

CONFIDENTIAL ITEMS 2003 – SEPTEMBER 2022

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
115	1 May 2017	Adelaide Hills Region Waste Management Authority	<p>Section 90 (3) (h) Order</p> <p>1. <u>Pursuant to Section 90(3)(h)</u> Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except (the Chief Executive Officer, Deputy Chief Executive Officer/General Manager, Infrastructure & Projects, General Manager, Planning & Development, General Manager, Corporate Services and General Manager, Council Services, Risk and Governance Officer, Minutes Secretary and Executive Officer of the Adelaide Hills Region Waste Management Authority) be excluded from attendance at the meeting for Agenda Item 17.1 (Adelaide Hills Region Waste Management Authority).</p> <p>The Council is satisfied that pursuant to Section 90(3)(h) of the Act, the information to be received, discussed or considered in relation to this Agenda item is information relating to legal advice, which will be discussed in detail with council members.</p> <p>The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because a Council decision has not yet been made in relation to the advice and its subject matter.</p> <p><u>Pursuant to Section 91(7)</u></p> <p>4. That having considered Agenda Item (Adelaide Hills Region Waste Management Authority) in confidence under 90(2) and 3(h) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the discussion, report,</p>	That the discussion, report, attachments and all minutes (with the exception of recommendation 3 b) and the attached Annual Business Plan) be retained in confidence until the action by Southern Waste ResourceCo against the Adelaide Hills Region Waste Management Authority is determined and any subsequent appeal process has also concluded, or the matter is settled by the parties through a commercial agreement, or such lesser period as may be determined by the Chief Executive Officer and that this order be reviewed every 12 months.	<p>The Council is satisfied that pursuant to Section 90(3)(h) of the Act, the information to be received, discussed or considered in relation to this Agenda item is information relating to legal advice, which will be discussed in detail with council members.</p> <p>The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because a Council decision has not yet been made in relation to the advice and its subject matter.</p>	Until the action by Southern Waste ResourceCo against the Adelaide Hills Region Waste Management Authority is determined and any subsequent appeal process has also concluded, or the matter is settled by the parties through a commercial agreement, or such lesser period as may be determined by the Chief Executive Officer and that this order be reviewed every 12 months.	5 Sep 22	Within 12 months	<i>Recommendation 3 b) and Draft Annual Business Plan released 5 May 2017 Report, Attachments Minutes released on website 30 September 2022</i>

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RELEASED

17. CONFIDENTIAL REPORTS

- 17.1 REPORT TITLE: CONFIDENTIAL ITEM: ADELAIDE HILLS REGION
WASTE MANAGEMENT AUTHORITY**
- DATE OF MEETING: 1 MAY 2017**
- FILE NUMBER: 17/35627**
- ATTACHMENTS: 1. LEGAL ADVICE REGARDING SUPREME COURT
CASE
2. COUNCIL LETTER TO THE AHRWMA (DOC/
17/36700)
3. PROPOSED AHRWMA BUSINESS PLAN AND
BUDGET 2017/18 (DOC/17/38696)**

Mount Barker 2035 – District Strategic Plan:

Governance and Leadership
Effective management and financial sustainability

Purpose:

1. The primary purpose is to enable the Executive Officer of the Adelaide Hills Region Waste Management Authority to provide an update and answer questions on the defence of the claim against the Authority by Southern Waste ResourceCo (SWRC) which is currently being heard in the Supreme Court and the implications arising from that.
2. The secondary purpose is to enable the proposed Budget and Business Plan for the Authority for 2017/18 to be presented and considered.

Summary – Key Issues:

- Understanding the implications of the defence of the claim against the Authority by SWRC.
- Strategies for management and mitigation of the implications of the claim.
- Consideration of the proposed Authority Business Plan and Budget for 2017/18.

Recommendation:

That Council:

Section 90 (3) (h) Order

1. Pursuant to Section 90(3)(h)

Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except (the Chief Executive Officer, Deputy Chief Executive Officer/General Manager, Infrastructure & Projects, General Manager, Planning & Development, General Manager, Corporate Services and General Manager, Council Services, Minutes Secretary and Executive Officer of the Adelaide Hills Region Waste Management Authority) be excluded from attendance at the meeting for Agenda Item 17.1 (Adelaide Hills Region Waste Management Authority).

The Council is satisfied that pursuant to Section 90(3)(h) of the Act, the information to be received, discussed or considered in relation to this Agenda item is information relating to legal advice, which will be discussed in detail with council members.

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because a Council decision has not yet been made in relation to the advice and its subject matter.

2. Notes the receipt of legal advice in relation to this matter.

3. Advises the Authority by letter that:

- a) regular written communication to Council from the Authority on this matter is required; and
- b) the proposed budget and business plan for the Authority for 2017/18 is noted and that prior to Council being in a position to consider approval of the Authority budget and business plan further information is required by Council in particular:
 - What amount is proposed to be borrowed for capital expenditure and if that exceeds \$500,000, a proposal is required as per clause 1.6.2 of the Authority Charter, taking into account that the cash flow from financing activities has proceeds from borrowings of \$1.1Million;

- As approval of the constituent Councils is required for an acquisition exceeding \$250,000 and the estimated cost of the replacement excavator is \$720,000 how will this purchase be funded; and
- As required by the Local Government Act, a set of performance measures (financial and non-financial) that are to be used to monitor and assess actual performance against performance targets.

