

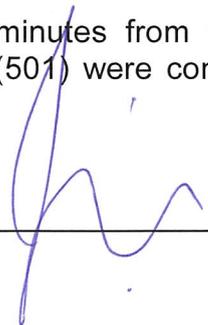


MINUTES

CERTIFICATION OF CONFIRMATION OF COUNCIL MEETING MINUTES

6 December 2018

I, Cr David McDonnell, hereby certify that the minutes from the Council Meeting held on 6 December 2018 pages (1) to (501) were confirmed at a meeting of Council held on 21 February 2019.



Signature

Cr David McDonnell
Person presiding at Meeting



MINUTES

PART 1

Ordinary Meeting of Council

6 December 2018

ORDINARY MEETING OF COUNCIL

MINUTES

6 December 2018

(REF: D2018/14131)

An Ordinary Meeting of Council was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Thursday, 6 December 2018**. The meeting commenced at **6:00pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

Mr Oral McGuire, Community and Business Leader of the Noongar Whadjuk people conducted a Welcome to Country ceremony in front of the EMRC flag poles. The ceremony took place prior to the Ordinary meeting of Council to acknowledge the traditional custodians of the land and to raise the Aboriginal flag alongside the Australian National flag and the State of Western Australia flag. In attendance were EMRC Councillors, CEO, Directors and staff. Members proceeded inside after the conclusion of the ceremony.

The Chairman opened the meeting at 6:00pm and welcomed Mr Laurie James from Kott Gunning Lawyers and Ms Renee McLennan, Mayor of the Town of Bassendean. The Chairman acknowledged the traditional custodians of the land on which the meeting was held and paid respect to the elders past, present and future.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

Councillor Attendance

Cr David McDonnell (Chairman)	EMRC Member	City of Swan
Cr Dylan O'Connor (Deputy Chairman)	EMRC Member	City of Kalamunda
Cr Melissa Mykytiuk	EMRC Member	Town of Bassendean
Cr Jai Wilson	EMRC Member	Town of Bassendean
Cr Sally Palmer	EMRC Member	City of Bayswater
Cr Filomena Piffaretti (Deputising for Cr McKenna)	EMRC Deputy Member	City of Bayswater
Cr Janet Powell	EMRC Member	City of Belmont
Cr Steve Wolff	EMRC Member	City of Belmont
Cr Cameron Blair (Deputising for Cr Stallard)	EMRC Deputy Member	City of Kalamunda
Cr John Daw (<i>from 6:01pm</i>)	EMRC Member	Shire of Mundaring
Cr David Lavell	EMRC Member	Shire of Mundaring
Cr Adam Kovalevs	EMRC Member	City of Swan

Apologies

Cr Barry McKenna	EMRC Member	City of Bayswater
Cr Geoff Stallard	EMRC Member	City of Kalamunda

EMRC Officers

Mr Peter Schneider	Chief Executive Officer
Mr Hua Jer Liew	Director Corporate Services
Mr Steve Fitzpatrick	Director Waste Services
Mrs Wendy Harris	Director Regional Services
Mr Dave Beresford	Manager Resource Recovery
Mrs Prapti Mehta	Manager Human Resources
Ms Theresa Eckstein	Executive Assistant to Chief Executive Officer
Mrs Annie Hughes-d'Aeth	Personal Assistant to Director Corporate Services (Minutes)

Cr Daw entered the meeting at 6:01pm.



Item 2 continued

EMRC Observers

Mr David Ameduri	Manager Financial Services
Ms Tanya Beinhauer	Site Manager
Mr Dave Beresford	Manager Resource Recovery
Mr Stephen Conway	Manager Engineering and Waste Operations
Ms Sandra Evans	Manager Environmental Operations Waste Services
Mrs Prapti Mehta	Manager Human Resources
Mr David Schmidt	Manager Information Services
Ms Joanne Woodbridge	Manager Environmental Services
Mr Richard Whitehead	Communication Coordinator

Observer(s)

Cr Kathryn Hamilton	EMRC Deputy Member	Town of Bassendean
Cr Doug Jeans	EMRC Deputy Member	Shire of Mundaring
Cr Renee McLennan	Mayor	Town of Bassendean
Ms Rhonda Hardy	Chief Executive Officer	City of Kalamunda
Mr Doug Pearson	Director Technical Services	City of Bayswater

Visitor(s)

Mr Laurie James	Kott Gunning Lawyers
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3 DISCLOSURE OF INTERESTS

3.1 HUA JER LIEW – DIRECTOR CORPORATE SERVICES – FINANCIAL INTEREST

Item:	14.6
Subject:	Review of The Management of Investment Policy
Nature of Interest:	Officer has direct financial interest due to direct ownership of banking shares as well as indirect interest through a superannuation fund. Officer has declared these in the Annual Return.

4 ANNOUNCEMENTS BY THE CHAIRMAN OR PRESIDING MEMBER WITHOUT DISCUSSION

4.1 INAUGURAL RAISING OF THE ABORIGINAL FLAG CEREMONY

The Chairman announced that the EMRC had enacted a resolution of Council relating to the raising of the Aboriginal flag with a Welcome to Country ceremony to acknowledge this significant. The Chairman acknowledged Mr Oral McGuire, a highly respected Community and Business Leader of the Noongar Whadjuk people who performed the Welcome to Country immediately after he and Councillor Daw raised the Aboriginal flag for the first time.

The Chairman also advised that an Aboriginal Cultural Awareness Training session for Councillors and Executive Staff took place on Thursday 15 November 2018 and that another training session will take place on Thursday 14 February 2018, for those who could.



Item 4 continued

4.2 MR PETER SCHNEIDER, CHIEF EXECUTIVE OFFICER

The Chairman acknowledged this was the Chief Executive Officers last meeting of Council. He noted the CEO's legacy and his lasting beneficial impacts on the region.

The CEO thanked Councillors for the way they have supported staff and given strategic guidance. He acknowledged with appreciation, his time in local government and said he will miss staff, council and would be watching from afar.

5 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

6 PUBLIC QUESTION TIME

6.1 QUESTIONS FROM CR GIORGIA JOHNSON

Question 1: 14.7 Policy review (USC attachment)

It's unclear what is (*sic*) changes you are being asked to approve. It is disappointing that this document was not indexed. May I please have a track-changes copy. Have councillors been provided a track-changes copy?

Response: A summary of changes is provided in Attachment 1 of the Report Item 14.7. Attachment 2 contains the tracked changes to the policy documents. This has been distributed to Councillors under separate cover. This is also available to members of the public on EMRC's website.

Question 2: Item 14.7 – Policy 1.1 Who is the current MWAC representative?

Response: Cr Barry McKenna is EMRC's member delegate to the Municipal Waste Advisory Committee (MWAC) and Cr Sally Palmer is the Deputy member delegate. The Director Waste Services is the officer delegate and the Chief Executive Officer is the deputy officer delegate.

Question 3: Item 14.7 – Policy 1.3 Members allowances (*sic*). What tier of local government is used for calculating these payments? What is the total budget implication

Response: The Members allowances are determined as pursuant to section 7A and 7B of the Western Australia – Salaries and Allowances Act 1995. The latest of this determination is 10 April 2018.

Per the determination, EMRC is classified as a regional local government and not the traditional rate payer based local government where the tiers are used for classification.

A total of \$170,429 has been allowed for in the 2018/2019 Annual Budget.

Question 4: Item 14.7 – Policy 1.4 travel allowance (*sic*). Do members think that this is generous, as most people don't get paid to drive to work, given that travel to work is specifically excluded for employees by the ATO? What was the 2017-18 expenditure for this item?

Response: No claim for travel allowance was submitted by any EMRC Councillor or Deputy Councillor in the 2017/2018.

With regards to ATO ruling, trips between home and work are generally considered private travel. However, you can claim deductions for some travel between two workplaces. The EMRC is not the primary work location for Council members.



Item 6 continued

Question 5: Item 14.7 – Policy 1.5 Confidential items (sic). Are members comfortable the number and frequency of times that items are made confidential? Should the Chairman and members be making this decision with the advice of the CEO, rather than by the CEO only?

Response: *Confidential, sensitive, and personal information, whether written, electronic, recorded, video footage or verbal is protected from unauthorised access and use under the following provisions:*

- *Local Government Act 1995, Part 5 Division 7;*
- *Local Government (Administration) Regulations 1996, Part 7;*
- *Local Government (Rules of Conduct) Regulations 2007, regulation 6 and 7.*

Confidential items are treated on a case by case basis and should not be influenced by the perception of frequencies. These matters include: matters affecting employees; personal affairs of any person; contractual matters; legal advice; commercial-in-confidence matters; security matters; among others.

There are good reasons to do so and when the public interest requires nondisclosure as set out under Schedule 1 Clause 4 of the Freedom Of Information Act 1992. For example, documents are exempt under clause 4 if their disclosure would reveal information that has commercial value and disclosure could reasonably be expected to destroy or diminish that commercial value (clause 4(2)).

Consistent with the EMRC Code of Conduct, documents that are marked by the CEO to be confidential would result in the information being prohibited for release. This is consistent with r.6 of the Local Government (Rules of Conduct) Regulations 2007.

While the CEO may, at any time, recommend that a meeting or part of a meeting be closed to members of the public, it is then up to Council or a Committee, at any time, by resolution to close to members of the public a meeting or part of a meeting.

Question 6: Item 14.7 – Policy 1.7 Legal representation policy. What was the 2017-18 expenditure for this item?

Response: *There was no expenditure under this policy during the 2017/2018 Financial Year.*

Question 7: Item 14.7 – Policy 1.8 Government Relations Policy (sic). Where is the requirement for the CEO to seek guidance from members or report to members on activities carried out under this policy?

Response: *Regional advocacy is undertaken for the benefit of the Region as a whole and requires activity across a range of issues and priorities of regional significance designed to create positive benefits and long term sustainability for Perth's Eastern Region.*

As referred to in the Policy 1.8, the Regional Advocacy Strategy is the guiding document for government relations and advocacy activities of the EMRC. The Strategy seeks to attract an increased share of investment in Perth's Eastern Region by implementation of a framework that facilitates consistent, professional and effective advocacy. An annual review of the regional advocacy issues is undertaken and the results of this, together with revised actions for each year, are presented to Council.

Question 8: Item 14.7 – Policy 1.8 Recognition of members. Do members think that golden-handshake style gifts of up to \$500 for each departing member (at 8 years) are still appropriate in contemporary times?

Response: Council discussed this matter. Cr Palmer noted the amount is a small gratitude for the years of service. Cr Wilson also noted that the opportunity to provide a service is a reward in itself and would not accept such gifts personally. Recognition should be based on actual contribution rather than years of service. However, there is a general consensus amongst the other councillors that this recognition is appropriate.



Item 6 continued

Question 9: Item 14.7 – Policy 2.1 Committees

When was the last meeting of the Investment Committee?

Response: The last meeting of the Investment Committee was held in 5 May 2016.

Question 10: Why doesn't the Audit Committee Terms of Reference make reference to Performance Audits, a new category of audits that are intended to test the economy, efficiency and effectiveness of any aspect of a local government's operations, reflecting recent legislative changes to enable the Auditor General and the Office of the Auditor General (OAG) to conduct financial and performance audits of local governments?

Response: On 7 April 2016 Circular No 3-2016 was received titled "Auditing of Local Government by the Auditor General - Renewal of Audit Contracts", which outlined the intension to amend the Local Government Act 1995 to allow for the Auditor General and the OAG to take responsibility for the local government financial audits from 1 July 2017.

The Local Government Amendment (Auditing) Act 2017 (No 5 of 2017) - An Act to amend the Local Government Act 1995 to provide for the auditing of local governments by the Auditor General and for related purposes was Assented to on 1 September 2017.

The Terms of Reference as presented is sufficiently robust to reflect any such audits or as amended from time to time, as determined and prescribed by the Office of the Auditor General.

Question 11: Item 14.7 - Policy 3.2

How many grants were made in 2017-18 to community groups in the vicinity of the Red Hill Waste Management Facility, as it is detailed to be specifically in the locations of Gidgegannup, Hovea, Parkerville and Stoneville? What was the total expenditure. Where is the awarding of these grants reported to council?

Response: A budget provision has been made in the EMRC annual budget of \$15,000 each year since 2004/2005.

During the 2017/2018 financial year only 1 Community Grant was applied for and given out:

- *\$1,147 to the Gidgegannup Playgroup.*

The awarding of these grants is listed in the Annual Report that is submitted to Council each year for adoption.

Question 12: Item 14.7 – Policy 3.3 Investments Policy (sic). What proportion of current investments are held in organisations that have divested from fossil fuels? Why is this not a current investment consideration?

Response: The proposed preference of fossil fuel divestment for the Management of Investment Policy is up for review per Item 14.6 of this meeting's agenda.

As at 31 October 2018, 8.42% of EMRC's investment portfolio is invested in banks that have no investment in or finance fossil fuel industry.

Question 13: Item 14.7 – Policy 3.4 Occasional Grants/ sponsorship policy. How many grants and what was the total expenditure in 2017-18 under this policy? Where is the awarding of these grants reported to council?

Response: There was no expenditure under this policy during the 2017/2018 Financial Year.



Item 6 continued

Question 14: Item 14.7 – Policy 3.5 Purchasing Policy. Please commend the council on including specific provisions for the purchasing of items through the Aboriginal Business Directory and from registered disability enterprises. Is there any requirement for tenders/suppliers to declare any related parties or conflicts of interest?

Response: Yes, in our tender template documentations, there is a requirement for the supplier to declare actual or potential conflict of interest or likely conflict to arise under the performance of the contract, if awarded. We also require tender submissions to declare if their organisations have a code of conduct, compliance or ethics related policy in place.

Question 15: Item 14.7 - Policy 3.7 Related Party Transactions

How can members be satisfied that related party transactions will be disclosed appropriately when under Privacy, it states “The EMRC will endeavour to ensure that only those staff and the external auditors who are involved in the preparation of the related party disclosures will have access to the related party declarations and related party transactions”?

Response: The EMRC takes the matter of privacy and confidentiality seriously. Returns are saved into the EMRC’s Record Management System where access is restricted. If the EMRC’s financial position and profit or loss is affected by the existence of transactions with a related party, then these will be required to be disclosed in accordance with the Australian Accounting Standard AASB Related Party Disclosures.

Question 16: Item 14.7 - Policy 4.3 Gratuity Payments

Do members think that the provision to make additional payments when staff retire or resign is embarrassingly out of step with contemporary standards? Are these legal under the LGA?

Response: The provision of gratuity payments is not prohibited by the Local Government Act 1995.

7 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

8 PETITIONS, DEPUTATIONS AND PRESENTATIONS

Nil

9 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

9.1 MINUTES OF ORDINARY MEETING OF COUNCIL HELD ON 18 OCTOBER 2018

That the minutes of the Ordinary Meeting of Council held on 18 October 2018 which have been distributed, be confirmed.

COUNCIL RESOLUTION

MOVED CR KOVALEVS

SECONDED CR LAVELL

THAT THE MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD ON 18 OCTOBER 2018 WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY



10 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

11 QUESTIONS BY MEMBERS WITHOUT NOTICE

Nil

12 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH MEETINGS MAY BE CLOSED TO THE PUBLIC

NOTE: Section 5.23(2) of the *Local Government Act 1995*, details a number of matters upon which Council may discuss and make decisions without members of the public being present. These matters include: matters affecting employees; personal affairs of any person; contractual matters; legal advice; commercial-in-confidence matters; security matters; among others.

The following report items are covered in Section 19 of this agenda:

12.1 ITEM 14.1 OF THE RESOURCE RECOVERY COMMITTEE MINUTES
RESOURCE RECOVERY FACILITY REQUEST FOR TENDER 2016-005

12.2 ITEM 14.2 OF THE RESOURCE RECOVERY COMMITTEE MINUTES
HAZELMERE WOOD WASTE TO ENERGY PLANT UPDATE

13 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



14 REPORTS OF EMPLOYEES

QUESTIONS

The Chairman invited questions from members on the reports of employees.

RECOMMENDATION(S)

That with the exception of items, which are to be withdrawn and dealt with separately, Council adopts the recommendations in the Reports of Employees (Section 14).

COUNCIL RESOLUTION(S)

MOVED CR LAVELL

SECONDED CR DAW

THAT COUNCIL ADOPTS THE RECOMMENDATIONS IN THE REPORTS OF EMPLOYEES (SECTION 14).

CARRIED UNANIMOUSLY



14.1 LIST OF ACCOUNTS PAID DURING THE MONTH OF OCTOBER 2018

REFERENCE: D2018/14281

PURPOSE OF REPORT

The purpose of this report is to present to Council a list of accounts paid under the Chief Executive Officer's delegated authority during the month of October 2018 for noting.

KEY ISSUES AND RECOMMENDATION(S)

- As per the requirements of regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*, the list of accounts paid during the month of October 2018 is provided for noting.

Recommendation(s)

That Council notes the CEO's list of accounts for October 2018 paid under delegated power in accordance with regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*, forming the attachment to this report totalling \$9,453,896.23.

SOURCE OF REPORT

Director Corporate Services

BACKGROUND

Council has delegated to the Chief Executive Officer (CEO) the exercise of its power to make payments from the Municipal Fund and Trust Fund. In accordance with regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*, a list of accounts paid by the CEO is to be provided to Council, where such delegation is made.



Item 14.1 continued

REPORT

The table below summarises the payments drawn on the funds during the month of October 2018. A list detailing the payments made is appended as an attachment to this report.

Municipal Fund	EFT Payments	EFT40368 – EFT40555	
	Cheque Payments	220383 – 220393	
	Payroll EFT	PAY 2019-7, PAY 2019-8 & PAY 2019-9	
	Direct Debits		
	- Superannuation	DD17676.1 – DD17676.19 DD17758.1 – DD17758.19 DD17759.1 – DD17759.2 & DD17760.1	
	- Bank Charges	1*OCT18	
	- Other	1405 – 1419	\$9,462,974.82
	Less		
	Cancelled EFT & Cheques	EFT's 40407, 40509 & 40512	(\$9,078.59)
Trust Fund	Not Applicable		Nil
Total			\$9,453,896.23

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 3 – Good Governance

- 3.3 To provide responsible and accountable governance and management of the EMRC
- 3.4 To continue to improve financial and asset management practices

FINANCIAL IMPLICATIONS

As contained within the report.

SUSTAINABILITY IMPLICATIONS

Nil



Item 14.1 continued

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

CEO's Delegated Payments List for the month of October 2018 (Ref: D2018/15876)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council notes the CEO's list of accounts for October 2018 paid under delegated power in accordance with regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*, forming the attachment to this report totalling \$9,453,896.23.

COUNCIL RESOLUTION(S)

MOVED CR LAVELL

SECONDED CR DAW

THAT COUNCIL NOTES THE CEO'S LIST OF ACCOUNTS FOR OCTOBER PAID UNDER DELEGATED POWER IN ACCORDANCE WITH REGULATION 13(1) OF THE *LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996*, FORMING THE ATTACHMENT TO THIS REPORT TOTALLING \$9,453,896.23.

CARRIED UNANIMOUSLY



Eastern Metropolitan Regional Council

CEO's DELEGATED PAYMENTS LIST
FOR THE MONTH OF OCTOBER 2018

Cheque / EFT No	Date	Payee	Description	Amount
EFT40368	28/09/2018	ADAM KOVALEVS	QUARTERLY COUNCILLORS PAYMENT	2,613.75
EFT40369	28/09/2018	BARRY MCKENNA	QUARTERLY COUNCILLORS PAYMENT	2,613.75
EFT40370	28/09/2018	DAVID LAVELL	QUARTERLY COUNCILLORS PAYMENT	2,613.75
EFT40371	28/09/2018	DAVID MCDONNELL	QUARTERLY COUNCILLORS PAYMENT	8,886.50
EFT40372	28/09/2018	DYLAN O'CONNOR	QUARTERLY COUNCILLORS PAYMENT	3,855.25
EFT40373	28/09/2018	GEOFF STALLARD	QUARTERLY COUNCILLORS PAYMENT	2,613.75
EFT40374	28/09/2018	JAI WILSON	QUARTERLY COUNCILLORS PAYMENT	2,613.75
EFT40375	28/09/2018	JANET POWELL	QUARTERLY COUNCILLORS PAYMENT	2,613.75
EFT40376	28/09/2018	JOHN DAW	QUARTERLY COUNCILLORS PAYMENT	2,613.75
EFT40377	28/09/2018	KATHRYN HAMILTON	COUNCILLORS ATTENDANCE FEE	236.00
EFT40378	28/09/2018	MELISSA MYKYTIUK	QUARTERLY COUNCILLORS PAYMENT	2,613.75
EFT40379	28/09/2018	SALLY PALMER	QUARTERLY COUNCILLORS PAYMENT	2,613.75
EFT40380	28/09/2018	STEPHEN K WOLFF	QUARTERLY COUNCILLORS PAYMENT	2,613.75
EFT40381	28/09/2018	ACCESS INDUSTRIAL TYRES PTY LTD	TYRE REPLACEMENT & REPAIRS	2,016.85
EFT40382	28/09/2018	ADVANCED NATIONAL SERVICES PTY LTD	CLEANING SERVICES & CONSUMABLES -ASCOT PLACE	2,773.53
EFT40383	28/09/2018	AIMEE KONTOR	STAFF REIMBURSEMENT	136.00
EFT40384	28/09/2018	AIR FILTER DRY CLEAN SYSTEMS WA	PLANT PARTS MAINTENANCE & SERVICE	1,803.35
EFT40385	28/09/2018	AIRWELL GROUP PTY LTD	QUARTERLY PLANT SERVICE & MAINTENANCE	6,682.11
EFT40386	28/09/2018	ALCOLIZER PTY LTD	SIX-MONTHLY CALIBRATION OF BREATH ANALYSERS	99.00
EFT40387	28/09/2018	ALLIGHTSYKES PTY LTD	SERVICE AGREEMENT - BACKUP GENERATOR AT RED HILL	321.75
EFT40388	28/09/2018	ALLWEST PLANT HIRE	EQUIPMENT HIRE	8,658.67
EFT40389	28/09/2018	ARMAGUARD (LINFOX ARMAGUARD PTY LTD)	COURIER SERVICE	445.72
EFT40390	28/09/2018	AUSTRALIAN INSTITUTE OF MANAGEMENT - AIM	CORPORATE MEMBERSHIP RENEWAL	2,750.00
EFT40391	28/09/2018	AUTOSWEEP WA (LAMBERT FAMILY TRUST)	SITE SWEEPING - HAZELMERE	2,772.00
EFT40392	28/09/2018	BARFIELD EARTHMOVING (JAYCOURT NOMINEES P/L)	SUPPLY OF SAND TO RED HILL & PRODUCT TRANSPORTATION COST	4,418.74
EFT40393	28/09/2018	BATTERY WORLD	BATTERY PURCHASE	438.00
EFT40394	28/09/2018	BELMONT - REDCLIFFE NEWSROUND	NEWSPAPERS	56.80
EFT40395	28/09/2018	BIN BATH AUSTRALIA PTY LTD	BIN CLEANING	155.10
EFT40396	28/09/2018	BLACKWOODS ATKINS	PROTECTIVE CLOTHING	96.31
EFT40397	28/09/2018	BRIGHTMARK GROUP PTY LTD	CLEANING SERVICES & CONSUMABLES	4,292.39
EFT40398	28/09/2018	BRING COURIERS	COURIER SERVICE	599.06
EFT40399	28/09/2018	BUDGET ELECTRICS	BUILDING REPAIRS & MAINTENANCE	309.10
EFT40400	28/09/2018	BULLANT SECURITY PTY LTD	BUILDING REPAIRS & MAINTENANCE	187.00
EFT40401	28/09/2018	BUNNINGS GROUP LTD	HARDWARE SUPPLIES	383.86
EFT40402	28/09/2018	CAPITAL TRANSPORT SERVICES (WA) PTY LTD	COURIER SERVICE	1,454.80
EFT40403	28/09/2018	CARBRIDGE PTY LTD	BUS HIRE	594.00
EFT40404	28/09/2018	CBC AUSTRALIA PTY LTD (WA DIVISION)	PLANT PARTS	772.99
EFT40405	28/09/2018	CHEMCENTRE	WATER, DUST & WOODCHIP SAMPLE MONITORING - HAZELMERE & RED HILL	1,965.05
EFT40406	28/09/2018	CJD EQUIPMENT PTY LTD	PLANT MAINTENANCE, PARTS & SERVICE	6,845.90
EFT40407	28/09/2018	CMA RECYCLING PTY LTD	HARDWARE SUPPLIES	60.50
EFT40408	28/09/2018	COATES HIRE OPERATIONS PTY LTD	EQUIPMENT HIRE	106.13

