recovery Centre (PRRC)

The report also presents the Balefill Management Consultative Committee (BMCC) minutes for meeting held on 5 August 2019.

Report

Landfill power generation from landfill gas (LFG) and solar panels.

LMS continue to generate power at maximum levels from both the Renewable Energy Facility (REF), using landfill gas (LFG) and the solar panels.

Figure 1: Monthly Landfill Gas Generated

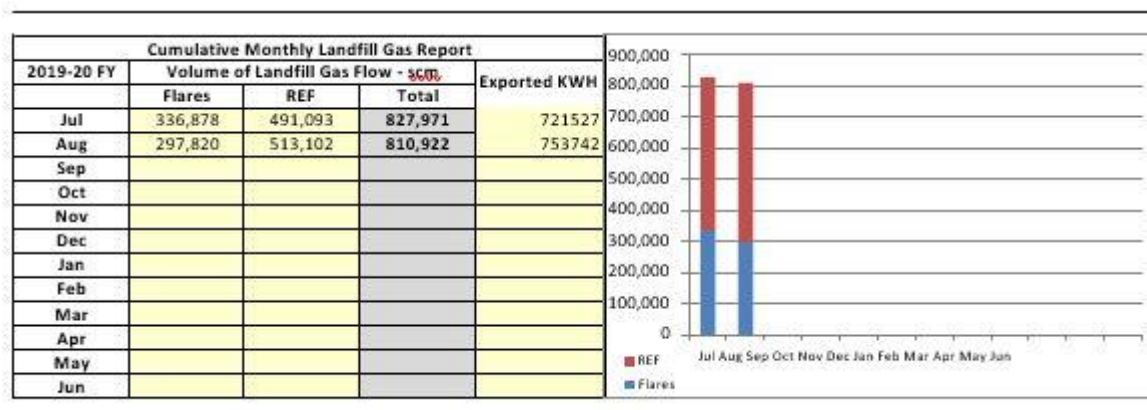
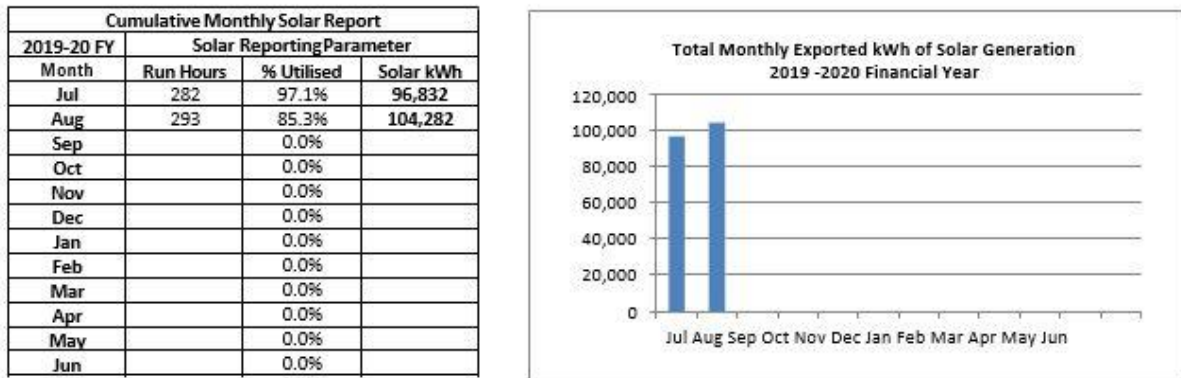


Figure 2: Monthly exported kWh of Solar Generation



Edinburgh North WPF

The WPF continues to operate smoothly with no reported down time through the reporting period, NAWMA have recently employed a full time Boilermaker based at Edinburgh North, the cost of which is offset by a significant reduction in outsourced maintenance and mechanical contractors. Approximately 13,200 tonnes of waste were processed through the WPF with approximately 600 tonnes of compacted material were transported into the Suez ResourceCo Alternative Fuel Facility for processing during this reporting period. The cumulative total of material processed includes approximately 1,900 tonnes from Commercial Clients.

Edinburgh North FOGO

The FOGO shed at Edinburgh North accepted approximately 2,850 tonnes of kerbside collected food and garden organics for each month during the period. The collected material is bulk hauled to Peats Soils and Garden Supply facility where it is processed into products such as compost and mulch.

Edinburgh North RRC

In conjunction with Green Industries SA, NAWMA’s commitment to best practice and responsible waste management has seen a free of charge Household Chemical and Waste Drop Off facility commenced at Edinburgh North RRC. The facility will except items such as – pesticides, herbicides, insecticides, brake fluid, fuel, degreasers, coolants and poisons. An official opening will occur later in the year.