Section 91(7) Order

Pursuant to Section 91(7)

4. That having considered Agenda Item (Adelaide Hills Region Waste Management Authority) in confidence under 90(2) and 3(h) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the discussion, report, attachments and all minutes (with the exception of recommendation 3 b) and the attached Annual Business Plan) be retained in confidence until the action by Southern Waste ResourceCo against the Adelaide Hills Region Waste Management Authority is determined and any subsequent appeal process has also concluded, or the matter is settled by the parties through a commercial agreement, or such lesser period as may be determined by the Chief Executive Officer and that this order be reviewed every 12 months.

Background:

1. The Adelaide Hills Region Waste Management Authority (the Authority) is a regional subsidiary established pursuant to the Local Government Act 1999.
2. The constituent Councils of the Authority are:
 - Adelaide Hills Council
 - Alexandrina Council
 - Mount Barker District Council
 - Rural City of Murray Bridge.
3. The Authority is a body corporate and is governed by its Board.
4. The powers, functions and responsibilities of the Authority and other matters are set out in the Charter of the Authority. This is a public document and is available to Council Members on request.
5. The Authority is subject to joint direction and control by the constituent Councils.

6. Liabilities incurred or assumed by the Authority are guaranteed by the constituent Councils.
7. The Local Government Act and Authority Charter place requirements on the Authority including to gain approval of the constituent Councils for the Authority Budget, approval for capital expenditure over \$250,000 and approval to borrow money from the LGFA.
8. The Authority Board comprises eight members being one elected member and one employee appointed by each constituent Council along with a deputy Board member.

9. Current appointments by Mount Barker District Council are:

Board Members

- Cr Lindsay Campbell (Deputy Chairperson)
- Mr David Peters.

Deputy Board Member

- Cr Greg Morrison

Discussion:

10. The Authority has retained Wallmans Lawyers for the claim from SWRC.
11. An advice from Wallmans Lawyers dated 14 March 2017 and marked "CONFIDENTIAL AND SUBJECT TO LEGAL PROFESSIONAL PRIVILEGE" is included as attachment 1.
12. Mr Michael Lorenz, Executive Officer of the Authority will be in attendance to expand upon this legal advice, including to provide brief history, financial implications (to date and forecast) and information on a recent exchange between the two parties regarding a possible settlement of the matter.
13. A report from the Auditor-General on the Authority is imminent in relation to Governance practices.
14. It is understood that this will include some Authority governance performance issues and recommended actions.
15. Circumstances led to Mount Barker District Council writing a letter to the Authority Board offering senior Council staff with considerable expertise in governance matters to provide support to the Authority – refer attachment 2.
16. The Authority Board considered this letter at its meeting on 20 April 2017 and resolved to accept this offer.

17. In the first instance Mount Barker District Council staff are assembling a table of Authority compliance obligations and an assessment of performance by the Authority will inform the setting of priorities for governance related resources.
18. Further engagement will now occur with the Authority and the other three constituent councils including to explore what intellectual support can be provided to the Authority in seeking to resolve the SWRC matter.
19. Also attached is the proposed Authority Business Plan and Budget for 2017/18 (attachment 3).
20. Mr Lorenz will also speak to this and respond to questions.
21. Some key matters for consideration include:
- Resolve the SWR Claim
 - Act on agreed recommendations from the recently completed governance review
 - Engage with surrounding Authority's and Councils to explore collaboration opportunities that may exist
 - Complete the construction of Brinkley Cell 8 and have construction quality assurance plan approved
 - Engage an additional resource to assist the Waste Strategy Coordinator subject to Member Council approval
 - Revise the current 10 Year Strategic Plan
 - Complete the Review of the Authority's Charter
 - Purchase a \$720K excavator (replacement)
 - Undertake \$1.1M of further borrowings.
22. There is a need for the Authority to provide Council with further information on the 2017/18 Budget and Annual Business Plan to enable Council to then determine if these are suitable for approval. This need is reflected above in recommendation 3 b).

Community Engagement:

Informing only	Not applicable
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Policy:

Not applicable.

Budget:

The Authority has budgeted a net loss of \$535,886 with a distributed share of 32.5% estimated to go to Mount Barker District Council being \$174,183.

Statutory/Legal:

Refer above and attached.

Staff Resource Requirements:

Refer above and attached re offer of Council resources to support the Authority.

Environmental:

Not applicable.

Social:

Not applicable.

Risk Assessment:

- There is high risk associated with the implications of the SWRC claim if this is successful
- The likelihood of the SWRC claim being successful is a matter of opinion, however, to date the Authority's legal advisers have consistently advised that the SWRC case is weak
- Not promptly addressing Authority governance obligations also presents risk exposure
- Potential liquidity challenges with a working capital ratio of 0.11 (Budget cash at bank \$90,291 with other liabilities \$831,850).