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EFT40409	28/09/2018	COMPU-STOR	IT BACKUP DATA SERVICES	787.45
EFT40410	28/09/2018	COVS PARTS PTY LTD	AIR FRESHENERS	87.11
EFT40411	28/09/2018	CSE CROSSCOM PTY LTD	TWO-WAY RADIO SERVICE	66.00
EFT40412	28/09/2018	DEPARTMENT OF WATER AND ENVIRONMENTAL REGULATION (DWER)	STAFF TRAINING	110.00
EFT40413	28/09/2018	ILLION AUSTRALIA PTY LTD (DUN & BRADSTREET)	ONLINE CREDIT REFERENCE CHECKS	9.90
EFT40414	28/09/2018	ECOTECH P/L	E-SAMPLER ANNUAL SERVICE & MAINTENANCE	1,195.70
EFT40415	28/09/2018	ELAN ENERGY MATRIX	TYRE DISPOSAL COSTS	593.80
EFT40416	28/09/2018	ELEMENT HYDROGRAPHIC SOLUTIONS	EQUIPMENT MAINTENANCE & SERVICE	309.10
EFT40417	28/09/2018	FILTERS PLUS	PLANT FILTERS	986.70
EFT40418	28/09/2018	FRESH BOOST PTY LTD ATF BANDITS TRUST	STAFF AMENITIES	906.00
EFT40419	28/09/2018	FUJI XEROX AUSTRALIA PTY LTD	PHOTOCOPIER MAINTENANCE & SUPPLIES	320.45
EFT40420	28/09/2018	GOODCHILD ENTERPRISES	BATTERY PURCHASE	704.00
EFT40421	28/09/2018	GREG WOOD TWISTECH	FENCE REPAIRS	330.00
EFT40422	28/09/2018	GTA CONSULTANTS (WA) PTY LTD	CONSULTING FEE - REGIONAL CONGESTION MANAGEMENT ACTION PLAN	7,450.26
EFT40423	28/09/2018	HITACHI CONSTRUCTION MACHINERY (AUSTRALIA) PTY LTD	PLANT SERVICE & MAINTENANCE & REPAIR	1,486.41
EFT40424	28/09/2018	ID CONSULTING PTY LTD	ANNUAL SUBSCRIPTION FEE	4,510.00
EFT40425	28/09/2018	INNOVATIONS CATERING (WHATEVER WITH ATTITUDE)	CATERING COSTS	2,356.36
EFT40426	28/09/2018	IPING PTY LTD	INTERNET SERVICE	1,128.80
EFT40427	28/09/2018	JCB CONSTRUCTION EQUIPMENT AUSTRALIA	PLANT SERVICE & MAINTENANCE	460.00
EFT40428	28/09/2018	JJ RICHARDS & SONS P/L	PRODUCT TRANSPORTATION COST	945.00
EFT40429	28/09/2018	K2 AUDIOVISUAL PTY LTD	EQUIPMENT PURCHASE	117.48
EFT40430	28/09/2018	KALAMUNDA TOYOTA	VEHICLE SERVICE	368.80
EFT40431	28/09/2018	KENNARDS HIRE	PLANT HIRE	1,845.60
EFT40432	28/09/2018	KLB SYSTEMS	IT EQUIPMENT PURCHASES	1,089.00
EFT40433	28/09/2018	KONICA MINOLTA BUSINESS SOLUTIONS AUSTRALIA P/L	PHOTOCOPIER MAINTENANCE & SUPPLIES	1,088.11
EFT40434	28/09/2018	KOOL KREATIVE	ART WORK & PRINTING COST - ENVIRONMENTAL SERVICES	374.00
EFT40435	28/09/2018	KOTT GUNNING LAWYERS	LEGAL ADVICE & CONTRACT PREPARATION	3,508.78
EFT40436	28/09/2018	LANDFILL GAS & POWER PTY LTD	ELECTRICITY CHARGES	31,908.73
EFT40437	28/09/2018	LIFTRITE HIRE & SALES	PLANT REPAIR	170.50
EFT40438	28/09/2018	LLOYD GEORGE ACOUSTICS PTY LTD	ENVIRONMENTAL CONSULTING - RED HILL	1,056.00
EFT40439	28/09/2018	LO-GO APPOINTMENTS	LABOUR HIRE	4,268.95
EFT40440	28/09/2018	MACRI PARTNERS	AUDIT FEE - GRANT ACQUITTAL	660.00
EFT40441	28/09/2018	MAIL PLUS PERTH	MAIL EXPENSES	369.60
EFT40442	28/09/2018	MAJOR MOTORS PTY LTD	PLANT PARTS	166.58
EFT40443	28/09/2018	MAJOR SECURITY SERVICES PTY LTD	SECURITY MONITORING	3,426.44
EFT40444	28/09/2018	MARKET CREATIONS PTY LTD	INTERNET SERVICE	462.00
EFT40445	28/09/2018	MAXIPLAST	EQUIPMENT HIRE & MAINTENANCE - LEACHATE CONTROL	17,006.05
EFT40446	28/09/2018	MCINTOSH & SON	PLANT MAINTENANCE	2,022.93
EFT40447	28/09/2018	MIDLAND TOYOTA	FLOOR MATS FOR VEHICLE	51.32
EFT40448	28/09/2018	MIDWAY FORD (WA)	VEHICLE SERVICE	282.34
EFT40449	28/09/2018	MISS MAUD	CATERING COSTS	471.95



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EFT40450	28/09/2018	MUNDARING TYRE CENTRE	TYRE REPAIR	356.00
EFT40451	28/09/2018	NEVERFAIL SPRINGWATER	BOTTLED WATER	487.94
EFT40452	28/09/2018	NEVILLE REFRIGERATION & AIRCONDITIONING	DEGASSING OF FRIDGES & AIRCONDITIONERS - TRANSFER STATION	1,012.00
EFT40453	28/09/2018	OFFICEWORKS	OFFICE CONSUMABLES	258.80
EFT40454	28/09/2018	ONSITE RENTALS PTY LTD	EQUIPMENT RENTAL	964.58
EFT40455	28/09/2018	PAXON GROUP	PART AUDIT FEE - INTERNAL AUDIT	27,720.00
EFT40456	28/09/2018	PETRO MIN ENGINEERS	CONSULTING FEE - WWtE	5,379.00
EFT40457	28/09/2018	PIRTEK MIDLAND (M & B HYDRAULICS PTY LTD)	HYDRAULIC HOSE SUPPLIES & REPAIRS	3,083.07
EFT40458	28/09/2018	PRESTIGE ALARMS	SECURITY MONITORING & MAINTENANCE - RED HILL	1,061.50
EFT40459	28/09/2018	PRUDENTIAL INVESTMENT SERVICES CORP P/L	INVESTMENT ADVISORY SERVICES	1,925.00
EFT40460	28/09/2018	PUMPS UNITED PTY LTD	PUMP PURCHASES	3,003.00
EFT40461	28/09/2018	RADIATION PROFESSIONALS PTY LTD	RADIATION MONITORING, SAMPLING AND ANALYSIS - RED HILL	9,253.20
EFT40462	28/09/2018	RAV DG SERVICES	UPDATE DANGEROUS GOODS STORAGE & HANDLING DOSSIER	1,650.00
EFT40463	28/09/2018	RELATIONSHIPS AUSTRALIA WA INC	EAP - COUNSELLING FEES	495.00
EFT40464	28/09/2018	REMONDIS AUSTRALIA PTY LTD	COLLECTION OF PAPER RECYCLABLES	1,648.90
EFT40465	28/09/2018	RUDD INDUSTRIAL AND FARM SUPPLIES	HARDWARE SUPPLIES	593.39
EFT40466	28/09/2018	S&L ENGINEERING (WA) PTY LTD	PLANT MAINTENANCE	231.00
EFT40467	28/09/2018	SAFETY SIGNS SERVICE	SIGNAGE	95.90
EFT40468	28/09/2018	SHERRIN RENTALS PTY LTD	PLANT HIRE - POSI TRACK LOADER	2,350.57
EFT40469	28/09/2018	SIGN SUPERMARKET	SIGNAGE	309.00
EFT40470	28/09/2018	SOUTHSIDE MITSUBISHI VOLKSWAGEN	BRAKE LIGHT REPAIR TO VEHICLE	211.85
EFT40471	28/09/2018	SPUDS GARDENING SERVICES	SITE REHABILITATION & WEED CONTROL - RED HILL	18,644.00
EFT40472	28/09/2018	STANTONS INTERNATIONAL	PROBITY SERVICES - RRF TENDER	1,922.80
EFT40473	28/09/2018	STRATEGEN ENVIRONMENTAL CONSULTANTS PTY LTD	CONSULTING FEE - COMPLETION OF CAR RED HILL	2,115.38
EFT40474	28/09/2018	TALIS CONSULTANTS	CONSULTING FEE - RRF, CONTRACT NEGOTIATION & LEACHATE POND CONSTRUCTION PROJECT	19,827.94
EFT40475	28/09/2018	THE FOLAN FAMILY TRUST T/A INSPIRED DEVELOPMENT SOLUTIONS P/L	CONSULTING FEE - STRATEGIC PLANNING	1,650.00
EFT40476	28/09/2018	TIM DAVIES LANDSCAPING PTY LTD (TDL)	GARDEN MAINTENANCE ASCOT PLACE	1,004.94
EFT40477	28/09/2018	TOOLMART AUSTRALIA PTY LTD	HARDWARE SUPPLIES	815.45
EFT40478	28/09/2018	TOTALLY WORKWEAR MIDLAND	PROTECTIVE CLOTHING	1,882.49
EFT40479	28/09/2018	TUDOR HOUSE (WA) PTY LTD	FLAG POLES	769.00
EFT40480	28/09/2018	TUTT BRYANT EQUIPMENT (BT EQUIPMENT PTY LTD)	PLANT PARTS	2,254.34
EFT40481	28/09/2018	UNITED CRANE SERVICES PTY LTD	PLANT PARTS & MAINTENANCE	1,012.00
EFT40482	28/09/2018	VISY RECYCLING	RECYCLING COSTS	28.18
EFT40483	28/09/2018	VOLICH WASTE CONTRACTORS PTY LTD	BULK BIN HIRE	44.00
EFT40484	28/09/2018	WA HYDROMULCH PTY LTD	SITE REHABILITATION - RED HILL	8,272.00
EFT40485	28/09/2018	WA MACHINERY GLASS	PLANT TRANSPORTATION	286.00
EFT40486	28/09/2018	WA RECYCLING PTY LTD	SUPPLY OF SUB-BASE TO HRRP	5,440.14
EFT40487	28/09/2018	WATERLOGIC AUSTRALIA PTY LTD	EQUIPMENT RENTAL	519.31
EFT40488	28/09/2018	WESTERN MAZE T/A WESTERN EDUCTING SERVICE	DUST EXTRACTION UNIT MAINTENANCE - GRINDER	1,831.50
EFT40489	28/09/2018	WESTERN TREE RECYCLERS	PLANT HIRE - HAZELMERE	6,169.12
EFT40490	28/09/2018	WESTRAC EQUIPMENT PTY LTD	PLANT SERVICE AGREEMENT & PLANT PARTS	7,893.86

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EFT40491	28/09/2018	WINC AUSTRALIA PTY LTD	STATIONERY & CONSUMABLES	1,049.14
EFT40492	28/09/2018	WORKFORCE INTERNATIONAL	LABOUR HIRE	5,323.07
EFT40493	28/09/2018	WREN OIL	WASTE OIL REMOVAL	16.50
EFT40494	28/09/2018	WURTH AUSTRALIA PTY LTD	PROTECTIVE CLOTHING	127.06
EFT40495	01/10/2018	AUSTRALIA POST - ASCOT PLACE	POSTAL CHARGES	339.47
EFT40496	01/10/2018	ENERAQUE PTY LTD	PURCHASE OF MEGA PUMP FOR RED HILL	57,915.00
EFT40497	01/10/2018	DEPARTMENT OF WATER AND ENVIRONMENTAL REGULATION (DWER)	AMENDMENT TO RED HILL LICENCE	4,454.00
EFT40498	05/10/2018	BRIAN NAUGHTON (BG'S CAR CLEANING SERVICE)	CLEANING CAR POOL VEHICLES	100.00
EFT40499	05/10/2018	CABCHARGE	ADMIN FEE	6.00
EFT40500	05/10/2018	COMSYNC CONSULTING PTY LTD	IT CONSULTING	165.00
EFT40501	05/10/2018	JH & SH INVESTMENTS T/A HAYTO'S RECYCLERS	REFUND OF OVERPAYMENT TO CUSTOMER	4,903.85
EFT40502	05/10/2018	MISS MAUD	CATERING COSTS	26.80
EFT40503	05/10/2018	SHUGS ELECTRICAL	SECURITY LIGHTS INSTALLATION - RED HILL WEIGHBRIDGE OFFICE	528.00
EFT40504	05/10/2018	TELSTRA CORPORATION LTD	TELEPHONE CHARGES	630.90
EFT40505	05/10/2018	TREE AESTHETICS	CUT OVERHANGING BRANCHES AT HAZELMERE	330.00
EFT40506	09/10/2018	AIR FILTER DRY CLEAN SYSTEMS WA	PLANT PARTS MAINTENANCE & SERVICE	322.69
EFT40507	09/10/2018	ANERGY AUSTRALIA PTY LTD T/A ANSAC	WWtE - CONTRACT VARIATION PAYMENT	28,781.50
EFT40508	09/10/2018	LOCAL GOVERNMENT PROFESSIONALS AUSTRALIA WA	STAFF TRAINING	100.00
EFT40509	09/10/2018	MAJOR SECURITY SERVICES PTY LTD	SECURITY MONITORING	313.24
EFT40510	09/10/2018	PAYG PAYMENTS	PAYG TAXATION PAYMENT	66,458.68
EFT40511	09/10/2018	TELSTRA CORPORATION LTD	TELEPHONE CHARGES	415.11
EFT40512	09/10/2018	WA BROILER GROWERS ASSOCIATION (INC)	REFUND OF PAYMENT GUARANTEE	8,704.85
EFT40513	12/10/2018	CARPENTRY, HOUSE AND YARD MAINTENANCE	BUILDING REPAIRS & MAINTENANCE & BUILT DIVIDING WALLS IN HOUSE AT HAZELMERE	7,120.00
EFT40514	12/10/2018	CATHY LEVETT	STAFF REIMBURSEMENT	200.00
EFT40515	12/10/2018	ISENTIA PTY LTD	MONTHLY SUBSCRIPTION - MEDIA MONITORING	1,031.25
EFT40516	12/10/2018	LGIS	VARIOUS INSURANCE PREMIUMS	201,232.11
EFT40517	12/10/2018	MAJOR SECURITY SERVICES PTY LTD	SECURITY MONITORING	309.85
EFT40518	12/10/2018	MOTORCHARGE PTY LTD	FLEET FUEL PURCHASES	2,113.25
EFT40519	12/10/2018	YOGA BY LAUREN CATALANO	STAFF HEALTH PROMOTION	360.00
EFT40520	16/10/2018	DEPARTMENT OF WATER AND ENVIRONMENTAL REGULATION (DWER)	HRRP ANNUAL LICENCE FEE	1,827.00
EFT40521	16/10/2018	PITNEY BOWES AUSTRALIA PTY LTD	POSTAGE EXPENSE	333.63
EFT40522	16/10/2018	SYNERGY	ELECTRICITY CHARGES - HAZELMERE	1,421.20
EFT40523	16/10/2018	TELSTRA CORPORATION LTD	TELEPHONE CHARGES	320.29
EFT40524	19/10/2018	ANERGY AUSTRALIA PTY LTD T/A ANSAC	WWtE - CONTRACT VARIATION PAYMENT	9,724.00
EFT40525	19/10/2018	AUSTRALIAN COMMUNICATIONS & MEDIA AUTHORITY ACMA	ANNUAL APPARATUS LICENCE RENEWAL - HRRP	655.00
EFT40526	19/10/2018	BRIAN NAUGHTON (BG'S CAR CLEANING SERVICE)	CLEANING CAR POOL VEHICLES	130.00
EFT40527	19/10/2018	MONADELPHOUS ENGINEERING ASSOCIATES PTY LTD	CONSULTING FEE - WWtE SUPERINTENDENT SERVICES	18,658.75
EFT40528	19/10/2018	TALIS CONSULTANTS	CONSULTING FEE - STAGE 15B TIE IN LANDFILL	10,876.80
EFT40529	22/10/2018	DEPUTY COMMISSIONER OF TAXATION	GST PAYMENT	268,912.00
EFT40530	22/10/2018	AUSTRALIAN HVAC SERVICES	AIRCONDITIONING MAINTENANCE & REPAIRS	880.00
EFT40531	22/10/2018	BP AUSTRALIA PTY LTD (A/C 50209244)	FUEL PURCHASES	41,072.51

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EFT40532	22/10/2018	PAYG PAYMENTS	PAYG TAXATION PAYMENT	59,083.00
EFT40533	22/10/2018	TELSTRA CORPORATION LTD	TELEPHONE CHARGES	107.23
EFT40534	23/10/2018	MARKETFORCE	ADVERTISING FOR HRRP & VARIOUS PUBLIC NOTICES	1,244.08
EFT40535	23/10/2018	PROFICIENCY GROUP PTY LTD T/AS INFORMATION	ANNUAL LICENCE UPGRADE FOR TRIM	33,764.50
EFT40536	23/10/2018	PROFICIENCY & SIGMA DATA SAI GLOBAL LIMITED	LICENCE RENEWAL - PRODUCT LISTING MODIFICATION	252.11
EFT40537	23/10/2018	STRATEGEN ENVIRONMENTAL CONSULTANTS PTY LTD	ANNUAL COMPLIANCE ASSESSMENT AUDIT REPORT FOR RRF	4,111.25
EFT40538	23/10/2018	TELSTRA CORPORATION LTD	TELEPHONE CHARGES	17.81
EFT40539	26/10/2018	DEPARTMENT OF WATER AND ENVIRONMENTAL REGULATION (DWER)	QUARTERLY LANDFILL LEVY	3,428,220.66
EFT40540	26/10/2018	BUNBURY INSULATION SERVICES (BIS)	WWtE PAYMENT RE EMRC / ANERGY AGREEMENT	9,028.25
EFT40541	26/10/2018	CITY OF BAYSWATER	VENUE HIRE	690.00
EFT40542	26/10/2018	DOOLEE CONSTRUCTION PTY LTD	WWtE PAYMENT RE EMRC / ANERGY AGREEMENT	18,421.70
EFT40543	26/10/2018	EES SHIPPING PTY LTD	WWtE PAYMENT RE EMRC / ANERGY AGREEMENT	1,320.00
EFT40544	26/10/2018	EMR PROJECT MANAGEMENT P/L	WWtE PAYMENT RE EMRC / ANERGY AGREEMENT	21,950.00
EFT40545	26/10/2018	KAREN WARNER	STAFF REIMBURSEMENT	235.77
EFT40546	26/10/2018	MVLV POWER SOLUTIONS P/L	WWtE PAYMENT RE EMRC / ANERGY AGREEMENT	102,631.54
EFT40547	26/10/2018	NEVILLE REFRIGERATION & AIRCONDITIONING	DEGASSING OF FRIDGES & AIRCONDITIONERS - TRANSFER STATION	1,837.00
EFT40548	26/10/2018	PEDCO ENGINEERING P/L	WWtE PAYMENT RE EMRC / ANERGY AGREEMENT	1,237.50
EFT40549	26/10/2018	ROBAYNE	WWtE PAYMENT RE EMRC / ANERGY AGREEMENT	2,767.90
EFT40550	26/10/2018	STAINLESS FASTENER SUPPLIES	WWtE PAYMENT RE EMRC / ANERGY AGREEMENT	1,465.56
EFT40551	26/10/2018	SYSTEM CONTROL ENGINEERING PTY LTD	WWtE PAYMENT RE EMRC / ANERGY AGREEMENT	30,510.36
EFT40552	26/10/2018	TELSTRA CORPORATION LTD	TELEPHONE CHARGES	5,313.00
EFT40553	30/10/2018	BRIAN NAUGHTON (BG'S CAR CLEANING SERVICE)	CLEANING CAR POOL VEHICLES	70.00
EFT40554	30/10/2018	CARPENTRY, HOUSE AND YARD MAINTENANCE	BUILDING REPAIRS & MAINTENANCE	4,080.00
EFT40555	30/10/2018	PERTH ENERGY PTY LTD	GAS SUPPLY - WWtE	156.30
220383	03/10/2018	EMRC PETTY CASH - BELMONT	PETTY CASH RECOUP	485.30
220384	03/10/2018	EMRC PETTY CASH - COPPIN ROAD	PETTY CASH RECOUP	37.05
220385	03/10/2018	EMRC PETTY CASH - HAZELMERE	PETTY CASH RECOUP	52.60
220386	03/10/2018	EMRC PETTY CASH - MATHIESON ROAD	PETTY CASH RECOUP	30.20
220387	03/10/2018	EMRC PETTY CASH - RED HILL	PETTY CASH RECOUP	100.00
220388	16/10/2018	EAST GIDGEGANNUP VOLUNTEER BUSH FIRE BRIGADE (INC)	EMRC 2018 COMMUNITY GRANT PROGRAM	1,020.03
220389	16/10/2018	GIDGEGANNUP COMMUNITY WEBSITE INCORPORATED	EMRC 2018 COMMUNITY GRANT PROGRAM	1,500.00
220390	16/10/2018	GIDGEGANNUP SCOUT GROUP - SCOUTS WA	EMRC 2018 COMMUNITY GRANT PROGRAM	1,500.00
220391	16/10/2018	WATER CORPORATION	WATER USAGE & RATES	2,110.56
220392	16/10/2018	X SPEED AUSTRALIA CYCLE CLUB INC	EMRC 2018 COMMUNITY GRANT PROGRAM	1,500.00
220393	22/10/2018	WATER CORPORATION	WATER USAGE & RATES	482.81
PAY 2019-7	02/10/2018	PAYROLL FE 2/10/2018	PAYROLL	197,230.12
PAY 2019-8	16/10/2018	PAYROLL FE 16/10/2018	PAYROLL	181,170.35
PAY 2019-9	30/10/2018	PAYROLL FE 30/10/2018	PAYROLL	184,005.36
1*OCT18	01/10/2018	BANK CHARGES 1794 - 1798	BANK FEES & CHARGES	1,211.89
DD17676.1	02/10/2018	WALGS PLAN	SUPERANNUATION	28,624.50
DD17676.2	02/10/2018	RETAIL EMPLOYEES SUPERANNUATION TRUST	SUPERANNUATION	807.30