Image 1: Newly opened Household Chemical and Paint Drop Off (Edinburgh North)



Pooraka RRC

This facility sees approximately 45,000 customers per annum using the site, during this reporting period Approximately 1,960 tonnes of general waste were transported into the Suez ResourceCo Alternative Fuel Facility for processing and 970 tonnes of Green waste was sent to Peats Soils and Garden Supply facility where it is processed into products such as compost and mulch.

RECOMMENDATION

That the Report is received and noted,

And

The BMCC Minutes of 5 August 2019 meeting are received and noted.



Meeting #74 of the Balefill Management Consultative Committee (BMCC), held on Monday 5 August 2019 at 4.00pm

Held in NAWMA Boardroom, 71-75 Woomera Avenue, Edinburgh

MINUTES

Meeting opened at 4.01pm

1 Welcome and Apologies

Present: Cr Paul Little (Chairman), Mr Steve Huckstepp (Resident), Mr Eddie Christopoulos (NAWMA), Mr Jason Moorhouse (NAWMA), Ms Amy Quintrell (NAWMA)

Apologies: Mr Adam Faulkner (NAWMA), Ms Kaarina Sarac (City of Playford), Mr Matthew Bench (EPA)

2 Confirmation of Minutes.

That the minutes of the meeting of the BMCC (amended per Steve Huckstepp email of 7 June 2019) held Monday 5 June 2019 are noted.

3 Business Arising

- Mr Huckstepp questioned if the Observation Deck had been reopened? Mr Moorhouse and Mr Christopoulos advised that it was open by appointment only.
- Mr Christopoulos advised that he and Mr Moorhouse had visited the site to inspect the water issue as discussed at previous BMCC meeting. NAWMA cannot see where this issue arises as the drop off is more than 1 metre. Will follow this issue up if raised again after heavy rains.
- Mr Christopoulos advised that himself and Mr Moorhouse had visited the Archery Club and met with Phil in relation to a concern raised at BMCC about arrows being fired towards the road. Phil advised that there are no arrows fired towards the road, with all arrows fired parallel to the road. Mr Christopoulos and Mr Moorhouse viewed barriers that are placed on the fenceline if targets in that direction are being shot at. Mr Huckstepp advised that he will follow up the legislation for the Archery Club with SAPOL Firearms section.
- Mr Huckstepp advised that he has noticed improvements in rubbish levels over the recent weeks.

4 Chairperson's Report

- Nothing of significance to report, Chairman has visited the site in recent weeks and all looks to be going well

5 Information Items (presented by Mr Moorhouse)

- NAWMA started removing stockpiles of material (cleanfill and rubble) from the western edge of the site in July 2019. NAWMA's intent is to remove excess material from this location and start revegetation. The stockpiles at this location are too far from the working face. NAWMA have also reduced the rubble and cleanfill coming into the site.
- NAWMA have been placing eucalyptus in the spray cover to help with odour at the site. The added potential benefit of this is that it may help control fly numbers. Mr Huckstepp advised that there doesn't appear to be any further fly issues so this may be working. Mr Huckstepp has noticed odour from the site, particularly at times where there is more rain but is aware that only a limited amount can be done. Mr Moorhouse advised that NAWMA can increase the eucalyptus in the spray to attempt to counter this.
- NAWMA are continuing to cull ravens at the site with 88 ravens culled over the past six months. Mr Huckstepp advised that there are still a lot of ravens onsite. NAWMA will continue to monitor and cull.
- As per last BMCC NAWMA have increased the coverage of the working faces and will continue to do so. Mr Huckstepp noted that part of the face on the right hand side was left uncovered for quite some time. NAWMA will continue to minimise working faces.

6 Environmental Monitoring

- Covered in Item 6

7 General Business

- The revegetation of the site was discussed with Mr Christopoulos advising that NAWMA had been liaising with City of Playford to discuss the planting of natives that belong in the area. Mr Huckstepp advised that in his experience the protective covers for the newly planted trees are unnecessary and suggested that the section off Alexander Avenue is the best place to look at what the area used to look at for revegetation reference.
- Mr Huckstepp questioned whether there had been any further update on the Telstra tower being installed on the site. Mr Christopoulos and Mr Moorhouse advised that they had received no update.
- Cr Little again raised the matter of extending the length of time between BMCC meetings as discussed at the previous meeting. Cr Little suggested that it is not necessary to wait until a BMCC meeting to raise issues, that these issues can be dealt with via phone or email when they arise. Mr Huckstepp disagreed and would prefer the meetings to continue to be scheduled bi-monthly as two (2) residents he has spoken to are interested in the meeting outcomes. Cr Little asked that if Mr Huckstepp speaks to any residents and there are any issues can he please be included in any correspondence. It was agreed that meetings continue to be scheduled bi-monthly for the time being.