Asset Management:

Not applicable.

Conclusion:

It is important that there is an understanding of the status and implications of the SWRC claim against the Authority and in turn the process expectations of Council of the Authority on this matter such as regular communication.

Key Contact

Ros McDougall, Risk and Governance Officer

Sponsor of Project

Brian Clancey, Deputy Chief Executive Officer/General Manager, Infrastructure & Projects

Attachment 1 to Item 17.1

PLEASE NOTE ATTACHMENT 1 SEPARATELY
PROVIDED VIA EMAIL

RELEASED
CONFIDENTIAL

From: Susan Parrish <susan.parrish@wallmans.com.au> on behalf of Scott Lumsden <scott.lumsden@wallmans.com.au>
Sent: Tuesday, 14 March 2017 4:04 PM
To: 'Cr Jim Davis'; David Peters; Lindsay Campbell; 'Marc Salver'; 'Simon Bradley'; 'Simon Grenfell'; 'Theo Weinmann'; 'ndaniell@ahc.sa.gov.au'
Cc: Scott Lumsden; 'Andrew Aitken'; 'Andrew Baltensperger'; 'Cr Ben Brazzalotto'; Erin Gillespie; Greg Morrison; 'Leah Maxwell'; 'Lynton Vonow'; 'Pam Williams'; 'Sarah O'Flaherty'; Sue Miller; 'm.lorenz@ahrwma.com'
Subject: Southern Waste ResourceCo Pty Ltd v Adelaide Hills Region Waste Management Authority [WALL-Matters.FID220103]

CONFIDENTIAL AND SUBJECT TO LEGAL PROFESSIONAL PRIVILEGE

Dear All

Please find below an update provided in relation to the status of the legal action by Southern Waste ResourceCo against the Authority.

The report is provided to you on a confidential basis, and is also subject to a claim for legal professional privilege.

Due to the fact that Andrew Stuart is still in cross-examination, it is not permissible for him to discuss his evidence with us or any third party until his cross-examination has concluded, which is likely to occur when the matter resumes in the week commencing 24 April. It is for this reason the report has not been forwarded to Mr Stuart.

The Hearing

To date the hearing of this matter has proceeded for 29 days.

The most recent hearing of this matter resumed on 23 January and during this hearing period the trial proceeded on 23, 24, 25, 30 and 31 January and 1, 2, 3, 8, 9 and 10 February 2017.

The following matters were addressed during this period:

- further examination and cross-examination of James Fairweather (SWR);
- further examination and cross-examination of Simon Brown (SWR);
- examination and cross-examination of Mr John Heard, the then Chairman of ResourceCo;
- examination and cross-examination of Anthony Ditekun (previous employee of the Authority);
- examination and cross-examination of Jo Ditekun (previous employee of the Authority);
- further examination and cross-examination of Chris Pucknell (SWR);
- argument in relation to the waiver of privilege of certain file notes of Mr Fairweather;
- Tom Cox SC opened the case for Southern Waste ResourceCo on 8 February 2017;
- Evidence was called from Andrew Stuart on 9 February followed by cross-examination on that day and on 10 February.

The hearing has now proceeded far in excess of the time that had initially been estimated. This is a reflection of both the additional time that SWR has spent calling evidence from its own witnesses, the breadth of topics being addressed and the need for extensive cross-examination by the Authority's counsel of SWR's witnesses.

The Statement of Claim filed in this matter is a substantial document, but in essence SWR asserts that:

- implied representations were made as to the prospects of obtaining the business of the Member Councils; and
- matters were not disclosed that should have been disclosed as to the likelihood of obtaining that business.

In addition to the pleaded case, during the course of the hearing SWR has also sought to assert the existence of express representations.

In relation to the implied representations, it has been necessary as part of the Authority's case to address the alleged factual matters that SWR says underpins the existence of the implied representation.

In relation to the asserted non-disclosure, it has been necessary through the cross-examination of SWR's witnesses to establish what in fact SWR's knowledge was of both the Authority and the practices of the various Councils, particularly in relation to the existence of the Charter.

As for the express representations, these matters have been subject to instructions from the Authority's witnesses who SWR asserts were involved in the various conversations, and it has been necessary for these matters to be put to SWR's witnesses in cross-examination.

To further highlight the broad scope of the case, during the last sitting period reference was made to considerations by the Member Councils to their relationship and commitment to the Authority for periods dating back to 2006 and 2007.

As a result of this issue, I expect it will be necessary for us to meet with some previous employees of each of your Councils to obtain further instructions dating back to this timeframe..

Hearing Dates

The trial of the matter is scheduled to resume on Monday 24 April and the court will then sit on 26, 27 and 28 April.

The trial is currently scheduled to resume further on Tuesday 25 July until Friday 4 August, however there is a prospect (though not yet confirmed) that the trial will instead resume on 14 August for 2 weeks. The Judge has confirmed a further listing of 2 weeks from 23 October to 3 November.