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DD17676.3	02/10/2018	AUSTRALIAN CATHOLIC SUPERANNUATION & RETIREMENT FUND	SUPERANNUATION	191.47
DD17676.4	02/10/2018	MLC SUPER FUND	SUPERANNUATION	458.07
DD17676.5	02/10/2018	SUNSUPER	SUPERANNUATION	544.16
DD17676.6	02/10/2018	ZURICH MASTER SUPERANNUATION FUND	SUPERANNUATION	255.77
DD17676.7	02/10/2018	ASGARD SUPERANNUATION FUND	SUPERANNUATION	325.42
DD17676.8	02/10/2018	NORTH PERSONAL SUPERANNUATION	SUPERANNUATION	586.99
DD17676.9	02/10/2018	BT LIFETIME SUPER - EMPLOYER PLAN	SUPERANNUATION	258.89
DD17676.10	02/10/2018	CBUS INDUSTRY SUPER	SUPERANNUATION	1,113.53
DD17676.11	02/10/2018	MTAA SUPERANNUATION FUND	SUPERANNUATION	219.79
DD17676.12	02/10/2018	AMP FLEXIBLE LIFETIME SUPER	SUPERANNUATION	568.06
DD17676.13	02/10/2018	ETHAN Y WANG SUPER PTY LTD ATF ETHAN Y WANG SUPERANNUATION FUND	SUPERANNUATION	453.87
DD17676.14	02/10/2018	A&S HUGHES-D'AETH PTY LTD ATF A&S HUGHES-D'AETH SUPERANNUATION FUND	SUPERANNUATION	496.67
DD17676.15	02/10/2018	HOSTPLUS SUPERANNUATION FUND	SUPERANNUATION	2,009.48
DD17676.16	02/10/2018	AUSTRALIAN SUPER	SUPERANNUATION	2,292.80
DD17676.17	02/10/2018	LEGALSUPER	SUPERANNUATION	302.08
DD17676.18	02/10/2018	ONEPATH MASTERFUND (ANZ)	SUPERANNUATION	46.63
DD17676.19	02/10/2018	COLONIAL FIRST STATE FIRSTCHOICE	SUPERANNUATION	261.13
DD17758.1	16/10/2018	WALGS PLAN	SUPERANNUATION	27,086.87
DD17758.2	16/10/2018	RETAIL EMPLOYEES SUPERANNUATION TRUST	SUPERANNUATION	809.38
DD17758.3	16/10/2018	AUSTRALIAN CATHOLIC SUPERANNUATION & RETIREMENT FUND	SUPERANNUATION	191.47
DD17758.4	16/10/2018	MLC SUPER FUND	SUPERANNUATION	513.54
DD17758.5	16/10/2018	SUNSUPER	SUPERANNUATION	546.74
DD17758.6	16/10/2018	ZURICH MASTER SUPERANNUATION FUND	SUPERANNUATION	255.77
DD17758.7	16/10/2018	ASGARD SUPERANNUATION FUND	SUPERANNUATION	306.34
DD17758.8	16/10/2018	NORTH PERSONAL SUPERANNUATION	SUPERANNUATION	517.38
DD17758.9	16/10/2018	BT LIFETIME SUPER - EMPLOYER PLAN	SUPERANNUATION	262.62
DD17758.10	16/10/2018	CBUS INDUSTRY SUPER	SUPERANNUATION	1,011.95
DD17758.11	16/10/2018	MTAA SUPERANNUATION FUND	SUPERANNUATION	219.70
DD17758.12	16/10/2018	AMP FLEXIBLE LIFETIME SUPER	SUPERANNUATION	568.06
DD17758.13	16/10/2018	ETHAN Y WANG SUPER PTY LTD ATF ETHAN Y WANG SUPERANNUATION FUND	SUPERANNUATION	453.85
DD17758.14	16/10/2018	A&S HUGHES-D'AETH PTY LTD ATF A&S HUGHES-D'AETH SUPERANNUATION FUND	SUPERANNUATION	496.67
DD17758.15	16/10/2018	HOSTPLUS SUPERANNUATION FUND	SUPERANNUATION	1,895.81
DD17758.16	16/10/2018	AUSTRALIAN SUPER	SUPERANNUATION	2,158.88
DD17758.17	16/10/2018	LEGALSUPER	SUPERANNUATION	302.08
DD17758.18	16/10/2018	ONEPATH MASTERFUND (ANZ)	SUPERANNUATION	15.04
DD17758.19	16/10/2018	COLONIAL FIRST STATE FIRSTCHOICE	SUPERANNUATION	261.13
DD17759.1	02/10/2018	WALGS PLAN	SUPERANNUATION	438.68
DD17759.2	16/10/2018	WALGS PLAN	SUPERANNUATION	151.27
DD17760.1	16/10/2018	WALGS PLAN	SUPERANNUATION	-589.95
1405	15/10/2018	NATIONAL AUSTRALIA BANK	TERM DEPOSIT INVESTMENT	1,000,000.00
1406	22/10/2018	AUSTRACLEAR LIMITED (ASX)	FINANCIAL SERVICES FEE	55.55



Eastern Metropolitan Regional Council

CEO's DELEGATED PAYMENTS LIST
FOR THE MONTH OF OCTOBER 2018

Cheque / EFT No	Date	Payee	Description	Amount
1407	29/10/2018	NATIONAL AUSTRALIA BANK	TERM DEPOSIT INVESTMENT	2,000,000.00
1408	16/10/2018	WBC - CORPORATE MASTERCARD - D AMEDURI	CREDIT CARD PURCHASES	666.41
1409	16/10/2018	WBC - CORPORATE MASTERCARD - DAVID SCHMIDT	CREDIT CARD PURCHASES	454.69
1410	16/10/2018	WBC - CORPORATE MASTERCARD - DOUGLAS DARMAGO	CREDIT CARD PURCHASES	573.93
1411	16/10/2018	WBC - CORPORATE MASTERCARD - FRANK HUA HIM KUA	CREDIT CARD PURCHASES	1,661.71
1412	16/10/2018	WBC - CORPORATE MASTERCARD - H LIEW	CREDIT CARD PURCHASES	17.00
1413	16/10/2018	WBC - CORPORATE MASTERCARD - P SCHNEIDER	CREDIT CARD PURCHASES	370.09
1414	16/10/2018	WBC - CORPORATE MASTERCARD - S FITZPATRICK	CREDIT CARD PURCHASES	265.97
1415	16/10/2018	WBC - CORPORATE MASTERCARD - T BEINHAUER	CREDIT CARD PURCHASES	145.79
1416	16/10/2018	WBC - CORPORATE MASTERCARD - T ECKSTEIN	CREDIT CARD PURCHASES	292.02
1417	16/10/2018	WBC - CORPORATE MASTERCARD - W HARRIS	CREDIT CARD PURCHASES	933.00
1418	16/10/2018	WBC - CORPORATE MASTERCARD - Z WILLIAMSON	CREDIT CARD PURCHASES	468.17
1419	31/10/2018	NATIONAL AUSTRALIA BANK	TERM DEPOSIT INVESTMENT	1,000,000.00
SUB TOTAL				9,462,974.82
LESS CANCELLED EFTs & CHEQUES				
EFT40407	28/09/2018	CMA RECYCLING PTY LTD	CANCELLED EFT	-60.50
EFT40509	9/10/2018	MAJOR SECURITY SERVICES PTY LTD	CANCELLED EFT	-313.24
EFT40512	9/10/2018	WA BROILER GROWERS ASSOCIATION (INC)	CANCELLED EFT	-8,704.85
SUB TOTAL				-9,078.59
TOTAL				9,453,896.23

REPORT

Bank Code	Bank
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EMRC - Municipal Fund

9,453,896.23

9,453,896.23

All Employee Superannuation obligations for the period October 2018 have been paid by the EMRC.



14.2 FINANCIAL REPORT FOR PERIOD ENDED 30 SEPTEMBER 2018

REFERENCE: D2018/14282

PURPOSE OF REPORT

The purpose of this report is to provide Council with an overview of the EMRC's financial performance for the period ended 30 September 2018.

KEY ISSUES AND RECOMMENDATION(S)

- Significant year to date budget variances greater than 10% or \$20,000, whichever is the greater, within each nature and type category on the Statement of Financial Activity as at 30 September 2018 have been identified and are reported on in the body of the report.

Recommendation(s)

That Council receives the Statement of Comprehensive Income, Capital Expenditure Statement, Statement of Financial Position, Statement of Cash and Investments and the Investment Report for the period ended 30 September 2018.

SOURCE OF REPORT

Director Corporate Services

BACKGROUND

It is a requirement of the *Local Government (Financial Management) Regulations 1996* (r.34) that a Local Government is to prepare and present to Council financial reports in such a form as the Local Government considers to be appropriate.

The 2018/2019 Budget was presented in a format that separated operating income and expenditure from other revenue and expenses to provide improved disclosure of Council's underlying operating result.

Submitted to each meeting of Council is a financial report and summaries which provide an overview of year to date budget performance for operating activities and capital works. Variances greater than 10% or \$20,000, whichever is the greater, within each nature and type category on the Statement of Comprehensive Income are reported on in the body of the report. Also included are end of year forecasts by nature and type for operating activities and end of year forecasts for each capital works project. These forecasts are reviewed regularly in order to provide an accurate forecast of the end of year result.

REPORT

Outlined below are financial statements for the period ended 30 September 2018. Where possible the year to date monthly budget allocations will be reviewed in order to match the appropriate timing for the various projects budgeted to be undertaken. This will provide a better comparison between the year to date actual and year to date budget figures.



Item 14.2 continued

Statement of Comprehensive Income - Nature and Type (refer Attachment 1)

The year to date operating result from normal activities as at 30 September 2018 is a favourable variance of \$652,655 (70.46%) against budget. The following information is provided on key aspects of Council's year to date financial performance:

<u>Operating Income</u>	<i>Actuals for the Year</i>	A favourable variance of \$161,601 (1.86%).
	<i>End of Year Forecast</i>	As per budget - not yet due to be reviewed.

Operating Income variances previously reported to Council:

1. Year to date Reimbursements of \$132,328 is \$61,703 (31.80%) below the budget of \$194,031. This is attributable to a lower level of reimbursements compared to budget relating to the Coppin & Mathieson Transfer Stations.
2. Year to date Other Income of \$351,159 is \$279,258 (44.3%) below the budget of \$630,417. This is mainly attributable to a lower level of sales of ferricrete to 30 September 2018 (\$41,116 compared to a budget of \$180,003), a lower level of woodwaste product sales (\$165,986 compared to a budget of \$252,513), a lower level of Greenwaste products sales (\$16,198 compared to a budget of \$64,227) and royalty income for landfill gas yet to be received for 2018/2019 (\$0 compared to a budget of \$45,000). However, it is anticipated that the budget for the sale of products will be achieved as at year end.

There were no further significant Operating Income variances as at 30 September 2018.

<u>Operating Expenditure</u>	<i>Actuals for the Year</i>	A favourable variance of \$491,054 (6.33%).
	<i>End of Year Forecast</i>	As per budget - not yet due to be reviewed.

Operating Expenditure variances previously reported to Council:

1. Year to date Contract Expenses of \$464,276 is \$804,103 (63.40%) below the budget of \$1,268,379 due to the timing of various projects from different business units. Major variances from the Waste Services directorate include:
 - Operate and Maintain Leachate Project - Red Hill Landfill Facility - \$114,370;
 - Operate and Maintain Class IV Cell - Leachate Removal - \$99,999;
 - Crush and Screen Lateritic Caprock- \$66,249;
 - Monitor Environmental Impacts - \$65,330;
 - Operate and Maintain Plant - Waste Management Facilities - \$55,119;
 - Manage Greenwaste Mulching - \$41,395;
 - Operate and Maintain Class IV Cells - Maintain Liner - \$24,999;
 - Update Red Hill Development Plan - \$20,124;
 - Operate and Maintain Monitoring Bores - \$13,893;
 - Undertake Greenwaste Waste Stream Audits - \$12,498; and
 - Operate and Maintain Security System Project - Red Hill Landfill Facility - \$10,975.

Other projects where the expenditures are lower than budget for various directorates/business units include: Corporate Services (\$107,615), Environmental Services (\$58,337), Regional Development (\$57,670) and other Waste Services minor projects (\$53,849).



Item 14.2 continued

- Year to date Costs Allocated of \$73,363 is \$219,630 (74.96%) below the budget of \$292,993. This variance relates specifically to internal costs allocated between the Resource Recovery C & I Project and the Red Hill Landfill Facility Class III cell. This variance is predominantly offset against Costs Allocated (Other Expenses).

There were no further significant Operating Expenditure variances as at 30 September 2018.

<u>*Other Revenues and Expenses (Net)</u>	<i>Actuals for the Year</i>	A favourable variance of \$45,251 (3.05%).
	<i>End of Year Forecast</i>	As per budget - not yet due to be reviewed.

Other Revenues and Expenses variances previously reported to Council:

- Year to date User Charges of \$31,926 is \$221,199, (87.39%) below the budget of \$253,125. The variance is due to the lower level of tonnages received through the Hazelmere C & I facility.
- Year to date Other Revenue of \$4,125 is \$54,480 (92.96%) below the budget of \$58,605. The variance relates specifically to the sale of products from the Hazelmere C&I Project due to the lower level of tonnages received through the facility and resulting recoverable material available for sale.
- Year to date Salary Expenses (Other Expenses) of \$76,909 is \$112,859 (59.47%) below the budget of \$189,768. The variance is principally attributable to the low level of activity in the Hazelmere C & I facility due to the lower level of tonnages received.
- Year to date Contract Expenses (Other Expenses) of \$34,029 is \$41,790 (55.12%) below the budget of \$75,819. This variance is due to the timing of the various Resource Recovery projects and the associated consultancy expenditure.
- Year to date Costs Allocated (Other Expenses) of \$73,564 is \$202,256 (73.33%) below the budget of \$275,820. This variance relates specifically to the timing of internal costs allocated between the Resource Recovery C & I Project and the Red Hill Landfill Facility Class III cell. This variance is predominantly offset against Costs Allocated (Operating Expenditure).

There were no further significant Other Revenues and Expenses variances as at 30 September 2018.

<u>Other Comprehensive Income</u>	<i>Actuals for the Year</i>	An unfavourable variance of \$302,794.
	<i>End of Year Forecast</i>	As per budget - not yet due to be reviewed.

As a result of a change to the *Local Government (Financial Management) Regulations 1996 (Reg.17A.5)* which states: "An asset is to be excluded from the assets of a local government if the fair value of the asset as at the date of acquisition by the local government is under \$5,000", the amount of \$302,794 was written back and recognised in the Statement of Comprehensive Income.

This value represents the net of the acquisition cost of the assets less the accumulated depreciation and assets revaluation reserve values applicable to these assets.



Item 14.2 continued

Capital Expenditure Statement (refer Attachment 2)

<u>Capital Expenditure</u>	<i>Actuals for the Year</i>	A favourable variance of \$4,812,666.
	<i>End of Year Forecast</i>	As per budget - not yet due to be reviewed.

Capital Expenditure variances:

A favourable variance of \$4,812,666 existed as at 30 September 2018 when compared to the budget of \$4,987,911. The year to date budget provisions are used as a guide only as expenditure of a capital nature is undertaken as and when required.

There was no major capital expenditure incurred to 30 September 2018.

Statement of Financial Position (refer Attachment 3)

The Statement of Financial Position shows the overall impact of actual balances compared with budget provisions and end of year forecasts for operating and capital works activities.

Total Equity as at 30 September 2018 totals \$188,634,541. This is an increase of \$2,805,648 from the 30 June 2018 equity of \$186,130,189 and represents the net change in assets from operations.

As end of year forecasts are yet to be reviewed, the forecast balances as at 30 September 2018 are as per the budget estimates.

Statement of Cash and Investments (refer Attachment 4)

The level of cash and investments in the Municipal Fund as at 30 September 2018 is \$12,644,260 and Restricted Cash amount to \$88,103,751.

The net movement for the month is an increase of \$2,010,385.

As end of year forecasts are yet to be reviewed, the forecast balances as at 30 September 2018 are as per the budget estimates.

Investment Report (refer Attachment 5)

Term deposits valued at \$16,500,000 matured during September 2018. These were reinvested into further term deposits.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 3 - Good Governance

- 3.3 To provide responsible and accountable governance and management of the EMRC
- 3.4 To continue to improve financial and asset management practices

FINANCIAL IMPLICATIONS

As outlined within the report and attachments.

SUSTAINABILITY IMPLICATIONS

Nil



Item 14.2 continued

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

1. Statement of Comprehensive Income by Nature and Type (Ref: D2018/14863)
2. Capital Expenditure Statement (Ref: D2018/14864)
3. Statement of Financial Position (Ref: D2018/14865)
4. Statement of Cash and Investments (Ref: D2018/14866)
5. Investment Report (Ref: D2018/14867)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council receives the Statement of Comprehensive Income, Capital Expenditure Statement, Statement of Financial Position, Statement of Cash and Investments and the Investment Report for the period ended 30 September 2018.

COUNCIL RESOLUTION(S)

MOVED CR LAVELL

SECONDED CR DAW

THAT COUNCIL RECEIVES THE STATEMENT OF COMPREHENSIVE INCOME, CAPITAL EXPENDITURE STATEMENT, STATEMENT OF FINANCIAL POSITION, STATEMENT OF CASH AND INVESTMENTS AND THE INVESTMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2018.

CARRIED UNANIMOUSLY



STATEMENT OF COMPREHENSIVE INCOME

Nature and Type

SEPTEMBER 2018

Year to Date			Full Year				
Actual	Budget	Variance		Forecast	Budget	Variance	
Operating Income							
\$7,744,979	\$7,262,060	\$482,919	(F)	\$30,773,307	\$30,773,307	\$0	(F)
\$109,303	\$111,800	(\$2,497)	(U)	\$445,165	\$445,165	\$0	(F)
\$335,016	\$315,735	\$19,281	(F)	\$488,557	\$488,557	\$0	(F)
\$71,800	\$71,000	\$800	(F)	\$382,426	\$382,426	\$0	(F)
\$102,058	\$99,999	\$2,059	(F)	\$400,000	\$400,000	\$0	(F)
\$132,328	\$194,031	(\$61,703)	(U)	\$776,185	\$776,185	\$0	(F)
\$351,159	\$630,417	(\$279,258)	(U)	\$3,041,744	\$3,041,744	\$0	(F)
\$8,846,643	\$8,685,042	\$161,601	(F)	\$36,307,384	\$36,307,384	\$0	(F)
Operating Expenditure							
\$1,640,013	\$1,811,179	\$171,166	(F)	\$8,519,311	\$8,519,311	\$0	(F)
\$464,276	\$1,268,379	\$804,103	(F)	\$5,482,741	\$5,482,741	\$0	(F)
\$238,895	\$236,894	(\$2,001)	(U)	\$1,787,559	\$1,787,559	\$0	(F)
\$90,844	\$75,549	(\$15,295)	(U)	\$302,318	\$302,318	\$0	(F)
\$164,301	\$160,938	(\$3,363)	(U)	\$643,908	\$643,908	\$0	(F)
\$59,250	\$59,364	\$114	(F)	\$237,806	\$237,806	\$0	(F)
\$975,014	\$1,022,049	\$47,035	(F)	\$4,634,193	\$4,634,193	\$0	(F)
\$3,649,856	\$3,366,863	(\$282,993)	(U)	\$13,499,714	\$13,499,714	\$0	(F)
\$58,671	\$50,589	(\$8,082)	(U)	\$202,373	\$202,373	\$0	(F)
(\$73,363)	(\$292,993)	(\$219,630)	(U)	(\$1,192,699)	(\$1,192,699)	\$0	(F)
\$7,267,757	\$7,758,811	\$491,054	(F)	\$34,117,224	\$34,117,224	\$0	(F)
\$1,578,886	\$926,231	\$652,655	(F)	\$2,190,160	\$2,190,160	\$0	(F)
Surplus	Surplus		OPERATING RESULT FROM NORMAL ACTIVITIES	Surplus	Surplus		

Notes:

1. User Charges - include member Councils and casual users pertaining to waste, risk management and environmental services fees and charges;
2. Special Charges - Waste Education Levy;
3. Contributions - member Councils' contributions to projects and services;
4. Operating Grants - grant income predominantly from government agencies;
5. Other Operating Income - includes income from the sale of products; and
6. Miscellaneous Expenses - includes the landfill levy expense of \$3,482,221 as at 30 September 2018.

(F) denotes Favourable variance and (U) denotes Unfavourable variance



STATEMENT OF COMPREHENSIVE INCOME

Nature and Type

SEPTEMBER 2018

Year to Date							Full Year		
Actual	Budget	Variance					Forecast	Budget	Variance
Other Revenues									
\$31,926	\$253,125	(\$221,199)	(U)	User Charges	\$1,012,500	\$1,012,500	\$0	(F)	
\$1,186,718	\$1,213,818	(\$27,100)	(U)	Secondary Waste Charge	\$4,833,223	\$4,833,223	\$0	(F)	
\$0	\$0	\$0	(F)	Operating Grants	\$0	\$0	\$0	(F)	
\$550,559	\$592,881	(\$42,322)	(U)	Interest Restricted Cash Investments	\$2,371,599	\$2,371,599	\$0	(F)	
\$0	\$12	(\$12)	(U)	Reimbursements	\$50	\$50	\$0	(F)	
\$0	\$0	\$0	(F)	Proceeds from Sale of Assets	\$274,418	\$274,418	\$0	(F)	
\$4,125	\$58,605	(\$54,480)	(U)	Other	\$1,010,112	\$1,010,112	\$0	(F)	
\$1,773,328	\$2,118,441	(\$345,113)	(U)	Total Other Revenues	\$9,501,902	\$9,501,902	\$0	(F)	
Other Expenses									
\$76,909	\$189,768	\$112,859	(F)	Salary Expenses	\$855,131	\$855,131	\$0	(F)	
\$34,029	\$75,819	\$41,790	(F)	Contract Expenses	\$1,510,454	\$1,510,454	\$0	(F)	
\$1,658	\$6,690	\$5,032	(F)	Material Expenses	\$126,850	\$126,850	\$0	(F)	
\$2,515	\$8,424	\$5,909	(F)	Utility Expenses	\$42,800	\$42,800	\$0	(F)	
\$0	\$249	\$249	(F)	Fuel Expenses	\$1,000	\$1,000	\$0	(F)	
\$7,551	\$7,671	\$120	(F)	Insurance Expenses	\$71,894	\$71,894	\$0	(F)	
\$19,555	\$22,542	\$2,987	(F)	Depreciation Expenses	\$432,660	\$432,660	\$0	(F)	
\$3,143	\$20,084	\$16,941	(F)	Miscellaneous Expenses	\$193,175	\$193,175	\$0	(F)	
\$24,848	\$27,069	\$2,221	(F)	Carrying Amount of Assets Disposed Of	\$204,121	\$204,121	\$0	(F)	
\$73,564	\$275,820	\$202,256	(F)	Costs Allocated	\$1,169,699	\$1,169,699	\$0	(F)	
\$243,772	\$634,136	\$390,364	(F)	Total Other Expenses	\$4,607,784	\$4,607,784	\$0	(F)	
\$1,529,556	\$1,484,305	\$45,251	(F)	OPERATING RESULT FROM OTHER ACTIVITIES	\$4,894,118	\$4,894,118	\$0	(F)	
Surplus	Surplus				Surplus	Surplus			
\$3,108,442	\$2,410,536	\$697,906	(F)	NET RESULT	\$7,084,278	\$7,084,278	\$0	(F)	
Surplus	Surplus				Surplus	Surplus			
Realised/Unrealised (Gain)/Loss From Change in Fair Value of Investments									
\$0	\$0	\$0	(F)	Unrealised (Gain)/Loss	\$0	\$0	\$0	(F)	
\$0	\$0	\$0	(F)	Realised (Gain)/Loss	\$0	\$0	\$0	(F)	
\$0	\$0	\$0	(F)	Total (Gain)/Loss from change in Fair Value of Investments	\$0	\$0	\$0	(F)	
Other Comprehensive Income									
\$302,794	\$0	(\$302,794)	(U)	Revaluation of Assets/Accumulated Depreciation Reversal	\$0	\$0	\$0	(F)	
\$0	\$0	\$0	(F)	Other Comprehensive Income	\$0	\$0	\$0	(F)	
\$302,794	\$0	(\$302,794)	(U)	Total Other Comprehensive Income	\$0	\$0	\$0	(F)	
\$2,805,648	\$2,410,536	\$395,112	(F)	CHANGE IN NET ASSETS FROM OPERATIONS	\$7,084,278	\$7,084,278	\$0	(F)	
Surplus	Surplus				Surplus	Surplus			



CAPITAL EXPENDITURE STATEMENT

SEPTEMBER 2018

Year to Date				Full Year					
Actual	Budget	Variance		On Order	(F) = Favourable variation (U) = Unfavourable variation	Forecast	Budget	Variance	
Governance and Corporate Services									
\$0	\$52,122	\$52,122	(F)	\$0	Purchase Vehicles - Ascot Place (24440/00)	\$208,493	\$208,493	\$0	(F)
\$0	\$12,000	\$12,000	(F)	\$0	Purchase Furniture Fittings & Equipment - Corporate Services (24510/01)	\$48,000	\$48,000	\$0	(F)
\$0	\$70,500	\$70,500	(F)	\$0	Purchase Information Technology & Communication Equipment (24550/00)	\$282,000	\$282,000	\$0	(F)
\$0	\$7,500	\$7,500	(F)	\$0	Purchase Art Works (24620/00)	\$30,000	\$30,000	\$0	(F)
\$0	\$64,248	\$64,248	(F)	\$0	Capital Improvement Administration Building - Ascot Place (25240/01)	\$257,000	\$257,000	\$0	(F)
\$0	\$1,248	\$1,248	(F)	\$0	Upgrade Security Equipment - Ascot Place (25530/01)	\$5,000	\$5,000	\$0	(F)
\$0	\$207,618	\$207,618	(F)	\$0		\$830,493	\$830,493	\$0	(F)