- 8 Next Meeting:** The next meeting of the BMCC will be held on Tuesday 8 October 2019 at 4pm in the NAWMA Boardroom, 71-75 Woomera Avenue, Edinburgh

Meeting closed 4.19pm

Confidential Agenda Item 7.13 removed



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Agenda Item 7.14

Report Subject:	WHS Steering Committee Minutes (latest)	Report Author:	Chief Executive Officer
Meeting Date:	19 September 2019	Information Type:	Information report (operational, governance)
Attachments:	7.13.1 – Minutes of 3 September 2019 WHS Steering Committee (latest)		

Purpose of the Report

To provide the Board with an update of NAWMA's WHS Steering Committee.

Report

A meeting of NAWMA's WHS Steering Committee was held on Tuesday 3 September 2019. Appended (at Attachment 7.14.1) are the minutes of this meeting for the information of the Board.

RECOMMENDATION

That the Report is received and noted.



WHS STEERING GROUP MEETING MINUTES

WHS KEY PILLARS

1. Training & Qualifications
2. Records & Documentation
3. Maintenance & Housekeeping
4. Emergency Procedure

Meeting Title:	NAWMA WHS Steering Group	Chaired by:	Scott Filsell	Meeting Date:	03/09/19	Meeting Number:	47
Venue:	NAWMA Woomera Ave	Secretary:	Scott Filsell	Start:	10:00am	Finish:	11:00am

ATTENDEES	Attend	Apology	Absent	ATTENDEES	Attend	Apology	Absent	AGENDA:		
Adam Faulkner		X	X						AGENDA:	1. Status of previous actions 2. New items <ul style="list-style-type: none"> • Black Text - ongoing • Red Text - New/Current items • Green Text – Completed items
Eddie Christopoulos		X	X							
Danial Dunn	X									
Jason Moorhouse	X									
Michelle Muldowney	X									
Scott Filsell	X									
Vicky Smith	X									

Distribution	Electronic copies to all attendees and individuals that are absent. Minutes stored on "N" Drive and displayed on site Notice Boards.	Date Issued	9/09/2019	Next Meeting:	24/09/19 - 10:00am	Venue	NAWMA Woomera Ave
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	Agenda Item	Issue Details	Action Required	Action By	Date Raised	Due Date	Action Completed
1.	Review any current Incidents or issues:	Incident Reports	<ul style="list-style-type: none"> • Puncture injuries to MRF sorter/s Action – Danial Dunn to meet with Randstad regarding recent injuries, all pre-sorters to be issued with Needle resistant gloves for sorting. • Fitters foot slipped into drain sump near Waste Baler • Significant Near Miss in the Peats FOGO shed at Edinburgh Nth – Issues are still being raised and addressed, Scott & Jason to meet with All parties • Loader damaged Customers Vehicle Research Rd Actions to follow from insurance claim. • Notification from COP regarding asbestos incident 	Danial Dunn Jason Moorhouse All All All	19/6/19 25/7/19 26/7/19 20/8/19 1/8/19	24/9/19 3/9/19 3/9/19 TBA 3/9/19	 3/9/19 3/9/19 3/9/19
2.	Records & Documentation	SWP Development	<ul style="list-style-type: none"> • Develop/Review NAWMA specific SWP documents • RRC/WPF – To be reviewed & updated as required • MRF – To be reviewed & updated as required • LANDFILL - To be reviewed & updated as required 	Jason Moorhouse Scott Filsell Thao Nguyen	11/10/17	Ongoing	
3.	Records & Documentation	Development of Contractor Management System Skytrust - Improve safety culture throughout the organisation	<ul style="list-style-type: none"> • Safety conversations to be had and recorded on Sky trust once implemented. Proceed with SKYTRUST implementation – Underway 	Scott Filsell	11/10/17	Ongoing	