Currently the following additional witnesses are proposed to be called to give evidence:

- Andrew Aitken;
- David Peters;
- Marc Salver;
- Simon Grenfell;
- Bill Spragg;
- Katherine Stanley-Murray;
- Michael Lorenz;
- Peter Bond;
- Rob Coleman;
- Peter Holmes;
- Don Richardson.

For the reasons detailed above there may be 3 or 4 additional witnesses that will need to be called.

Settlement

To date there has been no indication by ResourceCo as to whether it wishes to explore settlement options.

In the absence of a settlement, or a concession by the Authority as to the claim against it, we continue to focus on the defence of the claim.

Briefing to the Board

As discussed with Michael, I am happy to arrange for Tom Cox SC and I to meet with the Board if this would be of assistance to further discuss this matter.

Kind regards
Scott



Scott Lumsden
Partner
Wallmans Lawyers

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RELEASED

Attachment 2 to Item 17.1

Reference: 17/36700

19 April 2017

Cr Lindsay Campbell
Acting/Deputy Chairman
Adelaide Hills Region Waste Management Authority

Dear Cr Campbell

RE: Confidential - Support for Adelaide Hills Region Waste Management Authority

The Mount Barker District Council recognizes that the Authority has of necessity needed to deal with the current Supreme Court case as a priority.

Given the extensive demands of that case and the associated implications, Council is now offering to provide support to the Authority via staff time so as to assist the Authority to undertake all of its responsibilities.

The offer of Council staff time relates to senior officers with considerable expertise in governance related matters, it does not relate to Authority operational matters.

As an example, the Authority is required to consult with and gain approval of all of the constituent councils for its Business Plan and Budget. The Local Government Act specifies what information must be provided e.g. performance measures.

I am aware that this information is intended to be presented by the Authority to the Mount Barker District Council at the Council meeting to be held on 1 May 2017.

The contact officer at Council for this offer of support to the Authority is Brian Clancey, Deputy CEO/General Manager, Infrastructure & Projects.

A copy of this letter is being forwarded to the Chief Executive Officer of the other three constituent Councils of the Authority and has been flagged with them as a courtesy.

Yours sincerely

Ann Ferguson OAM JP
Mayor

Copy: CEOs of Rural City of Murray Bridge, Adelaide Hills Council and Alexandrina Council

Memo

To: Member Council CEOs
From: Leah Maxwell – Acting Executive Officer
cc: Michael Lorenz, AHRWMA Board Members
Date: 21 April 2017
Re: Draft Annual Business Plan and Budget for Comment

Please find attached the AHRWMA Draft Annual Business Plan and Budget for the 2017/2018 financial year received by the AHRWMA Board on 20th April 2017.

The Draft Annual Business Plan outlines the key Activities for 17/18 and high priority projects as follows;

- Resolve the SWR Claim
- Act on agreed recommendations from the recently completed governance review
- Engage with surrounding Authority's and Councils to explore collaboration opportunities that may exist
- Complete the construction of Brinkley Cell 8 and have construction quality assurance plan approved
- Engage an additional resource to assist the Waste Strategy Coordinator subject to Member Council approval
- Revise the current 10 Year Strategic Plan
- Complete the Review of the Authority's Charter

Whilst the 17/18 budget is projecting a loss this is largely due to abnormal costs associated with legal fees. The Long Term Financial plan demonstrates that underlying business financials and future trends of the AHRWMA are positive.

In accordance clause 4 of the Authority's Charter the Authority shall, prepare and after 31 May of each year adopt an annual budget for the ensuing financial year in accordance with the Act. The Authority must provide a copy of its annual budget to the Chief Executive Officer of each Constituent Council within five business days after adoption.

Please provide comment on this Draft Business Plan and Budget by 8th June 2017. The final business plan and budget will be presented to the AHRWMA AGM for Adoption on 29th June 2017.

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

DRAFT ANNUAL BUSINESS PLAN AND BUDGET 2017-2018

CONSTITUENT COUNCILS:

ADELAIDE HILLS COUNCIL



MOUNT BARKER DISTRICT COUNCIL



ALEXANDRINA COUNCIL



RURAL CITY OF MURRAY BRIDGE



AHRWMA

"Sustainable Waste Management Through Shared Services"

1 Introduction

The independently-resourced Authority will continue to evaluate all waste and recycling services throughout the region and determine where it can add value to Member Councils by applying a resource sharing model.

We will continue to develop our resource recovery operations where economically viable with a particular focus on our construction and demolition resource recovery.

The Authority has been assessing the benefit and value that it adds to its Member Councils in the context of a changing environment.

This Business Plan sets out the specific actions and performance measures to achieve the objectives of the 10 Year Strategic Plan - *"Sustainable Waste Management through Shared Services for the communities of Adelaide Hills, Alexandrina, Mt Barker and Murray Bridge"*.

Vision

"Sustainable Waste Management through Shared Services for the communities of Adelaide Hills, Alexandrina, Mt Barker and Murray Bridge".