CAPITAL EXPENDITURE STATEMENT

SEPTEMBER 2018

Year to Date			On (F) = Favourable variation Order (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance		Forecast	Budget	Variance

Resource Recovery

\$0	\$2,499	\$2,499 (F)	\$0	Construct and Commission Resource Recovery Park - MRF Building - Hazelmere (24259/09)	\$10,000	\$10,000	\$0 (F)
\$0	\$17,499	\$17,499 (F)	\$0	Construct and Commission Resource Recovery Park - Weighbridge Office (24259/12)	\$70,000	\$70,000	\$0 (F)
\$0	\$56,250	\$56,250 (F)	\$0	Construct and Commission Resource Recovery Park - Weighbridges (x2) (24392/02)	\$225,000	\$225,000	\$0 (F)
\$25,321	\$662,496	\$637,175 (F)	\$2,612,215	Construct and Commission Resource Recovery Park - Site Infrastructure (24399/01)	\$2,650,000	\$2,650,000	\$0 (F)
\$3,577	\$56,247	\$52,670 (F)	\$34,668	Wood Waste to Energy Utilities/Infrastructure - Resource Recovery Park (24399/11)	\$225,000	\$225,000	\$0 (F)
\$28,928	\$509,601	\$480,673 (F)	\$0	Purchase Resource Recovery Park - Wood Waste to Energy Plant & Equipment (24410/03)	\$2,038,407	\$2,038,407	\$0 (F)
\$0	\$124,998	\$124,998 (F)	\$0	Purchase Resource Recovery Park C & I Building - Plant & Equipment (24410/04)	\$500,000	\$500,000	\$0 (F)
\$0	\$498	\$498 (F)	\$0	Purchase Other Equipment - Resource Recovery (24590/07)	\$2,000	\$2,000	\$0 (F)
\$57,825	\$1,430,088	\$1,372,263 (F)	\$2,646,883		\$5,720,407	\$5,720,407	\$0 (F)

Waste Management

\$0	\$7,500	\$7,500 (F)	\$0	Construct Waste Management Facility Buildings - Red Hill Landfill Facility (24250/01)	\$30,000	\$30,000	\$0 (F)
\$0	\$15,750	\$15,750 (F)	\$0	Construct Storage Shed - Hazelmere (24250/05)	\$63,000	\$63,000	\$0 (F)



CAPITAL EXPENDITURE STATEMENT

SEPTEMBER 2018

Year to Date			On (F) = Favourable variation Order (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance		Forecast	Budget	Variance

Waste Management

\$0	\$9,999	\$9,999 (F)	\$0	Upgrade Power Supply to Transfer Station - Red Hill Landfill Facility (24259/14)	\$40,000	\$40,000	\$0 (F)
\$0	\$9,999	\$9,999 (F)	\$0	Upgrade Power Supply to Workshop No 2 - Red Hill Landfill Facility (24259/15)	\$40,000	\$40,000	\$0 (F)
\$0	\$187,500	\$187,500 (F)	\$0	Construct Class III Landfill Cell Farm Stage 3 - Red Hill Landfill Facility (24310/13)	\$750,000	\$750,000	\$0 (F)
\$3,740	\$377,805	\$374,065 (F)	\$0	Construct Class III Cell Stage 15B - Red Hill Landfill Facility (24310/18)	\$1,511,222	\$1,511,222	\$0 (F)
(\$721)	\$132,498	\$133,219 (F)	\$0	Construct Class III Leachate Pond - Red Hill Landfill Facility (24320/01)	\$530,000	\$530,000	\$0 (F)
\$61,751	\$117,798	\$56,047 (F)	\$0	Leachate Project - Red Hill Landfill Facility (24320/02)	\$471,192	\$471,192	\$0 (F)
\$0	\$124,998	\$124,998 (F)	\$0	Design and Construct Class IV Cell Stage 2 - Red Hill Landfill Facility (24330/04)	\$500,000	\$500,000	\$0 (F)
\$0	\$49,998	\$49,998 (F)	\$0	Construct Stormwater and Siltation Ponds - Red Hill Landfill Facility (24350/01)	\$200,000	\$200,000	\$0 (F)
\$0	\$30,747	\$30,747 (F)	\$9,640	Construct Roads / Carparks - Red Hill Landfill Facility (24370/00)	\$123,000	\$123,000	\$0 (F)
\$0	\$3,750	\$3,750 (F)	\$0	Construct Access Road to Lots 8 9 10 - Red Hill Landfill Facility (24370/02)	\$15,000	\$15,000	\$0 (F)
\$0	\$49,998	\$49,998 (F)	\$0	Construct Drainage Diversion and Earthworks Infrastructures - Red Hill Landfill Facility (24380/00)	\$200,000	\$200,000	\$0 (F)
\$0	\$37,500	\$37,500 (F)	\$0	Construct Water Storage Dams - Red Hill Landfill Facility (24393/00)	\$150,000	\$150,000	\$0 (F)
\$0	\$1,149	\$1,149 (F)	\$0	Construct Perimeter Fencing - Red Hill Landfill Facility (24394/00)	\$4,600	\$4,600	\$0 (F)



CAPITAL EXPENDITURE STATEMENT

SEPTEMBER 2018

Year to Date			On (F) = Favourable variation Order (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance		Forecast	Budget	Variance

Waste Management

\$0	\$3,249	\$3,249	(F)	\$0	Construct Litter Fence - Red Hill Farm (24394/04)	\$13,000	\$13,000	\$0	(F)
\$0	\$7,368	\$7,368	(F)	\$0	Construct Litter Fence - Redhill Landfill Facility (24394/05)	\$29,474	\$29,474	\$0	(F)
\$0	\$12,960	\$12,960	(F)	\$0	Construct Hardstand and Road - Hazelmere (24395/01)	\$51,845	\$51,845	\$0	(F)
\$0	\$9,999	\$9,999	(F)	\$0	Construct Monitoring Bores - Red Hill Landfill Facility (24396/00)	\$40,000	\$40,000	\$0	(F)
\$0	\$124,998	\$124,998	(F)	\$0	Construct Storage Bunkers for Wood Fines (QA process) - Hazelmere (24399/09)	\$500,000	\$500,000	\$0	(F)
\$0	\$12,498	\$12,498	(F)	\$0	Air Supply lines - Waste Management Structures - Red Hill Landfill Facility (24399/10)	\$50,000	\$50,000	\$0	(F)
\$0	\$212,499	\$212,499	(F)	\$0	New Waste Project - Red Hill Landfill Facility (24399/16)	\$850,000	\$850,000	\$0	(F)
\$0	\$977,499	\$977,499	(F)	\$753,000	Purchase / Replace Plant - Red Hill Landfill Facility (24410/00)	\$3,910,000	\$3,910,000	\$0	(F)
\$0	\$500,319	\$500,319	(F)	\$0	Purchase / Replace Plant - Hazelmere (24410/01)	\$2,001,276	\$2,001,276	\$0	(F)
\$0	\$112,500	\$112,500	(F)	\$0	Purchase Plant for Leachate Project - Red Hill Landfill Facility (24410/08)	\$450,000	\$450,000	\$0	(F)
\$52,650	\$95,499	\$42,849	(F)	\$23,200	Purchase / Replace Minor Plant and Equipment-Red Hill Landfill Facility (24420/00)	\$382,000	\$382,000	\$0	(F)
\$0	\$4,749	\$4,749	(F)	\$0	Purchase / Replace Minor Plant and Equipment - Hazelmere (24420/02)	\$19,000	\$19,000	\$0	(F)
\$0	\$24,699	\$24,699	(F)	\$0	Purchase Minor Plant for Leachate Project - Red Hill Landfill Facility (24420/06)	\$98,800	\$98,800	\$0	(F)
\$0	\$10,011	\$10,011	(F)	\$37,530	Purchase / Replace Vehicles - Red Hill Landfill Facility (24430/00)	\$40,044	\$40,044	\$0	(F)

CAPITAL EXPENDITURE STATEMENT

SEPTEMBER 2018

Year to Date			On (F) = Favourable variation Order (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance		Forecast	Budget	Variance

Waste Management

\$0	\$999	\$999	(F)	\$0	Purchase / Replace Office Equipment - Red Hill Landfill Facility (24510/08)	\$4,000	\$4,000	\$0	(F)
\$0	\$4,425	\$4,425	(F)	\$0	Purchase Fire Fighting System/Equipment - Hazelmere (24520/07)	\$17,700	\$17,700	\$0	(F)
\$0	\$25,749	\$25,749	(F)	\$0	Purchase / Replace Security System - Red Hill Waste Management Facility (24530/08)	\$103,000	\$103,000	\$0	(F)
\$0	\$12,867	\$12,867	(F)	\$0	Purchase / Replace Security System - Hazelmere (24530/10)	\$51,480	\$51,480	\$0	(F)
\$0	\$23,466	\$23,466	(F)	\$0	Purchase / Replace Other Equipment - Red Hill Landfill Facility (24590/00)	\$93,870	\$93,870	\$0	(F)
\$0	\$624	\$624	(F)	\$0	Purchase / Replace Miscellaneous Equipment - Hazelmere (24590/02)	\$2,500	\$2,500	\$0	(F)
\$0	\$498	\$498	(F)	\$0	Purchase/Replace Other Equipment - Engineering and Waste Management (24590/03)	\$2,000	\$2,000	\$0	(F)
\$0	\$750	\$750	(F)	\$0	Purchase / Replace Office Furniture and Fittings - Red Hill Landfill Facility (24610/08)	\$3,000	\$3,000	\$0	(F)
\$0	\$498	\$498	(F)	\$1,840	Purchase Office Furniture and Fittings-Hazelmere (24610/10)	\$2,000	\$2,000	\$0	(F)
\$0	\$249	\$249	(F)	\$0	Purchase Miscellaneous Furniture and Fittings - Red Hill Education Programme (24690/01)	\$1,000	\$1,000	\$0	(F)
\$0	\$498	\$498	(F)	\$0	Refurbish Environmental Education Centre - Redhill Landfill Facility (25253/00)	\$2,000	\$2,000	\$0	(F)
\$0	\$4,998	\$4,998	(F)	\$0	Refurbish Plant - Red Hill Landfill Facility (25410/00)	\$20,000	\$20,000	\$0	(F)
\$0	\$8,748	\$8,748	(F)	\$0	Refurbish Plant - Hazelmere (25410/01)	\$35,000	\$35,000	\$0	(F)



CAPITAL EXPENDITURE STATEMENT

SEPTEMBER 2018

Year to Date				On (F) = Favourable variation Order (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance	Forecast		Budget	Variance	
\$117,420	\$3,350,205	\$3,232,785 (F)	\$825,210	\$13,401,003	\$13,401,003	\$0 (F)	
\$175,245	\$4,987,911	\$4,812,666 (F)	\$3,472,093	TOTAL CAPITAL EXPENDITURE	\$19,951,903	\$19,951,903	\$0 (F)



STATEMENT OF FINANCIAL POSITION

SEPTEMBER 2018

Actual June 2018	Actual Year to Date	(F) = Favourable variation (U) = Unfavourable variation	Full Year		
			Forecast	Budget	Variance
Current Assets					
\$1,680,201	\$4,038,475	Cash and Cash Equivalents	\$4,081,732	\$4,081,732	\$0 (F)
\$96,740,676	\$96,709,536	Investments	\$87,641,439	\$87,641,439	\$0 (F)
\$2,426,064	\$4,592,321	Trade and Other Receivables	\$2,578,375	\$2,578,375	\$0 (F)
\$29,845	\$27,791	Inventories	\$28,834	\$28,834	\$0 (F)
\$21,377	\$297,861	Other Assets	\$115,197	\$115,197	\$0 (F)
\$100,898,163	\$105,665,984	Total Current Assets	\$94,445,577	\$94,445,577	\$0 (F)
Current Liabilities					
\$3,604,991	\$4,361,528	Trade and Other Payables	\$3,846,227	\$3,846,227	\$0 (F)
\$1,541,191	\$1,541,191	Provisions	\$1,496,643	\$1,496,643	\$0 (F)
\$5,146,182	\$5,902,719	Total Current Liabilities	\$5,342,870	\$5,342,870	\$0 (F)
\$95,751,981	\$99,763,265	Net Current Assets	\$89,102,707	\$89,102,707	\$0 (F)
Non Current Assets					
\$50,570,000	\$50,570,000	Land	\$50,570,000	\$50,570,000	\$0 (F)
\$7,393,454	\$7,356,168	Buildings	\$7,785,986	\$7,785,986	\$0 (F)
\$13,297,576	\$12,570,162	Structures	\$24,919,226	\$24,919,226	\$0 (F)
\$10,030,392	\$9,463,896	Plant	\$16,624,030	\$16,624,030	\$0 (F)
\$550,237	\$388,543	Equipment	\$1,064,458	\$1,064,458	\$0 (F)
\$156,852	\$78,885	Furniture and Fittings	\$193,763	\$193,763	\$0 (F)
\$11,953,602	\$12,076,198	Work in Progress	\$7,402,372	\$7,402,372	\$0 (F)
\$93,952,113	\$92,503,852	Total Non Current Assets	\$108,559,835	\$108,559,835	\$0 (F)
Non Current Liabilities					
\$3,573,905	\$3,632,576	Provisions	\$3,713,856	\$3,713,856	\$0 (F)
\$3,573,905	\$3,632,576	Total Non Current Liabilities	\$3,713,856	\$3,713,856	\$0 (F)
\$186,130,189	\$188,634,541	Net Assets	\$193,948,686	\$193,948,686	\$0 (F)
Equity					
\$57,548,966	\$57,548,966	Accumulated Surplus/Deficit	\$56,856,098	\$56,856,098	\$0 (F)
\$86,979,194	\$86,979,194	Cash Backed Reserves	\$86,678,310	\$86,678,310	\$0 (F)
\$41,602,029	\$41,300,733	Asset Revaluation Reserve	\$43,330,000	\$43,330,000	\$0 (F)
\$0	\$2,805,648	Net change in assets from operations	\$7,084,278	\$7,084,278	\$0 (F)
\$186,130,189	\$188,634,541	Total Equity	\$193,948,686	\$193,948,686	\$0 (F)

CASH AND INVESTMENTS SEPTEMBER 2018

Actual June 2018	Actual Year to Date	(F) = Favourable variation (U) = Unfavourable variation	Full Year		
			Forecast	Budget	Variance
Municipal Cash and Investments					
1,676,751	4,035,025	Cash at Bank - Municipal Fund 01001/00	1,631,205	1,631,205	0 (F)
3,450	3,450	Cash on Hand 01019/00 - 02	3,450	3,450	0 (F)
9,487,484	8,605,785	Investments - Municipal Fund 02021/00	2,447,076	2,447,076	0 (F)
11,167,685	12,644,260	Total Municipal Cash	4,081,731	4,081,731	0 (F)
Restricted Cash and Investments					
3,383,664	3,425,314	Restricted Investments - Plant and Equipment 02022/01	383,106	383,106	0 (F)
2,482,057	2,512,609	Restricted Investments - Post Closure Site Rehabilitation Red Hill 02022/02	2,683,542	2,683,542	0 (F)
16,089,599	16,287,651	Restricted Investments - Future Development 02022/03	20,327,842	20,327,842	0 (F)
975,126	987,129	Restricted Investments - Environmental Monitoring Red Hill 02022/04	1,081,210	1,081,210	0 (F)
11,844	11,990	Restricted Investments - Environmental Insurance Red Hill 02022/05	13,129	13,129	0 (F)
14,737	14,919	Restricted Investments - Risk Management 02022/06	15,166	15,166	0 (F)
589,575	596,832	Restricted Investments - Class IV Cells Red Hill 02022/07	171,292	171,292	0 (F)
328,109	332,148	Restricted Investments - Regional Development 02022/08	400,342	400,342	0 (F)
56,190,599	56,882,267	Restricted Investments - Secondary Waste Processing 02022/09	54,618,921	54,618,921	0 (F)
5,929,276	6,002,261	Restricted Investments - Class III Cells 02022/10	6,737,441	6,737,441	0 (F)
74,410	75,326	Restricted Investments - Building Refurbishment (Ascot Place) 02022/11	76,555	76,555	0 (F)
273,998	53,903	Restricted Investments - Accrued Interest 02022/19	169,765	169,765	0 (F)
0	0	Restricted Investments - Unrealised Loss/Gain on Investments 02022/20	0	0	0 (F)
910,197	921,401	Restricted Investments - Long Service Leave 02022/90	963,129	963,129	0 (F)
87,253,192	88,103,751	Total Restricted Cash	87,641,440	87,641,440	0 (F)
98,420,877	100,748,011	TOTAL CASH AND INVESTMENTS	91,723,171	91,723,171	0 (F)

The Cash at Bank - Municipal Fund represents the balance on the last day of the relevant month. Any portion of the balance available for investment is transferred into the Investment - Municipal Fund account in the following period. Funds held in the Cash at Bank - Municipal Fund continue to accrue interest as per the Westpac commercial rates.

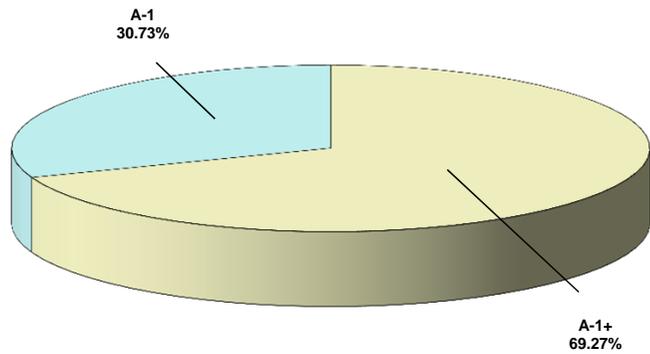
EMRC Investment Report

September 2018

I. Overall Portfolio Limits

S&P Long Term Rating	S&P Short Term Rating	% Portfolio	Investment Maximum %
AAA	A-1+	69.27%	100%
AA	A-1	30.73%	100%

Investment by S&P Rating



II. Single Entity Exposure

	% Portfolio
AMP	10.42%
Bankwest	30.73%
ING	11.98%
NAB	1.56%
Suncorp	8.33%
Westpac / St. George Bank	36.98%
	<u>100.00%</u>

III. Term to Maturity Framework

Investment Policy Guidelines

Maturity Profile	% Portfolio	% Min	% Max
Less Than 1 Year	100.00%	40%	100%
Greater Than 1 Year	0.00%	0%	0%
	<u>100.00%</u>		

NB: This report is consistent with the reporting requirements of the Policy 3.3 - Management of Investments Policy



14.3 FINANCIAL REPORT FOR PERIOD ENDED 31 OCTOBER 2018

REFERENCE: D2018/14858

PURPOSE OF REPORT

The purpose of this report is to provide Council with an overview of the EMRC's financial performance for the period ended 31 October 2018.

KEY ISSUES AND RECOMMENDATION(S)

- Significant year to date budget variances greater than 10% or \$20,000, whichever is the greater, within each nature and type category on the Statement of Financial Activity as at 31 October 2018 have been identified and are reported on in the body of the report.

Recommendation(s)

That Council receives the Statement of Comprehensive Income, Capital Expenditure Statement, Statement of Financial Position, Statement of Cash and Investments and the Investment Report for the period ended 31 October 2018.

SOURCE OF REPORT

Director Corporate Services

BACKGROUND

It is a requirement of the *Local Government (Financial Management) Regulations 1996* (r.34) that a Local Government is to prepare and present to Council financial reports in such a form as the Local Government considers to be appropriate.

The 2018/2019 Budget was presented in a format that separated operating income and expenditure from other revenue and expenses to provide improved disclosure of Council's underlying operating result.

Submitted to each meeting of Council is a financial report and summaries which provide an overview of year to date budget performance for operating activities and capital works. Variances greater than 10% or \$20,000, whichever is the greater, within each nature and type category on the Statement of Comprehensive Income are reported on in the body of the report. Also included are end of year forecasts by nature and type for operating activities and end of year forecasts for each capital works project. These forecasts are reviewed regularly in order to provide an accurate forecast of the end of year result.

REPORT

Outlined below are financial statements for the period ended 31 October 2018. Where possible the year to date monthly budget allocations will be reviewed in order to match the appropriate timing for the various projects budgeted to be undertaken. This will provide a better comparison between the year to date actual and year to date budget figures.



Item 14.3 continued

Statement of Comprehensive Income - Nature and Type (refer Attachment 1)

The year to date operating result from normal activities as at 31 October 2018 is a favourable variance of \$1,039,874 (113.11%) against budget. The following information is provided on key aspects of Council's year to date financial performance:

<u>Operating Income</u>	<i>Actuals for the Year</i>	A favourable variance of \$569,029 (4.90%).
	<i>End of Year Forecast</i>	As per budget - not yet due to be reviewed.

Operating Income variances previously reported to Council:

1. Year to date Reimbursements of \$211,180 is \$47,528 (18.37%) below the budget of \$258,708. This is attributable to a lower level of reimbursements compared to budget relating to the Coppin & Mathieson Transfer Stations.
2. Year to date Other Income of \$466,201 is \$359,355 (43.53%) below the budget of \$825,556. This is mainly attributable to a lower level of sales of ferricrete to 31 October 2018 (\$50,298 compared to a budget of \$240,004), a lower level of woodwaste product sales (\$219,535 compared to a budget of \$336,684), a lower level of Greenwaste products sales (\$42,051 compared to a budget of \$85,636) and royalty income for landfill gas received to date (\$14,390 compared to a budget of \$45,000). However, it is anticipated that the budget for the sale of products will be achieved as at year end.

There were no further significant Operating Income variances as at 31 October 2018.

<u>Operating Expenditure</u>	<i>Actuals for the Year</i>	A favourable variance of \$470,845 (4.40%).
	<i>End of Year Forecast</i>	As per budget - not yet due to be reviewed.

Operating Expenditure variances previously reported to Council:

1. Year to date Contract Expenses of \$779,810 is \$950,428 (54.93%) below the budget of \$1,730,238 due to the timing of various projects from different business units. Major variances from the Waste Services directorate include:
 - Operate and Maintain Leachate Project - Red Hill Landfill Facility - \$153,128;
 - Operate and Maintain Class IV Cell - Leachate Removal - \$133,332;
 - Monitor Environmental Impacts - \$89,329;
 - Crush and Screen Lateritic Caprock- \$88,332;
 - Manage Greenwaste Mulching - \$55,983;
 - Operate and Maintain Plant - Waste Management Facilities - \$37,740;
 - Operate and Maintain Class IV Cells - Maintain Liner - \$33,332;
 - Update Red Hill Development Plan - \$26,832;
 - Operate and Maintain Monitoring Bores - \$19,726;
 - Undertake Greenwaste Waste Stream Audits - \$16,664; and
 - Operate and Maintain Security System Project - Red Hill Landfill Facility - \$13,513.

Other projects where the expenditures are lower than budget for various directorates/business units include: Corporate Services (\$119,758), Environmental Services (\$78,486), Regional Development (\$36,119) and other Waste Services minor projects (\$47,027).



Item 14.3 continued

- Year to date Costs Allocated of \$79,976 is \$338,045 (80.87%) below the budget of \$418,021. This variance relates specifically to internal costs allocated between the Resource Recovery C & I Project and the Red Hill Landfill Facility Class III cell. This variance is predominantly offset against Costs Allocated (Other Expenses).

There were no further significant Operating Expenditure variances as at 31 October 2018.

<u>*Other Revenues and Expenses (Net)</u>	<i>Actuals for the Year</i>	A favourable variance of \$158,250 (8.02%).
	<i>End of Year Forecast</i>	As per budget - not yet due to be reviewed.