WHS STEERING GROUP MEETING MINUTES

WHS KEY PILLARS

1. Training & Qualifications
2. Records & Documentation
3. Maintenance & Housekeeping
4. Emergency Procedure

Agenda Item		Issue Details	Action Required	Action By	Date Raised	Due Date	Action Completed
4.	Maintenance & Housekeeping	Designated walkways Edinburgh Nth site	<ul style="list-style-type: none"> Now modifications have almost been completed on site, designated walkways now need to be planned for site. Further information is required from SUEZ on their requirements, Adam Faulkner & Eddie Christopoulos meeting with SUEZ today 24/7/18 to seek progress on project. Underway - mid-February completion date Adam Faulkner to meet with Paul Haslam from SUEZ this week 26/4/19 to give update on progress of SUEZ Project on Bellchambers Rd site. 	Scott Filsell Eddie Christopoulos Jason Moorhouse SUEZ	22/5/18	Ongoing	
5.	Emergency Procedure	Confined space Emergency Plan	<ul style="list-style-type: none"> Follow up with MSS Safety on Recommendations Look into installing Ventilation to pit. New fitter to address once started. Dean Williams has contacted Austek Engineering for advice on the space. Underway 	Scott Filsell Jason Moorhouse	2/4/19	Ongoing	
6.	Records & Documentation	CoR (Chain of Responsibility) NHVL (National Heavy Vehicle Law)	<ul style="list-style-type: none"> <u>Review of any NHVL breaches</u> Suez Vehicles overloaded, 3 occurrences in June 2019, review incident reports and SUEZ outcomes Scott to follow up with Adam Norsworthy on progress of investigations. More Breaches in July and August. Discuss whether to fine SUEZ for current breaches. Group members agreed with passing on the \$115 administration charge to SUEZ. Notice of intent to be sent to GM of SUEZ S.A. Paul Haslam and 'cc' Adam Norsworthy. NAWMA weekend staff to give NHVL requirement flyers to customers who present in light vehicles that exceed the vehicle GVM (small tipper trucks 2t) 	All Scott Filsell Scott Filsell Jason Moorhouse	23/7/19 3/9/19	3/9/19 24/9/19	
7.	Records & Documentation	WHS Plan & Programs	<p>Review WHS Plan and Programs, prioritise actions and close out completed actions. Schedule time for review following next WHS Steering Group meeting. Meeting request sent out.</p> <p>Adam, Jason and Scott to look for a resource to assist with the WHS Plan and programs through Council & WPG Group.</p> <p>It was agreed to await the outcome of our WHS & Risk Evaluation to form an action plan which will identify and prioritise the scope for the resource assistance.</p>	Adam Faulkner Scott Filsell Jason Moorhouse	16/5/19	TBA	
8.	Records & Documentation	WHS Policy	Review NAWMA WHS Policy, propose using the LGA WHS policy and adopt as required. Awaiting copy of the policy from Scheme WHS consultant. Document to review and adopt from LGAWCS.	All	22/5/19	3/9/19	3/9/19
9.	Records & Documentation	Vehicle Pedestrian Interaction	Look at installing Flashing light and signage at RRC Pooraka Gatehouse to raise awareness to General public of Heavy Vehicles on site, New Fitter Dean Williams has this task added to his jobs list.	Scott Filsell Jason Moorhouse Dean Williams	28/6/19	3/9/19	3/9/19

WHS STEERING GROUP MEETING MINUTES

WHS KEY PILLARS

1. Training & Qualifications
2. Records & Documentation
3. Maintenance & Housekeeping
4. Emergency Procedure

10.	Emergency Procedure	Emergency Management Plan	Need to identify level of indemnity for other PCBU's listed on Emergency Management Plan and procedure for Bellchambers road site. Scott to follow up with PCBU's to provide their level of indemnity for our records.	Scott Filsell	16/7/19	3/9/19	30/8/19
New Agenda Items – 3/9/19		Issue Details	Action Required	Action By	Date Raised	Due Date	Action Completed
1.	Records & Documentation	Emergency Management Procedure	Review & Approve Emergency Management Procedure	All	16/7/19	3/9/19	9/9/19
2.	Records & Documentation	Contractor Management Procedure	Review & Approve Contractor Management Procedure	All	3/9/19	3/9/19	9/9/19
3.	Records & Documentation	Hazardous Manual Tasks Procedure	Review & Approve Hazardous Manual Tasks Procedure	All	3/9/19	3/9/19	9/9/19
4.	Training & Qualifications Records & Documentation	WHS Summit SafeWork NSW, EPA & Industry leaders Veolia, SUEZ and others	Review of current Traffic Management Plans for all sites, focussing on Vehicle & Pedestrian interaction. Look into physical separation from Heavy Vehicles, designated walkways and vehicle loading areas, safe driver zones etc.	All	3/9/19	24/9/19	9/9/19
5.	Records & Documentation	WHS & Risk Audit	Discuss & raise with group any feedback from WHS & Risk Audit	Scott Filsell	3/9/19	3/9/19	3/9/19
6.	Training & Qualifications	Human Factors Training course	Vicky Smith LGAWCS suggested Scott Filsell & Jason Moorhouse attend the course. Scott to attend for now.	Scott Filsell	3/9/19	3/9/19	3/9/19

Confidential Agenda Item 8.1 removed