Mission

- *To meet the Zero Waste SA Resource Recovery Targets across the region where economically and environmentally justified.*
- *To continue to develop and manage the Authority's landfill as an EPA compliant model regional landfill that provides the most cost effective disposal option for Member Councils and commercial customers.*
- *To educate the regional community on responsible waste choices that enhance and maintain their environment.*

Objectives

The Authority's vision and mission will be achieved through five key objectives:

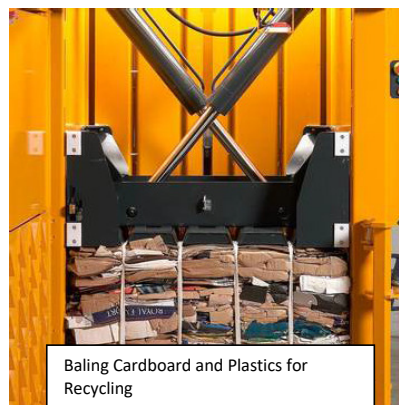
1. To take a leadership role in resource recovery and community education.
2. Responsibly develop and manage the Authority's landfill to be a model regional landfill meeting all legislative requirements and operating benchmarks.
3. Financial sustainability in waste services for Member Councils by pursuing a shared services model.
4. Advocate, research and promote best practice waste management and actively represent Member Councils in all forums.
5. **A fully compliant Regional Subsidiary that meets the highest standards in governance, financial and human resource management.**

2 Outline of Activities for the Year to June 2018

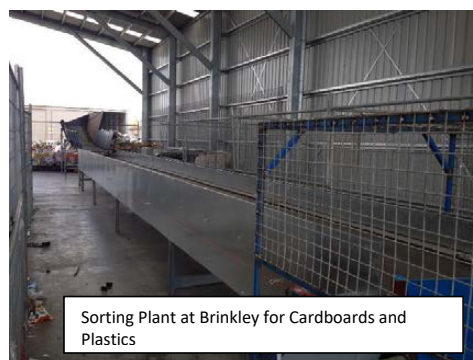
The Authority will;

High Priority Targets

- 2.1 Resolve the SWR Claim.
- 2.2 Act on agreed recommendations from the recently completed governance review.
- 2.3 Engage with surrounding Authority's and Councils to explore collaboration opportunities that may exist.
- 2.4 Complete construction of Brinkley Cell 8 and have construction quality assurance plan approved.
- 2.5 Engage an additional resource to assist the Waste Strategy Coordinator subject to Member Council support.
- 2.6 Revise the current 10 Year Strategic Plan.
- 2.7 Complete the Review of the Authority's Charter.

**Business as Usual Targets**

- 2.8 Continue to explore options to coordinate Member Council waste services where cost savings can be identified and progressively implement approved shared services across Member Councils.
- 2.9 Complete and implement waste management strategies across Member Councils seeking to maximise the potential regional benefits to member councils flowing from their waste management strategies
- 2.10 Increase Resource Recovery activities where economically viable at Authority managed facilities at Brinkley and Heathfield. This includes expanding the resource recovery of Construction and Demolition materials and increased steel recovery from commercial loads. Further, it will also continue to focus on recovering cardboards and plastics utilising both fixed and mobile baling plants and our mobile crusher all part funded by Zerowaste SA.
- 2.11 Further develop waste and recycling education programs across the region.
- 2.12 Design the final Brinkley landform, including capping design and approval for Cell 6 & 7 (currently in use), Cell 8 (undergoing construction) and the future Cell 9.
- 2.13 Plan for identified required buffer zones for future cell expansions.



- 2.14 Continue to market and expand the Hooklift Truck collection network within the region in order to improve economies of scale.
- 2.15 Continue to advocate for research and promote best practice waste management and actively represent Member Councils in all forums.



Facilities at the Brinkley Landfill and Transfer

3 Action Plan 2017/18

The following action plan sets out the strategies and actions for the 2017/18 year. It provides a brief rationale for the action, the responsible person, the targeted completion date and the performance measure.
High Priority Actions requiring a key focus are shown in Bold

Objective	Strategy	Action	Rationale	Target Date	Primary Responsibility	Measurable Outcomes
1. Ensure financial sustainability in waste services for Member Councils by pursuing a shared services model.	1.1 Coordination & rationalisation of Member Council waste collection services & infrastructure.	1.1.1 Progressively implement approved shared services across Member Councils.	The information gathered regarding existing collection systems & waste transfer station operations can now be rationalised & where cost effective coordinated/managed by the Authority. Member Council support will be required for this initiative.	Ongoing	Executive Officer	Consolidation & rationalisation of waste services & facilities commenced.
		1.1.2 Market and expand hooklift operation in region.	The Authority will look to market and expand the hooklift operation to other Member Councils where benefit can be demonstrated. This will improve economies of scale and further reduce the cost of the service.	Ongoing	Executive Officer	Reduced cost & better outcomes for transfer station operations.
		1.1.3 Complete and implement waste management strategies across Member Councils seeking to maximise the potential regional benefits to Member Councils flowing from their waste management strategies	By identifying key areas within Council waste management plans where benefits can arise by working collaboratively or sharing services then improved services or cost savings should be achievable.	Jun 17 & Ongoing	Waste Strategy Coordinator	Improved services and cost savings.
		1.1.4 Continue to Engage	As above	Jun 18	Executive	Improved