Other Revenues and Expenses variances previously reported to Council:

- Year to date User Charges of \$36,299 is \$301,201, (89.24%) below the budget of \$337,500. The variance is due to the lower level of tonnages received through the Hazelmere C & I facility.
- Year to date Other Revenue of \$5,665 is \$72,475 (92.75%) below the budget of \$78,140. The variance relates specifically to the sale of products from the Hazelmere C&I Project due to the lower level of tonnages received through the facility and resulting recoverable material available for sale.
- Year to date Salary Expenses (Other Expenses) of \$117,687 is \$166,589 (58.60%) below the budget of \$284,276. The variance is principally attributable to the low level of activity in the Hazelmere C & I facility due to the lower level of tonnages received.
- Year to date Contract Expenses (Other Expenses) of \$39,431 is \$46,337 (54.03%) below the budget of \$85,768. This variance is due to the timing of the various Resource Recovery projects and the associated consultancy expenditure.
- Year to date Costs Allocated (Other Expenses) of \$77,139 is \$315,913 (80.37%) below the budget of \$393,052. This variance relates specifically to the timing of internal costs allocated between the Resource Recovery C & I Project and the Red Hill Landfill Facility Class III cell. This variance is predominantly offset against Costs Allocated (Operating Expenditure).

There were no further significant Other Revenues and Expenses variances as at 31 October 2018.

<u>Other Comprehensive Income</u>	<i>Actuals for the Year</i>	An unfavourable variance of \$302,794.
	<i>End of Year Forecast</i>	As per budget - not yet due to be reviewed.

As a result of a change to the *Local Government (Financial Management) Regulations 1996 (Reg.17A.5)* which states: "An asset is to be excluded from the assets of a local government if the fair value of the asset as at the date of acquisition by the local government is under \$5,000", the amount of \$302,794 was written back and recognised in the Statement of Comprehensive Income.

This value represents the net of the acquisition cost of the assets less the accumulated depreciation and assets revaluation reserve values applicable to these assets.



Item 14.3 continued

Capital Expenditure Statement (refer Attachment 2)

<u>Capital Expenditure</u>	<i>Actuals for the Year</i>	A favourable variance of \$5,881,625.
	<i>End of Year Forecast</i>	As per budget - not yet due to be reviewed.

Capital Expenditure variances:

A favourable variance of \$5,881,625 existed as at 31 October 2018 when compared to the budget of \$6,650,548. The year to date budget provisions are used as a guide only as expenditure of a capital nature is undertaken as and when required.

Major capital expenditures to 31 October 2018 include:

- Purchase / Replace Plant - Red Hill Landfill Facility - \$445,000;
- Leachate Project - Red Hill Landfill Facility - \$65,116;
- Purchase Resource Recovery Park – WWtE Plant and Equipment - \$60,890; and
- Purchase / Replace Minor Plant and Equipment - Red Hill Landfill Facility - \$52,650.

Statement of Financial Position (refer Attachment 3)

The Statement of Financial Position shows the overall impact of actual balances compared with budget provisions and end of year forecasts for operating and capital works activities.

Total Equity as at 31 October 2018 totals \$189,617,287. This is an increase of \$3,788,394 from the 30 June 2018 equity of \$186,130,189 and represents the net change in assets from operations.

As end of year forecasts are yet to be reviewed, the forecast balances as at 31 October 2018 are as per the budget estimates.

Statement of Cash and Investments (refer Attachment 4)

The level of cash and investments in the Municipal Fund as at 31 October 2018 is \$10,967,708 and Restricted Cash amount to \$88,315,926.

The net movement for the month is a decrease of \$1,464,377.

As end of year forecasts are yet to be reviewed, the forecast balances as at 31 October 2018 are as per the budget estimates.

Investment Report (refer Attachment 5)

Term deposits valued at \$5,000,000 matured during October 2018. Of this amount \$4,000,000 was reinvested into further term deposits.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 3 - Good Governance

- 3.3 To provide responsible and accountable governance and management of the EMRC
- 3.4 To continue to improve financial and asset management practices



Item 14.3 continued

FINANCIAL IMPLICATIONS

As outlined within the report and attachments.

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

1. Statement of Comprehensive Income by Nature and Type (Ref: D2018/15457)
2. Capital Expenditure Statement (Ref: D2018/15458)
3. Statement of Financial Position (Ref: D2018/15459)
4. Statement of Cash and Investments (Ref: D2018/15460)
5. Investment Report (Ref: D2018/15456)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council receives the Statement of Comprehensive Income, Capital Expenditure Statement, Statement of Financial Position, Statement of Cash and Investments and the Investment Report for the period ended 31 October 2018.

COUNCIL RESOLUTION(S)

MOVED CR LAVELL

SECONDED CR DAW

THAT COUNCIL RECEIVES THE STATEMENT OF COMPREHENSIVE INCOME, CAPITAL EXPENDITURE STATEMENT, STATEMENT OF FINANCIAL POSITION, STATEMENT OF CASH AND INVESTMENTS AND THE INVESTMENT REPORT FOR THE PERIOD ENDED 31 OCTOBER 2018.

CARRIED UNANIMOUSLY



STATEMENT OF COMPREHENSIVE INCOME

Nature and Type

Year to Date			OCTOBER 2018			Full Year		
Actual	Budget	Variance		Forecast	Budget	Variance		
Operating Income								
\$10,730,251	\$9,778,004	\$952,247	(F)	User Charges	\$30,773,307	\$30,773,307	\$0	(F)
\$152,145	\$149,926	\$2,219	(F)	Special Charges	\$445,165	\$445,165	\$0	(F)
\$342,407	\$320,735	\$21,672	(F)	Contributions	\$488,557	\$488,557	\$0	(F)
\$152,402	\$156,602	(\$4,200)	(U)	Operating Grants	\$382,426	\$382,426	\$0	(F)
\$137,306	\$133,332	\$3,974	(F)	Interest Municipal Cash Investments	\$400,000	\$400,000	\$0	(F)
\$211,180	\$258,708	(\$47,528)	(U)	Reimbursements	\$776,185	\$776,185	\$0	(F)
\$466,201	\$825,556	(\$359,355)	(U)	Other	\$3,041,744	\$3,041,744	\$0	(F)
\$12,191,892	\$11,622,863	\$569,029	(F)	Total Operating Income	\$36,307,384	\$36,307,384	\$0	(F)
Operating Expenditure								
\$2,440,956	\$2,682,921	\$241,965	(F)	Salary Expenses	\$8,519,311	\$8,519,311	\$0	(F)
\$779,810	\$1,730,238	\$950,428	(F)	Contract Expenses	\$5,482,741	\$5,482,741	\$0	(F)
\$261,875	\$283,481	\$21,606	(F)	Material Expenses	\$1,787,559	\$1,787,559	\$0	(F)
\$112,722	\$100,732	(\$11,990)	(U)	Utility Expenses	\$302,318	\$302,318	\$0	(F)
\$230,736	\$214,584	(\$16,152)	(U)	Fuel Expenses	\$643,908	\$643,908	\$0	(F)
\$79,000	\$79,152	\$152	(F)	Insurance Expenses	\$237,806	\$237,806	\$0	(F)
\$1,330,747	\$1,409,732	\$78,985	(F)	Depreciation Expenses	\$4,634,193	\$4,634,193	\$0	(F)
\$4,995,485	\$4,553,211	(\$442,274)	(U)	Miscellaneous Expenses	\$13,499,714	\$13,499,714	\$0	(F)
\$81,282	\$67,452	(\$13,830)	(U)	Provision Expenses	\$202,373	\$202,373	\$0	(F)
(\$79,976)	(\$418,021)	(\$338,045)	(U)	Costs Allocated	(\$1,192,699)	(\$1,192,699)	\$0	(F)
\$10,232,637	\$10,703,482	\$470,845	(F)	Total Operating Expenditure	\$34,117,224	\$34,117,224	\$0	(F)
\$1,959,255	\$919,381	\$1,039,874	(F)	OPERATING RESULT FROM NORMAL ACTIVITIES	\$2,190,160	\$2,190,160	\$0	(F)
Surplus	Surplus				Surplus	Surplus		

Notes:

1. User Charges - include member Councils and casual users pertaining to waste, risk management and environmental services fees and charges;
2. Special Charges - Waste Education Levy;
3. Contributions - member Councils' contributions to projects and services;
4. Operating Grants - grant income predominantly from government agencies;
5. Other Operating Income - includes income from the sale of products; and
6. Miscellaneous Expenses - includes the landfill levy expense of \$4,749,419 as at 31 October 2018.

(F) denotes Favourable variance and (U) denotes Unfavourable variance



STATEMENT OF COMPREHENSIVE INCOME

Nature and Type

OCTOBER 2018

Year to Date			Full Year		
Actual	Budget	Variance	Forecast	Budget	Variance
Other Revenues					
\$36,299	\$337,500	(\$301,201)	(U)	User Charges	\$1,012,500 \$1,012,500 \$0 (F)
\$1,651,859	\$1,627,766	\$24,093	(F)	Secondary Waste Charge	\$4,833,223 \$4,833,223 \$0 (F)
\$0	\$0	\$0	(F)	Operating Grants	\$0 \$0 \$0 (F)
\$742,733	\$790,508	(\$47,775)	(U)	Interest Restricted Cash Investments	\$2,371,599 \$2,371,599 \$0 (F)
\$0	\$16	(\$16)	(U)	Reimbursements	\$50 \$50 \$0 (F)
\$0	\$0	\$0	(F)	Proceeds from Sale of Assets	\$274,418 \$274,418 \$0 (F)
\$5,665	\$78,140	(\$72,475)	(U)	Other	\$1,010,112 \$1,010,112 \$0 (F)
\$2,436,556	\$2,833,930	(\$397,374)	(U)	Total Other Revenues	\$9,501,902 \$9,501,902 \$0 (F)
Other Expenses					
\$117,687	\$284,276	\$166,589	(F)	Salary Expenses	\$855,131 \$855,131 \$0 (F)
\$39,431	\$85,768	\$46,337	(F)	Contract Expenses	\$1,510,454 \$1,510,454 \$0 (F)
\$2,070	\$8,756	\$6,686	(F)	Material Expenses	\$126,850 \$126,850 \$0 (F)
\$3,628	\$11,132	\$7,504	(F)	Utility Expenses	\$42,800 \$42,800 \$0 (F)
\$0	\$332	\$332	(F)	Fuel Expenses	\$1,000 \$1,000 \$0 (F)
\$10,068	\$10,228	\$160	(F)	Insurance Expenses	\$71,894 \$71,894 \$0 (F)
\$26,141	\$30,056	\$3,915	(F)	Depreciation Expenses	\$432,660 \$432,660 \$0 (F)
\$3,611	\$3,315	(\$296)	(U)	Miscellaneous Expenses	\$193,175 \$193,175 \$0 (F)
\$24,848	\$33,332	\$8,484	(F)	Carrying Amount of Assets Disposed Of	\$204,121 \$204,121 \$0 (F)
\$77,139	\$393,052	\$315,913	(F)	Costs Allocated	\$1,169,699 \$1,169,699 \$0 (F)
\$304,623	\$860,247	\$555,624	(F)	Total Other Expenses	\$4,607,784 \$4,607,784 \$0 (F)
\$2,131,933	\$1,973,683	\$158,250	(F)	OPERATING RESULT FROM OTHER ACTIVITIES	\$4,894,118 \$4,894,118 \$0 (F)
Surplus	Surplus				Surplus Surplus
\$4,091,188	\$2,893,064	\$1,198,124	(F)	NET RESULT	\$7,084,278 \$7,084,278 \$0 (F)
Surplus	Surplus				Surplus Surplus
Realised/Unrealised (Gain)/Loss From Change in Fair Value of Investments					
\$0	\$0	\$0	(F)	Unrealised (Gain)/Loss	\$0 \$0 \$0 (F)
\$0	\$0	\$0	(F)	Realised (Gain)/Loss	\$0 \$0 \$0 (F)
\$0	\$0	\$0	(F)	Total (Gain)/Loss from change in Fair Value of Investments	\$0 \$0 \$0 (F)
Other Comprehensive Income					
\$302,794	\$0	(\$302,794)	(U)	Revaluation of Assets/Accumulated Depreciation Reversal	\$0 \$0 \$0 (F)
\$0	\$0	\$0	(F)	Other Comprehensive Income	\$0 \$0 \$0 (F)
\$302,794	\$0	(\$302,794)	(U)	Total Other Comprehensive Income	\$0 \$0 \$0 (F)
\$3,788,394	\$2,893,064	\$895,330	(F)	CHANGE IN NET ASSETS FROM OPERATIONS	\$7,084,278 \$7,084,278 \$0 (F)
Surplus	Surplus				Surplus Surplus



CAPITAL EXPENDITURE STATEMENT

OCTOBER 2018

Year to Date						Full Year		
Actual	Budget	Variance		On Order	(F) = Favourable variation (U) = Unfavourable variation	Forecast	Budget	Variance
Governance and Corporate Services								
\$29,232	\$69,496	\$40,264	(F)	\$0	Purchase Vehicles - Ascot Place (24440/00)	\$208,493	\$208,493	\$0 (F)
\$0	\$16,000	\$16,000	(F)	\$0	Purchase Furniture Fittings & Equipment - Corporate Services (24510/01)	\$48,000	\$48,000	\$0 (F)
\$15,676	\$94,000	\$78,324	(F)	\$0	Purchase Information Technology & Communication Equipment (24550/00)	\$282,000	\$282,000	\$0 (F)
\$0	\$10,000	\$10,000	(F)	\$0	Purchase Art Works (24620/00)	\$30,000	\$30,000	\$0 (F)
\$0	\$85,664	\$85,664	(F)	\$0	Capital Improvement Administration Building - Ascot Place (25240/01)	\$257,000	\$257,000	\$0 (F)
\$0	\$1,664	\$1,664	(F)	\$0	Upgrade Security Equipment - Ascot Place (25530/01)	\$5,000	\$5,000	\$0 (F)
\$44,908	\$276,824	\$231,916	(F)	\$0		\$830,493	\$830,493	\$0 (F)



CAPITAL EXPENDITURE STATEMENT

OCTOBER 2018

Year to Date					Full Year			
Actual	Budget	Variance	On Order	(F) = Favourable variation (U) = Unfavourable variation	Forecast	Budget	Variance	
Resource Recovery								
\$35,005	\$0	(\$35,005)	(U)	\$0	Construct and Commission Resource Recovery Park - Wood Waste to Energy Building (24259/05)	\$0	\$0	\$0 (F)
\$0	\$3,332	\$3,332	(F)	\$0	Construct and Commission Resource Recovery Park - MRF Building - Hazelmere (24259/09)	\$10,000	\$10,000	\$0 (F)
\$0	\$23,332	\$23,332	(F)	\$0	Construct and Commission Resource Recovery Park - Weighbridge Office (24259/12)	\$70,000	\$70,000	\$0 (F)
\$0	\$75,000	\$75,000	(F)	\$0	Construct and Commission Resource Recovery Park - Weighbridges (x2) (24392/02)	\$225,000	\$225,000	\$0 (F)
\$33,976	\$883,328	\$849,352	(F)	\$2,652,415	Construct and Commission Resource Recovery Park - Site Infrastructure (24399/01)	\$2,650,000	\$2,650,000	\$0 (F)
\$7,314	\$74,996	\$67,682	(F)	\$40,622	Wood Waste to Energy Utilities/Infrastructure - Resource Recovery Park (24399/11)	\$225,000	\$225,000	\$0 (F)
\$60,890	\$679,468	\$618,578	(F)	\$0	Purchase Resource Recovery Park - Wood Waste to Energy Plant & Equipment (24410/03)	\$2,038,407	\$2,038,407	\$0 (F)
\$0	\$166,664	\$166,664	(F)	\$0	Purchase Resource Recovery Park C & I Building - Plant & Equipment (24410/04)	\$500,000	\$500,000	\$0 (F)
\$0	\$664	\$664	(F)	\$0	Purchase Other Equipment - Resource Recovery (24590/07)	\$2,000	\$2,000	\$0 (F)
\$137,185	\$1,906,784	\$1,769,599	(F)	\$2,693,037		\$5,720,407	\$5,720,407	\$0 (F)

Waste Management



CAPITAL EXPENDITURE STATEMENT

OCTOBER 2018

Year to Date						Full Year			
Actual	Budget	Variance		On (F) = Favourable variation Order (U) = Unfavourable variation	Forecast	Budget	Variance		
Waste Management									
\$0	\$10,000	\$10,000	(F)	\$0	Construct Waste Management Facility Buildings - Red Hill Landfill Facility (24250/01)	\$30,000	\$30,000	\$0	(F)
\$0	\$21,000	\$21,000	(F)	\$0	Construct Storage Shed - Hazelmere (24250/05)	\$63,000	\$63,000	\$0	(F)
\$7,909	\$0	(\$7,909)	(U)	\$0	Construct Waste Management Facility Buildings - Other - Hazelmere (24259/02)	\$0	\$0	\$0	(F)
\$0	\$13,332	\$13,332	(F)	\$0	Upgrade Power Supply to Transfer Station - Red Hill Landfill Facility (24259/14)	\$40,000	\$40,000	\$0	(F)
\$0	\$13,332	\$13,332	(F)	\$0	Upgrade Power Supply to Workshop No 2 - Red Hill Landfill Facility (24259/15)	\$40,000	\$40,000	\$0	(F)
\$0	\$250,000	\$250,000	(F)	\$0	Construct Class III Landfill Cell Farm Stage 3 - Red Hill Landfill Facility (24310/13)	\$750,000	\$750,000	\$0	(F)
\$13,628	\$503,740	\$490,112	(F)	\$0	Construct Class III Cell Stage 15B - Red Hill Landfill Facility (24310/18)	\$1,511,222	\$1,511,222	\$0	(F)
\$56	\$176,664	\$176,608	(F)	\$0	Construct Class III Leachate Pond - Red Hill Landfill Facility (24320/01)	\$530,000	\$530,000	\$0	(F)
\$65,116	\$157,064	\$91,948	(F)	\$4,573	Leachate Project - Red Hill Landfill Facility (24320/02)	\$471,192	\$471,192	\$0	(F)
\$0	\$166,664	\$166,664	(F)	\$0	Design and Construct Class IV Cell Stage 2 - Red Hill Landfill Facility (24330/04)	\$500,000	\$500,000	\$0	(F)
\$0	\$66,664	\$66,664	(F)	\$0	Construct Stormwater and Siltation Ponds - Red Hill Landfill Facility (24350/01)	\$200,000	\$200,000	\$0	(F)
\$0	\$40,996	\$40,996	(F)	\$7,150	Construct Roads / Carparks - Red Hill Landfill Facility (24370/00)	\$123,000	\$123,000	\$0	(F)
\$0	\$5,000	\$5,000	(F)	\$0	Construct Access Road to Lots 8 9 10 - Red Hill Landfill Facility (24370/02)	\$15,000	\$15,000	\$0	(F)



CAPITAL EXPENDITURE STATEMENT

OCTOBER 2018

Year to Date				Full Year			
Actual	Budget	Variance	On (F) = Favourable variation Order (U) = Unfavourable variation	Forecast	Budget	Variance	
Waste Management							
\$0	\$66,664	\$66,664 (F)	\$0	Construct Drainage Diversion and Earthworks Infrastructures - Red Hill Landfill Facility (24380/00)	\$200,000	\$200,000	\$0 (F)
\$0	\$50,000	\$50,000 (F)	\$0	Construct Water Storage Dams - Red Hill Landfill Facility (24393/00)	\$150,000	\$150,000	\$0 (F)
\$0	\$1,532	\$1,532 (F)	\$0	Construct Perimeter Fencing - Red Hill Landfill Facility (24394/00)	\$4,600	\$4,600	\$0 (F)
\$0	\$4,332	\$4,332 (F)	\$0	Construct Litter Fence - Red Hill Farm (24394/04)	\$13,000	\$13,000	\$0 (F)
\$0	\$9,824	\$9,824 (F)	\$0	Construct Litter Fence - Redhill Landfill Facility (24394/05)	\$29,474	\$29,474	\$0 (F)
\$2,470	\$17,280	\$14,810 (F)	\$0	Construct Hardstand and Road - Hazelmere (24395/01)	\$51,845	\$51,845	\$0 (F)
\$0	\$13,332	\$13,332 (F)	\$0	Construct Monitoring Bores - Red Hill Landfill Facility (24396/00)	\$40,000	\$40,000	\$0 (F)
\$0	\$166,664	\$166,664 (F)	\$0	Construct Storage Bunkers for Wood Fines (QA process) - Hazelmere (24399/09)	\$500,000	\$500,000	\$0 (F)
\$0	\$16,664	\$16,664 (F)	\$0	Air Supply lines - Waste Management Structures - Red Hill Landfill Facility (24399/10)	\$50,000	\$50,000	\$0 (F)
\$0	\$283,332	\$283,332 (F)	\$0	New Waste Project - Red Hill Landfill Facility (24399/16)	\$850,000	\$850,000	\$0 (F)
\$445,000	\$1,303,332	\$858,332 (F)	\$753,000	Purchase / Replace Plant - Red Hill Landfill Facility (24410/00)	\$3,910,000	\$3,910,000	\$0 (F)
\$0	\$667,092	\$667,092 (F)	\$0	Purchase / Replace Plant - Hazelmere (24410/01)	\$2,001,276	\$2,001,276	\$0 (F)
\$0	\$150,000	\$150,000 (F)	\$0	Purchase Plant for Leachate Project - Red Hill Landfill Facility (24410/08)	\$450,000	\$450,000	\$0 (F)
\$52,650	\$127,332	\$74,682 (F)	\$23,200	Purchase / Replace Minor Plant and Equipment-Red Hill Landfill Facility (24420/00)	\$382,000	\$382,000	\$0 (F)



CAPITAL EXPENDITURE STATEMENT

OCTOBER 2018

Year to Date			On (F) = Favourable variation Order (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance		Forecast	Budget	Variance

Waste Management

\$0	\$6,332	\$6,332	(F)	\$0	Purchase / Replace Minor Plant and Equipment - Hazelmere (24420/02)	\$19,000	\$19,000	\$0	(F)
\$0	\$32,932	\$32,932	(F)	\$0	Purchase Minor Plant for Leachate Project - Red Hill Landfill Facility (24420/06)	\$98,800	\$98,800	\$0	(F)
\$0	\$13,348	\$13,348	(F)	\$37,530	Purchase / Replace Vehicles - Red Hill Landfill Facility (24430/00)	\$40,044	\$40,044	\$0	(F)
\$0	\$1,332	\$1,332	(F)	\$0	Purchase / Replace Office Equipment - Red Hill Landfill Facility (24510/08)	\$4,000	\$4,000	\$0	(F)
\$0	\$5,900	\$5,900	(F)	\$0	Purchase Fire Fighting System/Equipment - Hazelmere (24520/07)	\$17,700	\$17,700	\$0	(F)
\$0	\$34,332	\$34,332	(F)	\$0	Purchase / Replace Security System - Red Hill Waste Management Facility (24530/08)	\$103,000	\$103,000	\$0	(F)
\$0	\$17,156	\$17,156	(F)	\$0	Purchase / Replace Security System - Hazelmere (24530/10)	\$51,480	\$51,480	\$0	(F)
\$0	\$31,288	\$31,288	(F)	\$0	Purchase / Replace Other Equipment - Red Hill Landfill Facility (24590/00)	\$93,870	\$93,870	\$0	(F)
\$0	\$832	\$832	(F)	\$0	Purchase / Replace Miscellaneous Equipment - Hazelmere (24590/02)	\$2,500	\$2,500	\$0	(F)
\$0	\$664	\$664	(F)	\$0	Purchase/Replace Other Equipment - Engineering and Waste Management (24590/03)	\$2,000	\$2,000	\$0	(F)
\$0	\$1,000	\$1,000	(F)	\$0	Purchase / Replace Office Furniture and Fittings - Red Hill Landfill Facility (24610/08)	\$3,000	\$3,000	\$0	(F)
\$0	\$664	\$664	(F)	\$1,840	Purchase Office Furniture and Fittings-Hazelmere (24610/10)	\$2,000	\$2,000	\$0	(F)