Objective	Strategy	Action	Rationale	Target Date	Primary Responsibility	Measurable Outcomes
		<p>with surrounding Authority's and Councils to explore collaboration opportunities that may exist</p> <p>1.1.5 Engage additional resource to assist Waste Strategy Coordinator (subject to Member Council Support)</p>	By providing an additional resource to undertake general waste and recycling management activities the Waste Strategy Coordinator will be able to focus on achieving strategic goals.	Jul 18	<p>Officer</p> <p>Executive Officer/Waste Strategy Coordinator</p>	<p>services and cost savings.</p> <p>Additional resource engaged and improved outcomes for Member Councils</p>
2. To take a leadership role in resource recovery & community education.	2.1 Coordination of education across the region.	2.1.1 Waste Management Officer to implement education programs across the region in conjunction with roll out of new waste & recycling collection services.	As resources become available the education program can be implemented in participating Member Council areas.	Ongoing	Waste Strategy Coordinator	Education programs implemented.
	2.2 Resource recovery targets for the region.	2.2.1 Monitor performance of resource recovery for Member Councils and the region.	The performance targets agreed to last year need to be monitored & reported against. Strategies can then be developed to improve overall performance.	Ongoing	Waste Strategy Coordinator	Report to Board & Member Councils.
	2.3 Expand Resource Recovery activities at Authority managed facilities.	2.3.1 Where economically viable resource recovery should be expanded at the Brinkley & Heathfield Waste and Recycling Centres	The help achieve Zero Waste targets and improve our financial position there are resource recovery activities that can be expanded including processing Construction and Demolition materials and recovering additional steel from some commercial loads. In addition cardboard and plastics recovery will be increased.	Ongoing	Executive Officer	Increased diversion of material and improved financial position.

Objective	Strategy	Action	Rationale	Target Date	Primary Responsibility	Measurable Outcomes
		2.3.2 Apply for further grants to improve infrastructure and resource recovery.	Grants will assist to make additional resource recovery viable at landfill and resource recovery/transfer station sites.	Ongoing	Executive Officer	Increased diversion of material and improved financial position.
3. Responsibly develop and manage Authority run landfills and transfer resource recovery centres to be model regional sites meeting all legislative requirements and operating benchmarks.	3.1 Explore new markets, particularly with high resource recovery potential, to increase throughput of all sites.	3.1.1 Implement & review marketing plan.	Develop new marketing plan to take into account relocation of landfill operations and new market place.	Sep 17	Executive Officer	Sales target in marketing plan met.
		3.1.2 Revise the current 10 Year Strategic Plan	The Strategic Plan should reflect the current environment and future directions.	Nov 17	Executive Officer	New plan developed by Board and adopted by Member Councils
	3.2 Achieve the operating benchmarks for landfill and transfer operations.	3.2.1 Monitor, report & manage the operation of landfill and transfer sites.	As the preferred operational model is in place a management system should be established to ensure all performance benchmarks are being met. This information can then be reported regularly to the Board in operational & financial reports.	Ongoing	Executive Officer	Benchmarks met & Board kept fully informed.
		3.2.2 Develop site specific 3 year Business Plans for Brinkley and Heathfield Transfer Stations.	To assist future development and achievement of goals site specific business plans should be developed.	Sep17	Executive Officer	Business Plans presented to Board and Approved by appropriate Member Councils.

Objective	Strategy	Action	Rationale	Target Date	Primary Responsibility	Measurable Outcomes
	3.3 Control of risks.	3.3.1 Implement the recommended improvements resulting from the Internal Financial Controls process undertaken by UHY Haynes Norton. Whilst the High risk area recommendations have now been addressed lower risk areas should be pursued	Financial internal controls will not remove all risk but are a means of managing risk and reducing the likelihood and consequence of adverse events. A sound system of financial internal control is essential for the Authority to ensure that its resources are allocated in the most appropriate manner, operational and financial objectives are being met and facilitate compliance with the accountability provisions of the Local Government Act.	Nov 17	Executive Officer/LGMLS	Remaining risk areas to be addressed by Nov 16
	3.4 Plan & maintain sufficient air-space for landfill operations.	3.4.1 Progressively cap completed areas of landfill sites.	The management plan and EPA licence require the capping of completed cells.	Ongoing	Executive Officer/Consultants	EPA approval of capped cells and historic cells.
		3.4.2 Construct and obtain approval for Cell 8 and future landform for Cells 6-9.	This will provide adequate space for immediate future requirements whilst a final landform is designed and approval is sought.	Dec 17	Executive Officer Consultant	EPA approval of Cell 8 and future landform for Cells 6-9.
		3.4.3 Future cell areas to be identified.	Future cell areas need to be identified so that required buffer zones can be secured.	Dec 17	Executive Officer	Plan identifying land required for buffer zones and strategy to secure.
4. Advocate, research and promote best practice waste management and actively represent Member	4.1 Maintain & enhance the profile of the Authority.	4.1.1 Maintain the advocacy & advisory role for the Authority.	The Authority must provide advice on waste matters to its Member Councils & monitoring trends & policies in Local Government waste management.	Ongoing	Executive Officer	Member Councils awareness.
		4.1.2 Update website & provide quarterly newsletter for Elected Members.	The Authority to establish itself as a credible Regional Waste Authority reflecting the views of its Member Councils.	Ongoing	Executive Officer	Website updated & quarterly newsletters distributed.

Objective	Strategy	Action	Rationale	Target Date	Primary Responsibility	Measurable Outcomes
Councils in all forums.		4.1.3 Liaise with neighbouring regional groups, neighbouring Councils, State & Local Government on all issues involving the Authority & its Member Councils.	As above.	Ongoing	Executive Officer	The Authority professionally represented.
5. A fully compliant Regional Subsidiary that meets the highest standards in governance, financial & human resource management.	5.1 To have a compliant Regional Subsidiary meeting the highest professional standards.	5.1.1 Complete Review of Authority's Charter.	The Authority's Charter needs to take into account legislative changes and changes to the environment in which it operates. The Charter also should enable the pursuit of opportunities that are complimentary to the Authority's activities and objectives.	Oct 17	Executive Officer	Reviewed Charter agreed to and approved by Member Councils.
		5.1.2 Resolve SWR Claim	Resources should be freed up to focus on core activities.	Nov 17	Executive Officer	Claim dismissed
		5.1.3 Monitor & report on meeting the requirements of the Local Government Act & the Charter.	The accountability & financial sustainability requirements for Local Government require constant review to ensure compliance.	Ongoing	Executive Officer	Compliant Authority.
		5.1.4 Adhere to the policies, procedures, delegations for the Authority.	As above.	Ongoing	Executive Officer	Compliant Authority.
		5.1.5 Human resource management: • WH&S Policies in place & adhered to. • Staff performance & appraisal system in	As above.	Ongoing	Executive Officer	Compliant Authority.

Objective	Strategy	Action	Rationale	Target Date	Primary Responsibility	Measurable Outcomes
		place & completed where appropriate.				
		5.1.6 Act on agreed recommendations when the governance review currently underway is completed.	Ensure compliance and minimise risk.	Mar 18	Executive Officer	Compliant Authority.

Budget 2017/2018 – Underlying Assumptions

- CPI as per 'Access Economics, December 2016' (1.9%).
- Landfill gate fees including member Council fees increased by CPI.
- Tonnages reviewed according to recent trends.
- Labour Price Index.
 - White collar salaries 2.5% increase for 2017/18. EB to be renegotiated 2017/18.
 - Blue collar salaries 2.5 % increase.
 - Future year increments as per LPI in 'Access Economics, Dec 2016'.(1.9%)
 - Superannuation frozen at 9.5% until 2021. Increases to 10% in 2022 and increases half a percent until 12% reached.
- EPA Levy for 17/18 – Metro \$87.00 & Rural \$43.50.
- Interest on CAD facility at 3.75% as per LGFA circular.
- Capital Expenditure
 - Commence Cell 8 build liner \$305K.
 - Replace vehicle \$45k.
 - Replace Landfill Compactor \$720,000
- ABNORMAL ITEMS
 - Legal fees \$400K.

Draft budget 2017/18

	Forecast 16/17 @ BR 3 (FEB)	Draft Budget 2017/18
INCOME STATEMENT		
Income		
Landfill Income	2,846,470	3,086,438
Transfer Station Income	1,354,181	1,396,789
Other Income	597,985	534,360
Bank Interest		
Total Income	4,798,636	5,017,587
Expenses		
Employee Costs	851,603	936,447
Administration (*includes extraordinary legal \$400k)	704,173	868,870
Interest on Loans	24,242	61,875
R&D	-	-
Operations	3,484,134	1,289,012
EPA Waste Levy		1,724,790
Brinkley Lease Payment		48,000
Rehab & Capping Inflation Expense		
Depreciation/Amortisation	627,866	622,524
Total Expenses	5,692,018	5,551,518
Gain/(Loss Disposal)	(7,903)	(1,955)
Amounts Received specifically for new or upgraded assets		
Net Profit / (Loss)	(901,285)	(535,886)
CASH FLOW STATEMENT		
Cash Flow from Operating Activities		
Receipts		
Operating receipts	4,798,636	5,017,587
Investment receipts	-	-
Payments		
Operating payments to suppliers & employees	(5,039,911)	(4,867,119)
Finance payments	(24,242)	(61,875)
Dividend Payment		
Brinkley Capping Costs		(150,000)
Net cash provided by (or used in) Operating Activities	(265,517)	(61,407)