CAPITAL EXPENDITURE STATEMENT

OCTOBER 2018

Year to Date					Full Year		
Actual	Budget	Variance	On Order	(F) = Favourable variation (U) = Unfavourable variation	Forecast	Budget	Variance
Waste Management							
\$0	\$332	\$332 (F)	\$0	Purchase Miscellaneous Furniture and Fittings - Red Hill Education Programme (24690/01)	\$1,000	\$1,000	\$0 (F)
\$0	\$664	\$664 (F)	\$0	Refurbish Environmental Education Centre - Redhill Landfill Facility (25253/00)	\$2,000	\$2,000	\$0 (F)
\$0	\$6,664	\$6,664 (F)	\$0	Refurbish Plant - Red Hill Landfill Facility (25410/00)	\$20,000	\$20,000	\$0 (F)
\$0	\$11,664	\$11,664 (F)	\$0	Refurbish Plant - Hazelmere (25410/01)	\$35,000	\$35,000	\$0 (F)
\$586,830	\$4,466,940	\$3,880,110 (F)	\$827,293		\$13,401,003	\$13,401,003	\$0 (F)
\$768,923	\$6,650,548	\$5,881,625 (F)	\$3,520,330	TOTAL CAPITAL EXPENDITURE	\$19,951,903	\$19,951,903	\$0 (F)



STATEMENT OF FINANCIAL POSITION

OCTOBER 2018

Actual June 2018	Actual Year to Date	(F) = Favourable variation (U) = Unfavourable variation	Full Year		
			Forecast	Budget	Variance
Current Assets					
\$1,680,201	\$3,466,930	Cash and Cash Equivalents	\$4,081,732	\$4,081,732	\$0 (F)
\$96,740,676	\$95,816,703	Investments	\$87,641,439	\$87,641,439	\$0 (F)
\$2,426,064	\$5,110,805	Trade and Other Receivables	\$2,578,375	\$2,578,375	\$0 (F)
\$29,845	\$28,887	Inventories	\$28,834	\$28,834	\$0 (F)
\$21,377	\$501,311	Other Assets	\$115,197	\$115,197	\$0 (F)
\$100,898,163	\$104,924,636	Total Current Assets	\$94,445,577	\$94,445,577	\$0 (F)
Current Liabilities					
\$3,604,991	\$2,846,229	Trade and Other Payables	\$3,846,227	\$3,846,227	\$0 (F)
\$1,541,191	\$1,541,191	Provisions	\$1,496,643	\$1,496,643	\$0 (F)
\$5,146,182	\$4,387,420	Total Current Liabilities	\$5,342,870	\$5,342,870	\$0 (F)
\$95,751,981	\$100,537,216	Net Current Assets	\$89,102,707	\$89,102,707	\$0 (F)
Non Current Assets					
\$50,570,000	\$50,570,000	Land	\$50,570,000	\$50,570,000	\$0 (F)
\$7,393,454	\$7,354,761	Buildings	\$7,785,986	\$7,785,986	\$0 (F)
\$13,297,576	\$12,370,835	Structures	\$24,919,226	\$24,919,226	\$0 (F)
\$10,030,392	\$9,794,346	Plant	\$16,624,030	\$16,624,030	\$0 (F)
\$550,237	\$394,902	Equipment	\$1,064,458	\$1,064,458	\$0 (F)
\$156,852	\$78,356	Furniture and Fittings	\$193,763	\$193,763	\$0 (F)
\$11,953,602	\$12,172,058	Work in Progress	\$7,402,372	\$7,402,372	\$0 (F)
\$93,952,113	\$92,735,258	Total Non Current Assets	\$108,559,835	\$108,559,835	\$0 (F)
Non Current Liabilities					
\$3,573,905	\$3,655,187	Provisions	\$3,713,856	\$3,713,856	\$0 (F)
\$3,573,905	\$3,655,187	Total Non Current Liabilities	\$3,713,856	\$3,713,856	\$0 (F)
\$186,130,189	\$189,617,287	Net Assets	\$193,948,686	\$193,948,686	\$0 (F)
Equity					
\$57,548,966	\$57,548,966	Accumulated Surplus/Deficit	\$56,856,098	\$56,856,098	\$0 (F)
\$86,979,194	\$86,979,194	Cash Backed Reserves	\$86,678,310	\$86,678,310	\$0 (F)
\$41,602,029	\$41,300,733	Asset Revaluation Reserve	\$43,330,000	\$43,330,000	\$0 (F)
\$0	\$3,788,394	Net change in assets from operations	\$7,084,278	\$7,084,278	\$0 (F)
\$186,130,189	\$189,617,287	Total Equity	\$193,948,686	\$193,948,686	\$0 (F)

CASH AND INVESTMENTS OCTOBER 2018

Actual June 2018	Actual Year to Date	(F) = Favourable variation (U) = Unfavourable variation	Full Year		
			Forecast	Budget	Variance
Municipal Cash and Investments					
1,676,751	3,463,480	Cash at Bank - Municipal Fund 01001/00	1,631,205	1,631,205	0 (F)
3,450	3,450	Cash on Hand 01019/00 - 02	3,450	3,450	0 (F)
9,487,484	7,500,778	Investments - Municipal Fund 02021/00	2,447,076	2,447,076	0 (F)
11,167,685	10,967,708	Total Municipal Cash	4,081,731	4,081,731	0 (F)
Restricted Cash and Investments					
3,383,664	3,429,412	Restricted Investments - Plant and Equipment 02022/01	383,106	383,106	0 (F)
2,482,057	2,515,615	Restricted Investments - Post Closure Site Rehabilitation Red Hill 02022/02	2,683,542	2,683,542	0 (F)
16,089,599	16,307,134	Restricted Investments - Future Development 02022/03	20,327,842	20,327,842	0 (F)
975,126	988,310	Restricted Investments - Environmental Monitoring Red Hill 02022/04	1,081,210	1,081,210	0 (F)
11,844	12,004	Restricted Investments - Environmental Insurance Red Hill 02022/05	13,129	13,129	0 (F)
14,737	14,937	Restricted Investments - Risk Management 02022/06	15,166	15,166	0 (F)
589,575	597,546	Restricted Investments - Class IV Cells Red Hill 02022/07	171,292	171,292	0 (F)
328,109	332,545	Restricted Investments - Regional Development 02022/08	400,342	400,342	0 (F)
56,190,599	56,950,308	Restricted Investments - Secondary Waste Processing 02022/09	54,618,921	54,618,921	0 (F)
5,929,276	6,009,441	Restricted Investments - Class III Cells 02022/10	6,737,441	6,737,441	0 (F)
74,410	75,416	Restricted Investments - Building Refurbishment (Ascot Place) 02022/11	76,555	76,555	0 (F)
273,998	160,755	Restricted Investments - Accrued Interest 02022/19	169,765	169,765	0 (F)
0	0	Restricted Investments - Unrealised Loss/Gain on Investments 02022/20	0	0	0 (F)
910,197	922,503	Restricted Investments - Long Service Leave 02022/90	963,129	963,129	0 (F)
87,253,192	88,315,926	Total Restricted Cash	87,641,440	87,641,440	0 (F)
98,420,877	99,283,634	TOTAL CASH AND INVESTMENTS	91,723,171	91,723,171	0 (F)

The Cash at Bank - Municipal Fund represents the balance on the last day of the relevant month. Any portion of the balance available for investment is transferred into the Investment - Municipal Fund account in the following period. Funds held in the Cash at Bank - Municipal Fund continue to accrue interest as per the Westpac commercial rates.

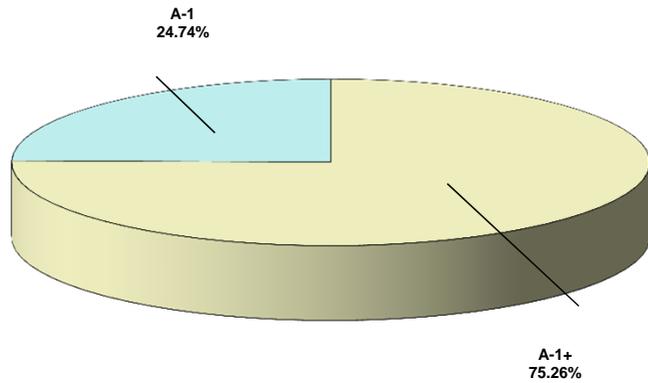
EMRC Investment Report

October 2018

I. Overall Portfolio Limits

S&P Long Term Rating	S&P Short Term Rating	% Portfolio	Investment Maximum %
AAA	A-1+	74.21%	100%
AA	A-1	25.79%	100%

Investment by S&P Rating



II. Single Entity Exposure

	% Portfolio
AMP	5.26%
Bankwest	31.05%
ING	12.11%
NAB	5.79%
Suncorp	8.42%
Westpac / St. George Bank	37.37%
	<u>100.00%</u>

III. Term to Maturity Framework

Investment Policy Guidelines

Maturity Profile	% Portfolio	% Min	% Max
Less Than 1 Year	100.00%	40%	100%
Greater Than 1 Year	0.00%	0%	0%
	<u>100.00%</u>		

NB: This report is consistent with the reporting requirements of the Policy 3.3 - Management of Investments Policy



14.4 EMRC ANNUAL REPORT 2017/2018

REFERENCE: D2018/10001

PURPOSE OF REPORT

The purpose of this report is to present the EMRC's draft Annual Report 2017/2018 to Council for acceptance.

KEY ISSUES AND RECOMMENDATION(S)

- It is a requirement of section 5.53 of the *Local Government Act 1995* (the Act) that an annual report is prepared for each financial year.
- Section 5.54 of the Act requires the annual report to be accepted by Council, with an absolute majority, no later than 31 December after that financial year.
- Section 5.55 of the Act states that, "*The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government*".

Recommendation(s)

That:

1. Council, by absolute majority, in accordance with section 5.54 of the *Local Government Act 1995*, accepts the draft EMRC Annual Report 2017/2018 and the statements therein forming the attachment to this report.
2. Local public notice be given, in accordance with section 5.55 of the *Local Government Act 1995*, of the availability of EMRC's Annual Report 2017/2018.

SOURCE OF REPORT

Director Corporate Services

BACKGROUND

It is a requirement of section 5.53 of the Act that an annual report is prepared for each financial year.

Under the Act, the annual report is to contain:

- (a) A report from the Mayor or President (or Chairman of a regional local government);
- (b) A report from the Chief Executive Officer;
- (c) An overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or continue in the next financial year;
- (d) The financial report for the financial year;
- (e) Such information as may be prescribed in relation to the payments made to employees;
- (f) The auditor's report for the financial year;
- (g) A matter on which a report must be made under section 29(2) of the *Disability Services Act 1993*;
- (h) Details of entries made under section 5.121 of the Act during the financial year in the register of complaints, including:
 - (i) The number of complaints recorded in the register of complaints;
 - (ii) How the recorded complaints were dealt with; and
 - (iii) Any other details that the regulations may require.
- (i) Such other information as may be prescribed.



Item 14.4 continued

Section 5.54 of the Act requires the annual report to be accepted by the council no later than 31 December after that financial year by absolute majority.

Section 5.55 of the Act states that, “*The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government*”.

REPORT

The EMRC’s Annual Report 2017/2018 is presented in accordance with the provisions of the Act and addresses all the required contents.

In prior years, the Annual Report included a 10-page audited Concise Financial Report.

On 7 April 2016 Circular No 3-2016 was received titled “*Auditing of Local Government by the Auditor General - Renewal of Audit Contracts*”, which outlined the intension to amend the *Local Government Act 1995* to allow for the Auditor General and the Office of the Auditor General to take responsibility for the local government financial audits from 1 July 2017. The *Local Government Amendment (Auditing) Act 2017* (No 5 of 2017) - an Act to amend the *Local Government Act 1995* to provide for the auditing of local governments by the OAG and for related purposes was assented to on 1 September 2017.

As a result of the OAG taking responsibility for the financial audits, the Annual Report now includes the full audited Financial Report instead of the Concise Financial Report and is consistent with the approach taken by the OAG with State Government departments and agencies.

Similar to previous years, it is proposed that the annual report be distributed in predominantly e-book format, with both hard copy and e-book formats distributed to key stakeholders. A database of the key stakeholders has been compiled to allow a mail-out to be conducted following approval and production of the annual report. The annual report e-book will also be available on EMRC’s corporate website (www.emrc.org.au).

Availability of the annual report will be advertised through a local government notice in *The West Australian* newspaper and public notices sent to all member Council libraries for public display.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 3 – Good Governance

- 3.3 To provide responsible and accountable governance and management of the EMRC
- 3.4 To continue to improve financial and asset management practices

FINANCIAL IMPLICATIONS

The cost for the design and production of the annual report has been included in the adopted 2018/2019 EMRC budget.

SUSTAINABILITY IMPLICATIONS

Nil



Item 14.4 continued

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Draft EMRC Annual Report 2017/2018 (Ref: D2018/15984) (*provided under separate cover*)

VOTING REQUIREMENT

Absolute Majority

RECOMMENDATION(S)

That:

1. Council, by absolute majority, in accordance with section 5.54 of the *Local Government Act 1995*, accepts the draft EMRC Annual Report 2017/2018 and the statements therein forming the attachment to this report.
2. Local public notice be given, in accordance with section 5.55 of the *Local Government Act 1995*, of the availability of EMRC's Annual Report 2017/2018.

COUNCIL RESOLUTION(S)

MOVED CR LAVELL

SECONDED CR DAW

THAT:

1. COUNCIL, BY ABSOLUTE MAJORITY, IN ACCORDANCE WITH SECTION 5.54 OF THE *LOCAL GOVERNMENT ACT 1995*, ACCEPTS THE DRAFT EMRC ANNUAL REPORT 2017/2018 AND THE STATEMENTS THEREIN FORMING THE ATTACHMENT TO THIS REPORT.
2. LOCAL PUBLIC NOTICE BE GIVEN, IN ACCORDANCE WITH SECTION 5.55 OF THE *LOCAL GOVERNMENT ACT 1995*, OF THE AVAILABILITY OF EMRC'S ANNUAL REPORT 2017/2018.

CARRIED UNANIMOUSLY



ANNUAL REPORT 2017/2018



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KEY RESULT AREA 2

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The background of the page is a photograph of a modern, light-colored building with a large 'EMRC' logo on its facade. The logo consists of a stylized circular emblem to the left of the letters 'EMRC'. The building has a clean, architectural design with horizontal lines and large windows. The sky is a clear, bright blue.

ABOUT THE EMRC

The Eastern Metropolitan Regional Council (EMRC) is a progressive and innovative regional local government working on behalf of its six member Councils located in Perth's Eastern Region: Town of Bassendean, City of Bayswater, City of Belmont, City of Kalamunda, Shire of Mundaring and City of Swan.

The EMRC is an incorporated body established under the *Western Australian Local Government Act 1995*. The EMRC's operations are governed by its Council under an Establishment Agreement. In brief, the Establishment Agreement states that the EMRC will:

- Work collaboratively with member Councils to facilitate local government to enhance its service delivery to the community;
- Be efficient and effective in delivering quality services and facilities;
- Maintain a framework which allows the members to promote and market the role of local government;
- Implement a strategic plan that is regularly reviewed; and
- Avoid providing any service or facility that adversely impacts on the services or facilities of any member Council.

In line with this brief, the EMRC provides a broad range of services across the region including waste management and education, resource recovery, environmental management and regional development. Working in partnership with our member Councils and other stakeholders, the EMRC delivers local and regional scale projects across each of these areas for the benefit of the region.

The EMRC's Council establishes the EMRC's strategic direction. Management implements this direction and ensures the organisation's values are sustained, providing an environment that encourages all staff to reach their potential in achieving organisational outcomes.



OUR VISION

To be a responsive and innovative leader in assisting Perth's Eastern Region to be a great place to live, work, play and do business.



OUR MISSION

The EMRC, by partnering with member Councils and other stakeholders, facilitates strategies and actions for the benefit of Perth's Eastern Region.



OUR VALUES

The values that govern the EMRC are:

EXCELLENCE – Striving for excellence through the development of quality and continuous improvement.

RECOGNITION – Valuing staff in a supporting environment that focuses on their wellbeing.

INNOVATION – Focus on innovative approaches in project and service delivery.

RESPONSIVENESS – Dynamic and flexible service delivery.

INTEGRITY – Accountability and consistency in all that we do.



About Perth's Eastern Region

Perth's Eastern Region is an area of Perth defined by the boundaries of six local governments: Town of Bassendean, City of Bayswater, City of Belmont, City of Kalamunda, Shire of Mundaring and City of Swan. The region constitutes around one-third of Perth's metropolitan area encompassing a land area of about 2,100 square kilometres and a population of 364,500 people.

Perth's Eastern Region hosts Western Australia's major air, road and rail transport hub for movement of freight and passengers throughout Perth, intrastate, interstate and overseas. The region is considered the gateway to greater Perth, made possible by people entering the region from the domestic and international airports or from the highways to the north and east.

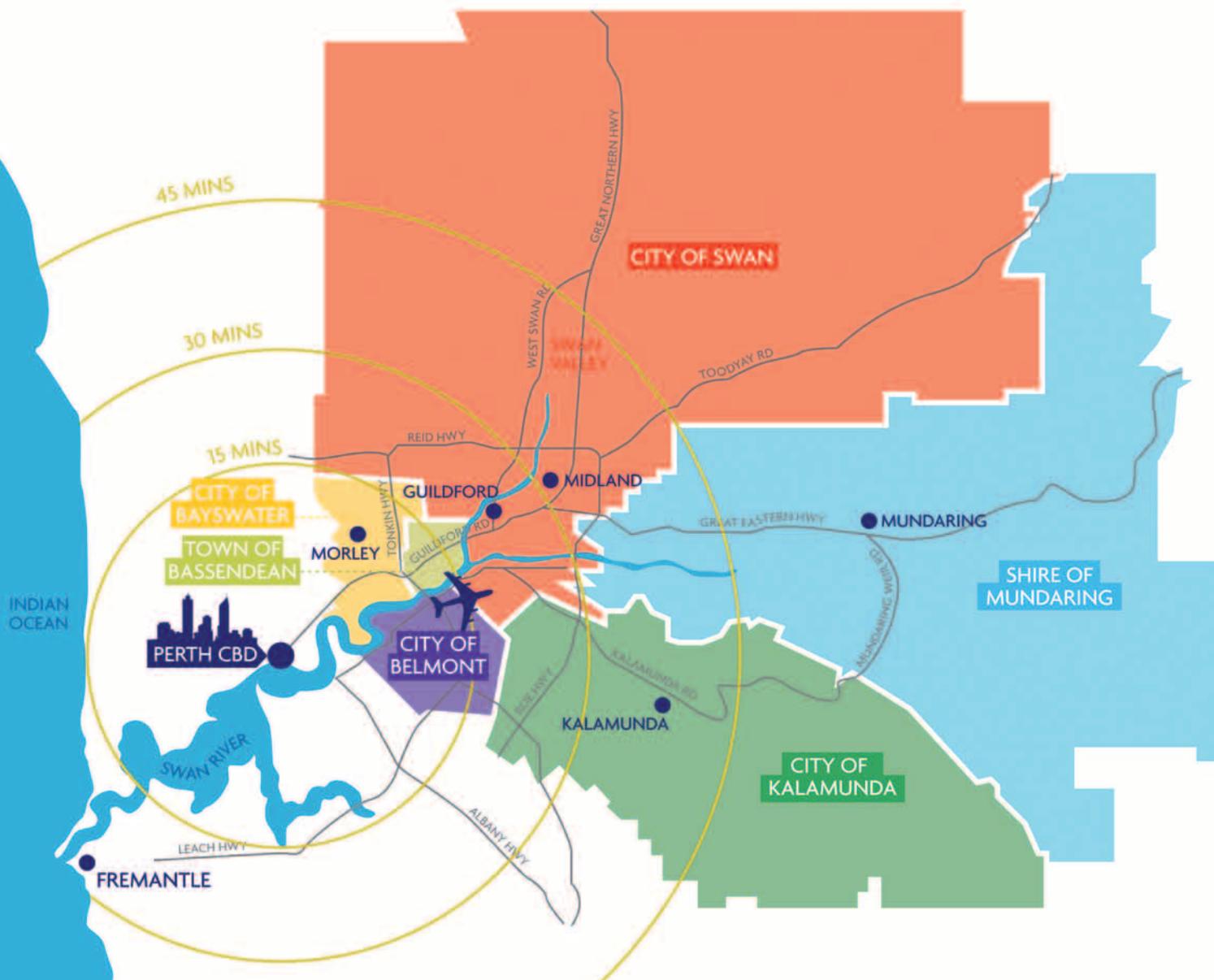
Perth's Eastern Region has undergone rapid expansion and growth with major capital investments including intermodal freight terminal development, major airport and road redevelopment and education and health services investment. Increasingly, the region is becoming home to large national and international companies seeking office and commercial accommodation within close proximity of the CBD, key stakeholders and major transport routes. The major industrial areas of Malaga, Kewdale, Hazelmere, Forrestfield, Bayswater, Ashfield and Bassendean play key roles in transport, storage, manufacturing and logistics servicing the state's construction and resource sectors.

In addition to the specialist and industrial centres outlined above, several key activity centres in the region are identified for growth in the State Government's key planning framework Directions 2031 and Beyond. Morley and Midland are both identified as Strategic Metropolitan Centres providing a mix of retail, office, community, entertainment,

residential and employment activities. Morley represents the only Strategic Metropolitan Centre not connected by a rail network. Secondary centres identified are Belmont and Ellenbrook. These centres perform a key role in delivering a range of services to nearby communities and play a vital role in the allocation of future infill population. Forrestfield, Kalamunda, Mundaring, Ashfield, Bassendean and Maylands have been identified as district centres that provide key local services, facilities and employment opportunities. The Perth Airport redevelopment, Midland Health and University Campus and NorthLink WA in particular will provide new infrastructure to support future growth. Proposed developments such as METRONET and the Perth-Adelaide National Highway will further support this development. The region's boundaries border the Perth CBD and rural areas. Spanning inner urban areas to outer metropolitan and urban fringe developments, this is a growing vibrant region.

Perth's Eastern Region represents an attractive destination for visitors and provides a high quality of life for residents. The region is home to a number of core assets including national parks; walking and cycling trails; numerous picturesque parks and reserves on the banks of the Swan River; an extensive range of heritage, culture and arts attractions including Guildford, which is one of the oldest settled areas in WA; the popular Swan Valley and boutique wineries in the Perth Hills. A range of community events and recreation facilities provide for community activity. Both the Swan Valley and Perth Hills have been identified as key attractors for the Greater Perth Metropolitan Area.

With a diverse economy, access to a skilled workforce and a range of leisure, lifestyle and living opportunities, Perth's Eastern Region is well positioned for continued growth and represents an attractive investment destination.



Credit Kimberley Page - Pygmy Possum



Perth's Eastern Region constitutes around one-third of Perth's metropolitan area encompassing a land area of about

2,100 km²

and an estimated population of

364,500



CHAIRMAN'S REPORT



It gives me great pleasure to present my first Annual Report as Chairman of the EMRC.

This report provides us with the opportunity to acknowledge the contribution and support provided by our key stakeholders as we all work together for a successful future for Perth's Eastern Region.

The Region covers around one third of the metropolitan area. We're one of Western Australia's most vibrant and fastest growing regions and home to around 365,500 people from a diverse range of cultures and backgrounds.

We have some of Perth's most significant natural assets, the Swan and Helena Rivers, the Perth Hills and the Swan and Bickley Valleys. We have natural areas that offer unique experiences and core attractions including national parks, reserves, trails and lakes.

Our outstanding heritage, cultural, tourism and arts attractions are matched by our thriving commercial and industrial base, placing Perth's Eastern Region in a strongly competitive position as the destination of choice within the wider metropolitan area.

We are at the heart of Western Australia's transport links, with Perth's international and domestic airports, as well as major road and rail infrastructure connecting us to the outer regions of Western Australia, the eastern states and the world. The Perth's Eastern Region Economic Report Card 2018 compiled by the EMRC and demographic specialists REMPLAN displays impressively strong economic performances between 2011 and 2016, with the region's Gross Regional Product and employment increasing by 19% and 21% respectively.

We are a region that aligns with the Australian Government's Smart Cities Plan for supporting productive, accessible, liveable cities that attract talent, encourage innovation and create jobs and growth. The region is also home to diverse agriculture, industry, tourism and world-class wine districts, with small and large scale businesses co-existing and supporting each other.

Perth's Eastern Region is regarded as an economic, social and environmental powerhouse and together we have with the strength, drive and commitment to get things done for the benefit of our businesses and our local communities. I can proudly report that the EMRC continues to expand upon its commitment to new resource recovery and landfill diversion solutions with the signing of the Waste Supply Agreement with Hitachi Zosen Inova (HZI) for the East Rockingham Resource Recovery Facility. This followed the signing of a Participants Agreement with four of our member Councils.

This exciting development will feature world's best practice technology for producing commercially-viable energy from waste that would otherwise go to landfill.

While reducing, re-using and recycling has always been, and will continue to be, the key strategy of waste management at the EMRC, there will always be some level of residual waste remaining in the short to medium term future while we strive towards the behavioural change needed to achieve a 'zero waste' society.

So while residual waste still exists, putting it to use as a renewable energy source as an alternative to fossil fuels for our energy-hungry society makes good economic as well as environmental sense.

The future sustainability of Perth's Eastern Region depends on its strength and ability to pool resources to compete for, and attract, government funding and private sector involvement in infrastructure investment.

So together we are building a stronger future - by striving to achieve a shared vision for our communities, by protecting our natural assets and by encouraging robust investment and development goals.

An excellent example of these processes is the December 2017 launch of our City Deal Proposal "Connect Perth's East". This is advocacy in action beyond the member Councils of the EMRC as it includes the City of Canning, Town of Victoria Park and Perth Airport Pty Ltd.

Under the themes of Productivity and Liveability, the EMRC's Proposal is based on the fact that Perth's Extended Eastern Region provides the Gateway to WA, through which freight and tourist traffic flows to reach its intended destinations. The region is a key geographic location driving economic growth and job creation in WA.

This extended region is capable of ongoing growth and expansion to meet demand and to achieve greater productivity, healthier economic growth and stronger job creation across the supply chain.

The City Deal vision is that by 2032, Perth's Extended Eastern Region will be the most connected, productive and liveable region in Western Australia. This is an ambitious target but one within sight as the region's diversity, dynamism and dedication to success continue to grow.

Also looking to the future, the EMRC 10 Year Strategic Plan 2017 - 2027 came into effect on 1 July 2017. The product of extensive collaboration and consultation between EMRC councillors, member Council staff, EMRC staff and other stakeholders, the Plan will inform the decisions to be taken over the next decade to benefit all our communities. The Plan's implementation will focus on continuing to make Perth's Eastern Region resilient, connected, innovative, liveable, culturally rich and, last but not least, sustainable.

Built around our three Key Result Areas of Environmental Sustainability, Economic Development and Good Governance, the Plan provides each with an overarching aim, a number of strategies to achieve those aims, and the tools to build on and assess the progress of each initiative.

Without the key support and commitment of our stakeholders to the pursuit of the greater good for our communities, we could not accomplish even a fraction of all that we do.

In particular I would like to recognise the work of the Councillors and CEOs of our six member Councils; our Chief Executive Officer, Mr Peter Schneider, and his Executive Management Team. In this election year I also pay tribute to Cr David Färdig, my predecessor as EMRC chairman, and the EMRC's outgoing councillors for their varied and valuable contributions.

I would like to extend the high regard I have for the EMRC staff and to those at our member Councils for their vision and commitment to building partnerships and bringing regional projects like the Resource Recovery Facility and many others to fruition.

The EMRC continues to energetically dedicate itself to ensuring that Perth's Eastern Region is a great place to live, work, play and do business, and I extend my personal thanks and gratitude to you all.



Cr David McDonnell
EMRC Chairman

CHIEF EXECUTIVE OFFICER'S REPORT



Since its foundation over 30 years ago, the EMRC has taken a prominent position on delivering consistent leading-edge waste management services. We continue to lead the way in effective recycling programs, landfill site operations, alongside waste education, awareness programs and provision of waste management infrastructure. After another successful year, now is the time to celebrate our achievements and anticipate new and exciting opportunities that the future will bring.

One of the undoubted highlights of the year was signing of the Waste Supply Agreement with the Hitachi Zosen Inova (HZI) consortium for the planned East Rockingham Resource Recovery Facility.

A world leader in the technology and delivery of turnkey energy from waste projects, HZI's members include New Energy Corporation, which has been developing the East Rockingham site since 2013, and Tribe Infrastructure Group, a global advisory and investment house specialising in the development and financing of large scale infrastructure transactions.

The East Rockingham Resource Recovery Facility will have the capacity to convert 330,000 tonnes of waste per year into clean renewable energy, producing 28 megawatts (MW) of baseload energy, enough to power 36,000 homes. The project represents \$1 billion in economic value to the Western Australian economy, including a \$400 million capital investment and the creation of an estimated 300 jobs during construction and 50 full time jobs once commissioned.

The new facility represents a major technological step forward in producing energy from waste that would otherwise go to landfill. From 2021, 95,000 tonnes of residual waste will be diverted annually from the Red Hill Waste Management Facility landfill site. In doing so the project will support the Western Australia Government's targets for landfill diversion, set in the State's Waste Strategy. The project is part of the EMRC's integrated waste management plans which also include further development of the Resource Recovery Park at Hazelmere.

Participating Councils will supply their waste to the facility on a groundbreaking 'waste arising' basis, requiring them to pay only for capacity used, incurring no penalty for the EMRC and its member Councils who successfully implement landfill waste reduction schemes.

The State Government recently released its Waste Avoidance and Resource Recovery Strategy Consultation Paper, *Creating the Right Environment*, to which the EMRC submitted its formal response on 28 February 2018.

With waste management as its core business focus, the EMRC acknowledges two key facts from the Consultation Paper:

1. That landfill levies will continue to rise in the future and be one of the economic catalysts that drives resource recovery in WA; and
2. Diversion from landfill should be a main long-term priority with any waste management strategy.

The EMRC believes the Consultation Paper is a timely opportunity to review the Western Australian Waste Strategy in terms of the current situation of the industry and the future direction of waste management in Western Australia.

Also looking to the future, Perth's Extended Eastern Region is proposed to become the focus of extensive planned investment contained in a City Deal Proposal, launched during the year. City Deals take a partnership approach identifying investment already committed, and encouraging other key infrastructure projects which will produce clear outcomes, attract private-public partnership investments, accountable governance and ongoing performance measurement. The EMRC is coordinating the proposal on behalf of our six member Councils, plus the City of Canning, the Town of Victoria Park and Perth Airport Pty Ltd. Federal government funding of just over \$1 billion has already been committed to six major infrastructure projects which are likely to attract matching State government funding, for an estimated total cost of \$2 billion. The next steps include building an enduring partnership with state and federal governments alongside private enterprise to support the proposal.

Another striking example of the benefits of working together is the award-winning "Share The Space" campaign. Developed in consultation with the EMRC's six member Councils, three other metropolitan councils, safety interest groups and transport authorities, the campaign won the Local Government Initiatives Award category at the Australian Road Safety Foundation Awards. It is satisfying to see various stakeholders devise innovative solutions to save lives and reduce the emotional and financial costs associated with road trauma.

All the above proves the ongoing value of a partnership-based, regional approach to local government. It is only by working together that we are able to improve Perth's Eastern Region's enviable reputation as a great place to live, work, play and do business. With the support of our member Councils we continue to build on our record as a leader in providing sustainable waste management solutions and expertise in regional economic development.

The EMRC Council continues to provide the strategic direction of the organisation towards achievement of its goals and I am deeply indebted to the Council's membership for their collaborative leadership and diligence as we work together to secure a sustainable future for Perth's Eastern Region.

My sincere thanks go to member Council CEOs and their staff for their continued commitment and energy. We have proven time and time again that our collective approach is able to achieve so much more than operating in isolation.

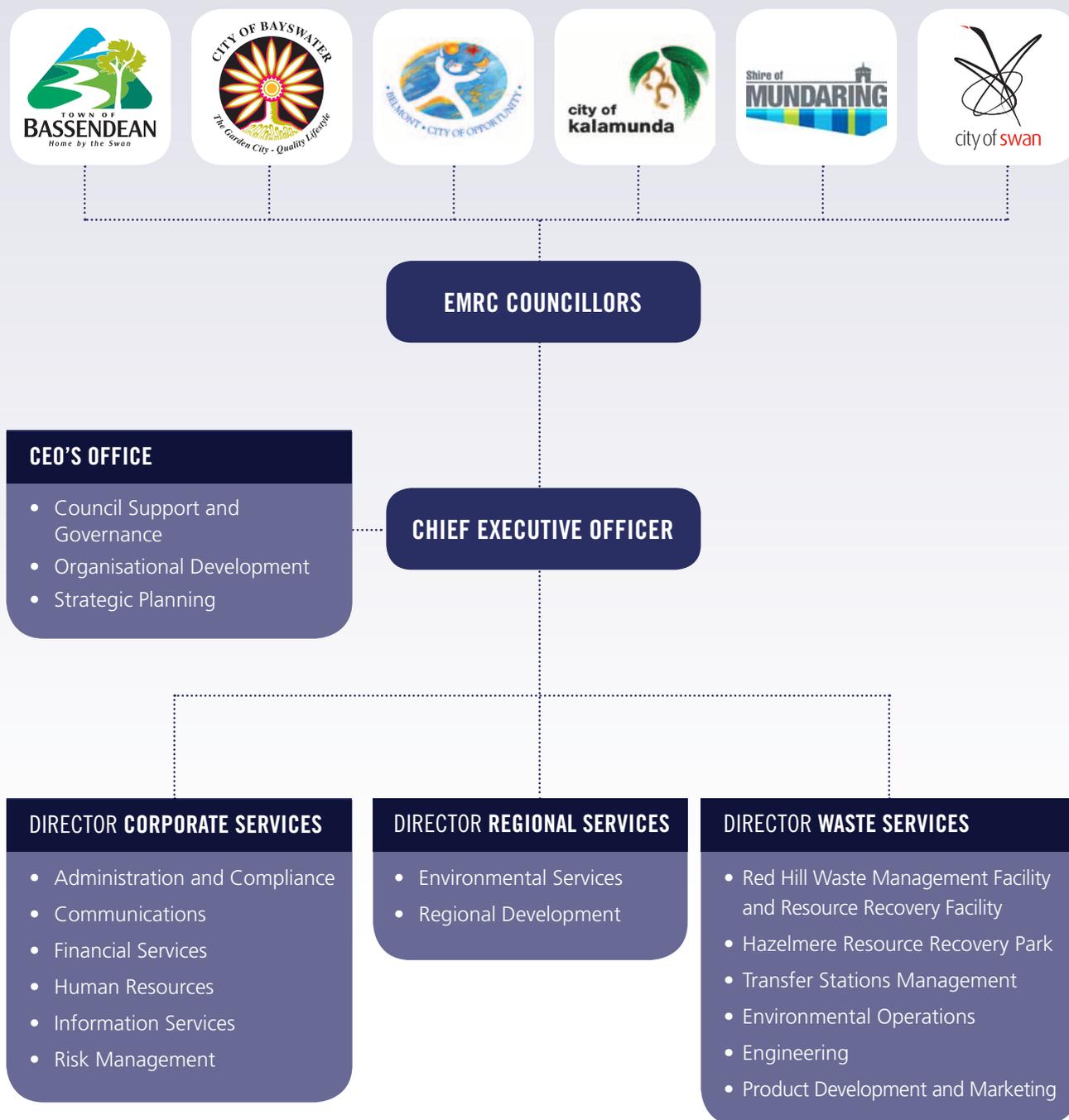
I am, as ever, deeply appreciative of the valuable and ongoing support provided by the EMRC's Executive Management Team of Hua Jer Liew, Director Corporate Services; Stephen Fitzpatrick, Director Waste Services and Wendy Harris, Director Regional Services. I also recognise the outstanding contribution made by the EMRC's dedicated staff, who as always deserve the utmost praise for their outstanding efforts over the past 12 months.

It would be remiss of me not to acknowledge the outstanding contribution of Mr Rod Medbury, who retired after 25 years at the EMRC in February 2018, in protecting the EMRC and its member Councils from a safety and risk perspective.



Peter B. Schneider
Chief Executive Officer

ORGANISATIONAL STRUCTURE



ELECTED REPRESENTATIVES



The EMRC's Establishment Agreement specifies that two councillors from each member Council be appointed to the EMRC's Council, while a third councillor is appointed to deputise in their absence. The appointed Council members as at 30 June 2018 were:

COUNCILLORS

- Cr David McDonnell – City of Swan
– EMRC Chairman
- Cr Dylan O'Connor – City of Kalamunda
– EMRC Deputy Chairman
- Cr Melissa Mykytiuk – Town of Bassendean
- Cr Jai Wilson – Town of Bassendean
- Cr Barry McKenna – City of Bayswater
- Cr Sally Palmer – City of Bayswater
- Cr Janet Powell – City of Belmont
- Cr Steve Wolff – City of Belmont
- Cr Geoff Stallard – City of Kalamunda
- Cr John Daw – Shire of Mundaring
- Cr David Lavell – Shire of Mundaring
- Cr Adam Kovalevs – City of Swan

DEPUTY COUNCILLORS

- Cr Kathryn Hamilton – Town of Bassendean
- Cr Filomena Piffaretti – City of Bayswater
- Cr Phil Marks – City of Belmont
- Cr Cameron Blair – City of Kalamunda
- Cr Doug Jeans – Shire of Mundaring
- Cr Ian Johnson – City of Swan

COUNCILLOR ATTENDANCE

COUNCILLORS	MEMBER COUNCIL	ORDINARY COUNCIL * (9)				AUDIT COMMITTEE (3)				CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE (1)				RESOURCE RECOVERY COMMITTEE (1)				INVESTMENT COMMITTEE (0)				
		✓	A	D	L	✓	A	D	L	✓	A	D	L	✓	A	D	L	✓	A	D	L	
Cr Michael Lewis	Town of Bassendean	2	1							1												
Cr Paul Bridges	Town of Bassendean	3				1																
Cr Melissa Mykytiuk	Town of Bassendean	5	1			2								1								
Cr Jai Wilson	Town of Bassendean	6																				
Cr Terry Kenyon	City of Bayswater		3									1										
Cr Michelle Sutherland	City of Bayswater	2	1				1															
Cr Barry McKenna	City of Bayswater	6												1								
Cr Sally Palmer	City of Bayswater	6				2																
Cr Janet Powell	City of Belmont	6	2	1		2				1												
Cr Steve Wolff	City of Belmont	9				1								1								
Cr Dylan O'Connor	City of Kalamunda	7	1							1				1								
Cr Geoff Stallard	City of Kalamunda	8	1			3																
Cr John Daw	Shire of Mundaring	8	1			1				1												
Cr Bob Perks	Shire of Mundaring	2	1			1																
Cr David Lavell	Shire of Mundaring	6				1			1					1								
Cr David Färdig	City of Swan	2	1				1			1												
Cr David McDonnell	City of Swan	8	1			1	1															
Cr Adam Kovalevs	City of Swan	6				1								1								
DEPUTY COUNCILLORS																						
Cr Gerry Pule	Town of Bassendean	1																				
Cr Kathryn Hamilton	Town of Bassendean	1																				
Cr Catherine Ehrhardt	City of Bayswater	2	1																			
Cr Filomena Piffaretti	City of Bayswater	1																				
Cr Phil Marks	City of Belmont	1																				
Cr Cameron Blair	City of Kalamunda	2																				
Cr Andrew Waddell	City of Kalamunda	1																				
Cr Lynn Fisher	Shire of Mundaring		1																			
Cr Doug Jeans	Shire of Mundaring	2																				
Cr John McNamara	City of Swan	1																				
Cr Ian Johnson	City of Swan	1																				

✓ = Attended meeting A = Apology D = Did Not Attend L = Leave of Absence

Note: The total number of meetings held during 2017/2018 are shown in brackets next to the meeting title.

*This includes Special Meetings of Council which were held on 7 September 2017 and 3 November 2017.

Notes

1. Cr Melissa Mykytiuk, Cr Jai Wilson, Cr Barry McKenna, Cr Sally Palmer, Cr David Lavell and Cr Adam Kovalevs were appointed as members to EMRC Council on 9 November 2017.
2. Cr Kathryn Hamilton, Cr Filomena Piffaretti, Cr Cameron Blair, Cr Doug Jeans and Cr Ian Johnson were appointed as deputy members to EMRC Council on 9 November 2017.
3. Cr David Färdig, Cr Bob Perks, Cr Paul Bridges, Cr Michael Lewis, Cr Terry Kenyon and Cr Michelle Sutherland were replaced as members on EMRC Council on 9 November 2017.
4. Cr Gerry Pule, Cr Catherine Ehrhardt, Cr Andrew Waddell, Cr Lynn Fisher and Cr John McNamara were replaced as deputies on EMRC Council on 9 November 2017.
5. Cr Melissa Mykytiuk was appointed as a member on the Audit Committee to replace Cr Paul Bridges on 9 November 2017.
6. Cr Sally Palmer was appointed as a member on the Audit Committee to replace Cr Michelle Sutherland on 9 November 2017.
7. Cr Steve Wolff moved position from member to deputy on the Audit Committee on 9 November 2017.
8. Cr Powell moved position from deputy to member on the Audit Committee on 9 November 2017.
9. Cr Lavell was appointed as a member on the Audit Committee to replace Cr Bob Perks on 9 November 2017.
10. Cr McDonnell moved position from deputy to member on the Audit Committee on 9 November 2017 to replace Cr David Färdig.
11. Cr Jai Wilson was appointed as a deputy member on the Audit Committee to replace Cr Michael Lewis on 9 November 2017.
12. Cr Barry McKenna was appointed as a deputy member on the Audit Committee to replace Cr Terry Kenyon on 9 November 2017.
13. Cr Adam Kovalevs was appointed as a deputy member on the Audit Committee on 9 November 2017.
14. Cr Jai Wilson was appointed as a member of the Chief Executive Officer Performance Review Committee to replace Cr Michael Lewis on 9 November 2017.
15. Cr Sally Palmer was appointed as a member of the Chief Executive Officer Performance Review Committee to replace Cr Terry Kenyon on 9 November 2017.
16. Cr David McDonnell was appointed as a member of the Chief Executive Officer Performance Review Committee to replace Cr David Färdig on 9 November 2017.
17. Cr Melissa Mykytiuk was appointed as a member of the Resource Recovery Committee to replace Cr Michael Lewis on 9 November 2017.
18. Cr Barry McKenna was appointed as a member of the Resource Recovery Committee to replace Cr Michelle Sutherland on 9 November 2017.
19. Cr Steve Wolff moved position from deputy to member on the Resource Recovery Committee on 9 November 2017.
20. Cr Daw moved position from member to deputy on the Resource Recovery Committee on 9 November 2017.
21. Cr Lavell was appointed as a member of the Resource Recovery Committee on 9 November 2017.
22. Cr David McDonnell moved position from member to deputy on the Resource Recovery Committee to replace Cr Färdig on 9 November 2017.
23. Cr Adam Kovalevs was appointed as a member of the Resource Recovery Committee on 9 November 2017.
24. Cr Jai Wilson was appointed as a member of the Resource Recovery Committee to replace Cr Paul Bridges on 9 November 2017.
25. Cr Sally Palmer was appointed as a member of the Resource Recovery Committee to replace Cr Terry Kenyon on 9 November 2017.
26. Cr Powell moved position from member to deputy on the Resource Recovery Committee on 9 November 2017.
27. Cr Jai Wilson was appointed as a member of the Investment Committee on 9 November 2017.
28. Cr Barry McKenna was appointed as a member of the Investment Committee to replace Cr Terry Kenyon on 9 November 2017.
29. Cr David Lavell was appointed as a member of the Investment Committee to replace Cr Bob Perks on 9 November 2017.
30. Cr Adam Kovalevs was appointed as a member of the Investment Committee to replace Cr David McDonnell on 9 November 2017.



Executive Management Team

EMRC SERVICES

The EMRC provides services in waste management, resource recovery, environmental management and regional development. Working with our member Councils, industry, government agencies and other stakeholders, the EMRC is a model of successful collaboration that delivers tangible benefits to the region.

CEO's Office

The CEO's Office undertakes Council support and governance, organisational development and strategic planning for the organisation.

Corporate Services Directorate

The EMRC's Corporate Services Directorate provides administrative support, human resources, information services, financial management, communications, risk management, records management and procurement support to the organisation. It is also tasked with ensuring that EMRC operations are in compliance with the relevant statutory obligations.

Regional Services Directorate

The EMRC's Regional Services Directorate consists of Environmental Services and Regional Development.

The Environmental Services team provides a range of services and projects that focus on best practice land management and improving air and water quality across Perth's Eastern Region, as well as enhancing and protecting local biodiversity. Another key function is the provision of sustainability programs to reduce the amount of energy and water that is consumed across the region. These objectives are achieved through the development of strong partnerships and effective working relationships with member Councils and other stakeholders, including volunteer community groups.

The core focus of the Regional Development team is to work with the EMRC's member Councils and regional stakeholders to stimulate economic development in Perth's Eastern Region. Key strategies and actions seek to create economic growth and employment opportunities; increase investment in infrastructure; plan and advocate for alternative modes of transport, such as cycling, walking and public transport; and facilitate regional cultural and recreational activities.

Waste Services Directorate

The EMRC's Waste Services Directorate operates the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park, as well as the Coppin Road and Mathieson Road transfer stations on behalf of the Shire of Mundaring. The organisation undertakes initiatives and activities to aid diversion of waste from landfill to more environmentally sustainable solutions, including composting and mulch processing of greenwaste, timber and mattress recycling and providing advice on contaminated sites.

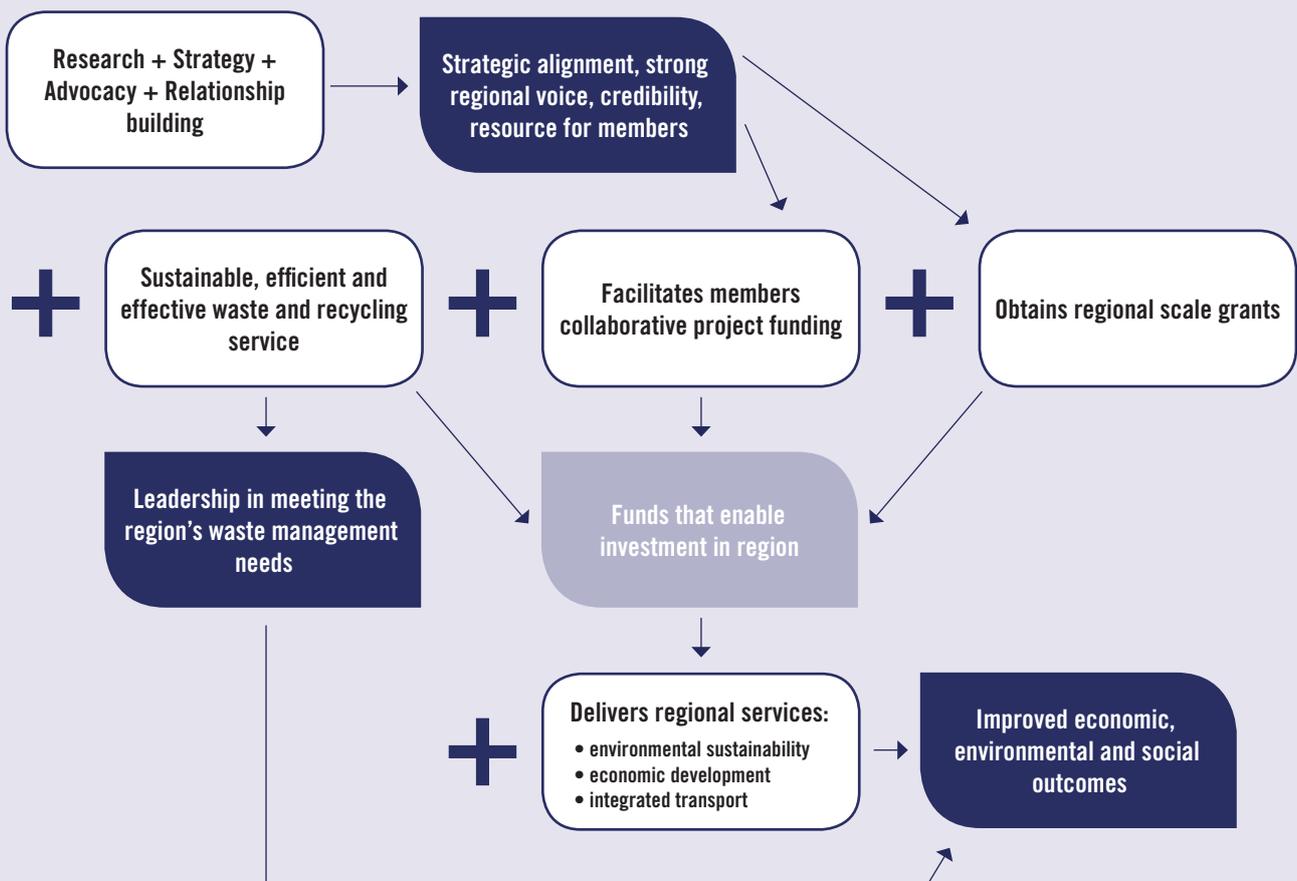
The Resource Recovery Project, which is also driven by the Waste Services Directorate, aims to develop and implement resource recovery solutions to maximise the social, environmental and economic benefits to Perth's Eastern Region and minimise the amount of waste being directed to landfill. This is complemented by the development and implementation of waste education schemes and initiatives.