	Forecast 16/17 @ BR 3 (FEB)	Draft Budget 2017/18
Cash Flow from Investing Activities		
Receipts		
Grants new or upgraded assets		
Sale of replaced assets	28,000	87,000
Payments		
Expenditure on renewal/replacement of assets		
Vehicle	(40,500)	(15,000)
IT Equipment	(4,000)	-
General Plant		
Excavator		
Landfill Compactor		(720,000)
Loader		
Water Truck		
Hook Truck, Bins	(300,000)	
Backhoes (for HTS)		
Backhoes (for BTS)		
Dump Truck		
Water Cart		
Expenditure on new/upgraded assets		
Leachate Pond		
Brinkley Cell 6		
Brinkley Cell 8		(305,000)
Brinkley Cell 9		
Brinkley Upgrade, Roadworks, F&F, Buildings		
Net cash provided by (or used in) Investing Activities	(316,500)	(953,000)

	Forecast 16/17 @ BR 3 (FEB)	Draft Budget 2017/18
Cash Flow from Financing Activities		
Receipts		
Proceeds from Borrowings	350,000	1,100,000
Payments		
Repayments of Borrowings		
Repayment Other		
Net cash provided by (or used in) Financing Activities	350,000	1,100,000
Net Increase (Decrease) in cash held	(232,017)	85,593
Cash & cash equivalents at beginning of period	236,715	4,698
Cash & cash equivalents at end of period	4,698	90,291
BALANCE SHEET		
Assets		
Cash at bank	4,698	90,291
Site & Equipment-AHRWMA (Carrying Amount)	2,703,983	3,494,292
Other Assets	442,928	425,640
	3,151,609	4,010,224
Liabilities		
Other Liabilities	831,850	831,850
Contingent Liabilities - Capping & Post closure		
Landfill Rehabilitation	427,400	429,000
Brinkley Capping 6	410,880	260,880
Brinkley Capping 8		442,900
Brinkley Capping 9	-	-
Loan	550,000	1,650,000
	2,220,130	3,614,630
Nett Assets	931,479	395,594
Equity		
Retained profit/loss	931,479	395,593

RELEASED

17. CONFIDENTIAL REPORTS

17.1	REPORT TITLE:	CONFIDENTIAL ITEM: ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY
	DATE OF MEETING:	1 MAY 2017
	FILE NUMBER:	17/35627
	ATTACHMENTS:	1. LEGAL ADVICE REGARDING SUPREME COURT CASE 2. COUNCIL LETTER TO THE AHRWMA (DOC/ 17/36700) 3. PROPOSED AHRWMA BUSINESS PLAN AND BUDGET 2017/18 (DOC/17/38696)

Moved Councillor Campbell that Council:

Section 90 (3) (h) Order

1. Pursuant to Section 90(3)(h)
Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except (the Chief Executive Officer, Deputy Chief Executive Officer/General Manager, Infrastructure & Projects, General Manager, Planning & Development, General Manager, Corporate Services and General Manager, Council Services, Risk and Governance Officer, Minutes Secretary and Executive Officer of the Adelaide Hills Region Waste Management Authority) be excluded from attendance at the meeting for Agenda Item 17.1 (Adelaide Hills Region Waste Management Authority).

The Council is satisfied that pursuant to Section 90(3)(h) of the Act, the information to be received, discussed or considered in relation to this Agenda item is information relating to legal advice, which will be discussed in detail with council members.

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because a Council decision has not yet been made in relation to the advice and its subject matter.

Seconded Councillor Morrison

CARRIED
OM20170501.21

Moved Councillor Buchmann that Council:

2. Notes the receipt of legal advice in relation to this matter.

Seconded Councillor Campbell

CARRIED
OM20170501.22

Moved Councillor Campbell that Council:

3. Advises the Authority by letter that:
 - a) regular written communication to Council from the Authority on this matter is required; and
 - b) the proposed budget and business plan for the Authority for 2017/18 is noted and that prior to Council being in a position to consider approval of the Authority budget and business plan further information is required by Council in particular:
 - What amount is proposed to be borrowed for capital expenditure and if that exceeds \$500,000, a proposal is required as per clause 1.6.2 of the Authority Charter, taking into account that the cash flow from financing activities has proceeds from borrowings of \$1.1Million;
 - As approval of the constituent Councils is required for an acquisition exceeding \$250,000 and the estimated cost of the replacement excavator is \$720,000 how will this purchase be funded; and
 - As required by the Local Government Act, a set of performance measures (financial and non-financial) that are to be used to monitor and assess actual performance against performance targets.

Seconded Councillor Morrison

CARRIED
OM20170501.23

Section 91(7) Order

Moved Councillor Campbell

Pursuant to Section 91(7)

4. That having considered Agenda Item (Adelaide Hills Region Waste Management Authority) in confidence under 90(2) and 3(h) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act

orders that the discussion, report, attachments and all minutes (with the exception of recommendation 3 b) and the attached Annual Business Plan) be retained in confidence (until the action by Southern Waste ResourceCo against the Adelaide Hills Region Waste Management Authority is determined and any subsequent appeal process has also concluded, or the matter is settled by the parties through a commercial agreement, or such lesser period as may be determined by the Chief Executive Officer and that this order be reviewed every 12 months.

Seconded Councillor Morrison

CARRIED
OM20170501.24

MEETING DECLARED CLOSED AT 9.52 PM

MAYOR

DATE

RELEASED