EMRC SERVICE DELIVERY MODEL

The EMRC's Establishment Agreement provides for it to undertake a range of projects and services and provides a means for member Councils to share resources and facilities. The cooperative, political and executive framework of the EMRC enables the member Councils individually and collectively to promote and advocate on issues for the benefit of local government and to better serve the community.

The EMRC represents a model of successful collaboration, and for 30 plus years, has initiated and led projects for its member Councils that deliver real benefits to the region in the areas of waste management and resource recovery, environmental sustainability and regional economic development. These services enable member Councils to enhance outcomes for their communities and for Perth's Eastern Region as a whole. The EMRC's governance and

service delivery model is sufficiently robust and flexible enough to enable the delivery of services on a regional basis to its members. The EMRC has an advantage in that its members abut each other in a tight geographic cluster. This geographic grouping has enabled the EMRC to provide services at a scale which is beneficial to a region containing a shared community of interest.



COMMITTEES

To assist with its planning and decision making, Council has appointed the following six committees.

Audit Committee

The Audit Committee consists of one Councillor from each member Council and has been established to assist Council with the effective conduct of its responsibilities for financial reporting, management of risk and maintaining a reliable system of internal controls. It also assists Council with review and oversight of compliance with laws and regulations and internal and external audit.

Technical Advisory Committee (TAC)

The Technical Advisory Committee consists of an officer from each member Council and the EMRC's Chief Executive Officer. The committee reviews and provides reports on technical matters and recommendations to the EMRC's Council.

Chief Executive Officers Advisory Committee (CEOAC)

The Chief Executive Officers Advisory Committee was formed to consider matters that have an impact on member Councils and / or the EMRC's business activities. Consisting of member Councils' Chief Executive Officers and the EMRC's Chief Executive Officer, the Committee provides recommendations to EMRC's Council.

Chief Executive Officer Performance Review Committee (CEOPRC)

The Chief Executive Officer Performance Review Committee consists of one Councillor from each member Council and meets to review the Chief Executive Officer's performance, determine performance objectives to be met by the Chief Executive Officer and review the Chief Executive Officer's remuneration and contract of employment.

Investment Committee (IC)

The Investment Committee is currently comprised of five EMRC Councillors. The purpose of the Committee is to deal with matters related to the EMRC's Management of Investments Policy.

Resource Recovery Committee (RRC)

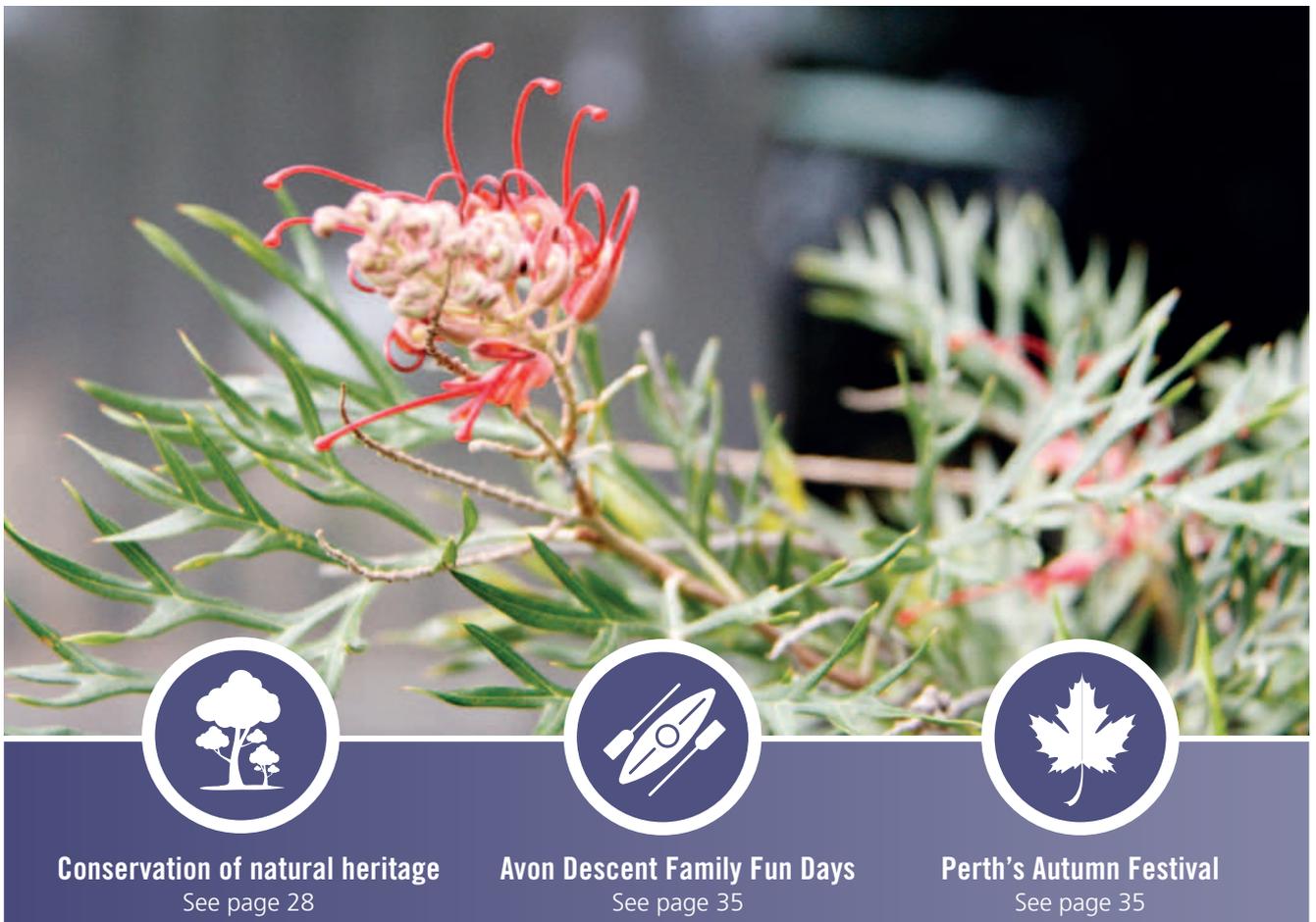
The Resource Recovery Committee comprises the members of the Technical Advisory Committee and a Councillor from each member Council. The committee meets to review and progress resource recovery activities and initiatives.

GRANTS AND AWARDS

Grants Received

In 2017/2018, the EMRC was successfully awarded funding to implement projects on behalf of, or in collaboration with, its member Councils.

FUNDING BODY	FUNDING PROGRAMME	FUNDING AMOUNT RECEIVED (INCL GST)	PURPOSE
Lotterywest	Conservation of Natural Heritage	\$102,218	Farm Dams as Refuges for Freshwater Plants and Animals in a Drying Climate
Swan Alcoa Landcare Program	SALP	\$3,343	Enhancing Biodiversity and Protecting Water Quality in Perth's Eastern Region
Lotterywest	Community Events	\$13,200	Perth's Autumn Festival
Lotterywest	Community Events	\$170,500	Avon Descent Family Fun Days
Waste Authority	Community and Industry Engagement Programme	\$27,500	EMRC MGB Greenwaste Audit
DBCA	Coordination of Community Led Projects	\$115,500	Department of Biodiversity, Conservation and Attractions (DBCA)



Conservation of natural heritage
See page 28

Avon Descent Family Fun Days
See page 35

Perth's Autumn Festival
See page 35



Grants

Community Grants Program

The EMRC's Community Grants program was conducted during 2017/2018 to support community groups in the vicinity of the Red Hill Waste Management Facility. A grant of \$1,147 was awarded to the Gidgegannup Playgroup for the purchase of tables and craftware. A cheque presentation ceremony was held on 13 October 2017.

Standards

Healthier Workplace

The EMRC has been recognised as a silver healthy workplace through the Healthier Workplace WA program, part of a joint Australian, State and Territory Government initiative under the National Partnership Agreement on Preventive Health. The Healthier Workplace WA program is delivered by the Heart Foundation WA, in collaboration with the Cancer Council WA and the University of Western Australia. The EMRC maintained the silver Healthier Workplace standard throughout 2017/2018. EMRC health promotion and wellbeing initiatives included presentations on health topics chosen by staff, weekly yoga classes and annual flu vaccinations.

AS/NZS ISO 14001:2004

The EMRC maintained AS/NZS ISO 14001:2004 certification for general and contaminated waste management, green waste composting and earth materials supply in relation to the Red Hill Waste Management Facility. This international standard specifies requirements for an environmental management system to enable an organisation to develop and implement a policy and objectives which take into account legal requirements and information about significant environmental aspects. The overall aim of this international standard is to support environmental protection and prevention of pollution in balance with socio-economic needs.

Awards

Recognition by the Heart Foundation and Public Health Advocacy Institute of WA

The EMRC received National and State recognition from the Heart Foundation for two initiatives; the '#ride2market' and the Swan River Ramble.

The EMRC was the recipient of the Heart Foundation's National Innovation category for the Swan River Ramble project and received a Highly Commended acknowledgment in the State Heart Foundation Local Government Awards for the combined Swan River Ramble and #ride2market initiatives. The Heart Foundation Local Government Awards recognise and showcase Councils working to improve heart health through building a sense of community, encouraging people to be physically active, be smoke-free and make healthy food choices.

The Swan River Ramble is an exciting new activity for walkers, recreational cyclists and families to enjoy. Colourful path signage and QR codes have been installed to highlight attractions along the Swan River recreational shared path. A cartoon character, Eric, directs people around the river and has been designed as a fun way for children and families to enjoy the amenity offered by the Swan River.

Using and promoting the existing recreational shared path around the Swan River, the project demonstrated the EMRC's collaborative approach to delivering regionally significant projects across several local government boundaries. In total, 14 QR codes were placed around the Swan River each directing participants to answer a question about their current location.

#ride2market is a series of companion events supporting and enhancing existing local farmers and hawker markets in Perth's Eastern Region by providing bicycle valet services and \$10 market voucher incentives to encourage cycling for transport. Commencing in 2015, the events have attracted hundreds of "everyday" bicycle riders and



unearthed different styles of bikes to cater for transportation purposes. From trailers that transport kids and pets, to bikes with front and rear baskets to carry home market goodies, #ride2market has encouraged people to choose bicycles over cars as a healthy way to get around Perth's Eastern Region.

The Swan River Ramble was delivered in consultation with the Town of Bassendean, City of Bayswater, City of Belmont, the City of Vincent and Main Roads WA. The #ride2market was delivered in collaboration with the Kalamunda Farmers Markets, Maylands Hawker Markets, Mundaring Sunday Markets, Old Perth Road Markets, Stirling Square Markets, Perth's Autumn Festival and Bike Week, with support from WestCycle and the Department of Transport.

The EMRC added to its list of awards for 2017 with the Swan River Ramble winning the Environments Promoting Physical Activity category at the Local Government Children's Environment and Health Policy Awards held on 8 December 2017.

Collaboration between the Councils involved in the Swan River Ramble contributed to the success of this regional project.

The Children's Environment and Health Policy Awards are presented annually by the Public Health Advocacy Institute of WA, and showcase the progress of local governments in creating environments that protect and support the health of children.

The Awards are an initiative of the Public Health Advocacy Institute of WA with support from Healthway, the WA Local Government Association (WALGA), the Commissioner for Children and Young People WA (CCYP) and The Cancer Council WA.

'Share The Space' Campaign

The EMRC's 'Share the Space' cycle safety campaign was recognised as the nation's top Local Government Initiative at the Australian Road Safety Awards presented in Melbourne on 21 March 2018.

Launched in August 2017, the campaign was a collaboration of EMRC member Councils and key transport stakeholders.

The EMRC designed and developed a series of three short videos that were shared via social media and online by the member Councils as well as the Town of Cambridge, City of Cockburn, City of Vincent, Bicycling WA and Westcycle.

Provision of a safe, efficient and effective transport network in Perth's Eastern Region, where all road, public transport and active transport users feel safe and not exposed to harm when utilising or interacting with the network, is an ongoing major focus for the EMRC. The 'Share the Space' campaign aimed to increase awareness of others using paths or roads, being courteous and improving safety of community members sharing transport routes including those who walk, jog, cycle or drive vehicles.

The campaign reached a wide metropolitan audience through targeted advertising on Transperth buses and local radio, and online via www.sharethespace.com.au.

**KEY
RESULT
AREA
01**



**Environmental
Sustainability**

TO PROVIDE SUSTAINABLE WASTE DISPOSAL OPERATIONS

Minimise the environmental impact of waste management operations.

The EMRC's core objective has always been providing a sustainable waste management service, with a focus on environmental performance. To implement these objectives the EMRC follows a comprehensive Environmental Management System which is designed to produce continuous site improvement whilst minimising environmental impact. In 2016, the EMRC's Environmental Management System for the Red Hill Waste Management Facility was certified to the international ISO 14001:2004 standard. The EMRC continued to implement the Environmental Management System at the Red Hill Waste Management Facility in line with this certification. The Environmental Management System assures the EMRC's stakeholders and the wider community that the Red Hill Waste Management Facility is meeting its environmental

objectives, sufficient environmental management processes and activities are in place and the facility has implemented practices to continually improve its environmental performance. A similar system is being investigated for the Hazelmere Resource Recovery Park.

The EMRC publicly reports its environmental performance in annual monitoring and compliance reports to the Department of Water and Environmental Regulation and annual compliance assessment reports to the Office of the Environmental Protection Authority. Throughout 2017/2018 the EMRC undertook works to minimise the environmental impact of operations on site including environmental monitoring, research and consulting to member Councils, ground water remediation, plume management, community engagement and site rehabilitation. A new leachate management system was designed and is currently being constructed to manage leachate across the site. Construction of storm water and drainage works were also completed across the facility.



12,300 tonnes



Wood waste was converted into woodchip, woodchip fines and coloured woodchip.

Provide a waste disposal service at Red Hill Waste Management Facility.

The Red Hill Waste Management Facility is one of Western Australia's largest municipal waste landfills and is acknowledged as one of the best in Australia. The Red Hill Waste Management Facility has a total area of 352 hectares and receives approximately 200,000 tonnes of waste per annum. The site includes:

- An approved Class I to IV landfill (including being Western Australia's only Class IV contaminated waste landfill cell);
- A transfer station;
- A Household hazardous Waste Collection Facility; and
- A compost and mulch processing facility.

The Red Hill Waste Management Facility contains Western Australia's only local government composting operation that has been certified as meeting Australian Standards. The facility's on-site power station run by Energy Developments Limited generates up to four megawatts of electricity from recovered landfill gas for export into the grid. Currently, all non-recycled waste collected by the EMRC's member Councils is landfilled at the Red Hill Waste Management Facility.

The Red Hill Waste Management Facility continued to operate in compliance with Department of Water and Environment Regulation Licence Conditions. The Department of Water and Environment Regulation carried out Site Licence Compliance and Landfill Levy Inspections in August 2017, November 2017 and April 2018 and the site passed these audits without any compliance issues raised. The Farm Stage 2 cell was closed in October 2017 and waste disposal into Stage 15 commenced the same month.



98%

of key stakeholders rate the Red Hill Waste Management Facility as good or excellent.

(Percentages on pages 22-25 are from the latest EMRC Biennial Stakeholder Perception Survey)

Review and implement the Red Hill Waste Management Facility Development plan

The Red Hill Development Plan is in the process of being updated by the Engineering and Operations team with input from consultants as required.

Operate member Councils' waste transfer stations where appropriate

In addition to the transfer station at the Red Hill Waste Management Facility, the EMRC operates the Coppin Road and Mathieson Road transfer stations on behalf of the Shire of Mundaring. Waste accepted at the transfer stations includes general waste, greenwaste, scrap metal, cardboard, motor oil (limit of 20 litres), white goods, mattresses, televisions, computers, batteries, tyres (fees payable), clothing and blankets, fluorescent lights, aluminium cans, glass and bottles; and paper and plastic. A Grab and Go facility at the Mathieson Road transfer station has continued to encourage residents to reuse household items.



92%

of key stakeholders rate the transfer stations as good or excellent.





TO IMPROVE REGIONAL WASTE MANAGEMENT

Collect, manage and dispose of problematic waste in the region in a sustainable manner

The EMRC developed the Battery Collection program for schools and public places throughout Perth's Eastern Region in 2004 in response to a growing concern about the amount of household batteries going to landfill each year. In 2017/2018 the EMRC's Battery Collection program collected approximately 15,558 kilograms of household batteries from 89 schools and 34 public places including libraries, shopping centres and Council offices. The top battery collecting school for the region was High Wycombe Primary School, with 664 kilograms of batteries collected. The top collecting public place was Belmont Forum, with 1,786 kilograms of batteries collected.

Compact Fluorescent Lamps provide an opportunity for households and business to have more energy-efficient lighting as they last longer and require less electricity than traditional bulbs. However, these lights contain small amounts of mercury which could be absorbed into the environment if not disposed of correctly. In 2017/2018, approximately 1,490 kilograms of Compact Fluorescent Lamp tubes and globes were collected and recycled from 22 public places across the region.

83%



of key stakeholders rate the battery recycling program for schools and public places as excellent.

Continue the Waste Education Program and align this to new operations and resource recovery

The EMRC's Waste Education program offers a range of school and community group activities, community training courses and talks and tours of the Red Hill Waste Management Facility. As part of this program, the EMRC works with its member Councils to distribute information and programs to manage waste more efficiently. A key component of the program is maintaining information for the community through the R-Gang website. This site promotes ways to reduce, re-use, recycle and recover waste. The EMRC maintains an events recycling trailer which was provided to member Councils and community groups in the region to reduce litter and increase recycling at local events. Informative bin caps and "litter letters", promoting litter reduction, were distributed at various member Council events across the region.

Earth Carers training courses were run in November 2017 and May 2018. Each course included five sessions over three weeks to increase participants' knowledge of waste management in Western Australia and learn practical ways of reducing waste. A total of 35 community members completed the course in 2017/2018. Earth Carer members volunteered at a number of events including the Perth Royal Show, the Less is More Festival, Blue Sky Festival, and Perth Garden Festival. The Waste Education team attended 15 community events at the request of member Councils, eight school engagements, three community presentations and two joint events with regional Councils. The team also organised and promoted a range of community events across the region.

The annual Waste and Recycling guides were also developed



in partnership with all member Councils. These guides provide important information for residents within Perth's Eastern Region on how to manage and reduce household waste. Across the six versions a total of 185,300 copies were printed for distribution.

The Red Hill Environmental Education Centre continued operation throughout 2017/2018 with new displays promoting waste education. A total of 40 school and community groups were taken through the site with 1,695 people participating. Waste Education was also linked with the EMRC's Bush Skills 4 Youth program offering a more holistic approach to environmental education for school groups.

The EMRC undertakes a range of consulting works relating to waste management on behalf of its member Councils and other local government bodies. These works have included undertaking contaminated site investigations at decommissioned landfills, groundwater and surface water monitoring, landfill gas assessments and site remediation activities. In 2017/2018 the EMRC completed works for the City of Bayswater and City of Kalamunda. The EMRC has also prepared works approval applications and produced management plans for various member Council sites.

Provide a Waste Management Advisory Service



90%



of key stakeholders rate the Red Hill Environmental Education Centre as good or excellent.

TO PROVIDE RESOURCE RECOVERY AND RECYCLING SOLUTIONS IN PARTNERSHIP WITH MEMBER COUNCILS

Establish a Resource Recovery Facility

In August 2016, the EMRC released a tender for alternative waste management treatment for the region. The tender closed in January 2017 and an extensive evaluation process was undertaken. Following Council approval in June 2017, contract negotiations with the preferred tenderer were concluded and in September 2017, Council confirmed Hitachi Zosen Inova (HZI) Consortium as the preferred tenderer and recommended the member Councils adopt and sign the Participation Agreement.

Four of the six member Councils resolved accordingly and in March 2018, the Cities of Belmont, Kalamunda and Swan and the Shire of Mundaring signed the Participation Agreement and the EMRC signed the Waste Supply Agreement with the HZI Consortium. The HZI Consortium are in the process of amending their environmental approval for the proposed East Rockingham Waste to Energy Facility and obtaining financial close for the project. Subject to these conditions being met, waste deliveries from participating member Councils are expected to commence in 2022.

Develop the Hazelmere Resource Recovery Park

The Hazelmere Resource Recovery Park is home to Western Australia's first mattress and timber recycling operations. The purpose of the park is to recover resources from some waste streams destined for landfill and provide the opportunity to re-use materials.

The EMRC's current timber recycling activities involve processing untreated wood waste (such as pallets, packaging and crates, off-cuts and cable reels) into woodchip fines and woodchip. The woodchip fines are sold as an 'end product' to established markets in the broiler grower and livestock industries for animal bedding, whilst the woodchip remains as residual waste for which there are currently limited markets (landscaping and animal bedding).

Timber processing and mattress processing at Hazelmere Resource Recovery Park in 2017/2018 included:

- 12,334 tonnes of wood waste was received during the year and converted into woodchip fines, woodchip and coloured woodchip;
- 15,539 tonnes of woodchip fines was supplied to the broiler growers for animal bedding;
- 290 tonnes of coloured woodchip was supplied to landscapers;
- 12,806 mattresses were received and processed on site; and
- 2,566 tonnes of commercial and industrial waste were received and processed on site.

In 2017/2018 the EMRC made headway on development of the Hazelmere Resource Recovery Park.

The Commercial and Industrial Waste Sorting Facility continued to accept dry commercial and industrial waste from commercial customers and local government bulk verge waste and recover resources from these waste streams, thus diverting waste from landfill whilst also providing an opportunity to re-use materials.

The next major development at the site, the Wood Waste to Energy Plant, is currently under construction with commissioning expected in early 2019. The Wood Waste to Energy Plant will convert woodchip, to renewable electricity and biochar. The electricity generated will be used as a power source for the onsite facilities and excess electricity will be exported to Perth Airport Pty Ltd via a dedicated power cable. The biochar will be sold to the market.

The next stage of the Hazelmere Resource Recovery Project is development of a new commercial entrance and weighbridges. The design was completed and a request for tender issued in May 2018. Other proposed developments at the Hazelmere Resource Recovery Park include a new administration office and education centre, a Materials Recovery Facility and a greenwaste processing area.

Identify and develop resource recovery products and markets in order to reduce waste going to landfill

A range of high-quality products make use of materials that are recovered during the creation of landfill cells, or would otherwise be wasted in landfill, are produced at the Hazelmere Resource Recovery Park and the Red Hill Waste Management Facility. These products include mulch, ferricrete, woodchip, coloured woodchip, woodchip fines, soil improver and clay. The EMRC maintained accreditation to Australian Standard AS4454 for mulch at the Red Hill Waste Management Facility and produces ferricrete similar to Main Roads specification.

Products recovered from the Commercial and Industrial Waste Sorting Facility include timber, scrap metals, cardboard and mixed plastics.

Undertake research into Integrated Waste Management

The EMRC is jointly contributing to research for a PhD project at Edith Cowan University into the use of vetiver grass to develop a vetiver biofiltration system for the treatment of landfill leachate. The project will run over five years.



TO INVESTIGATE LEADING EDGE WASTE MANAGEMENT PRACTICES

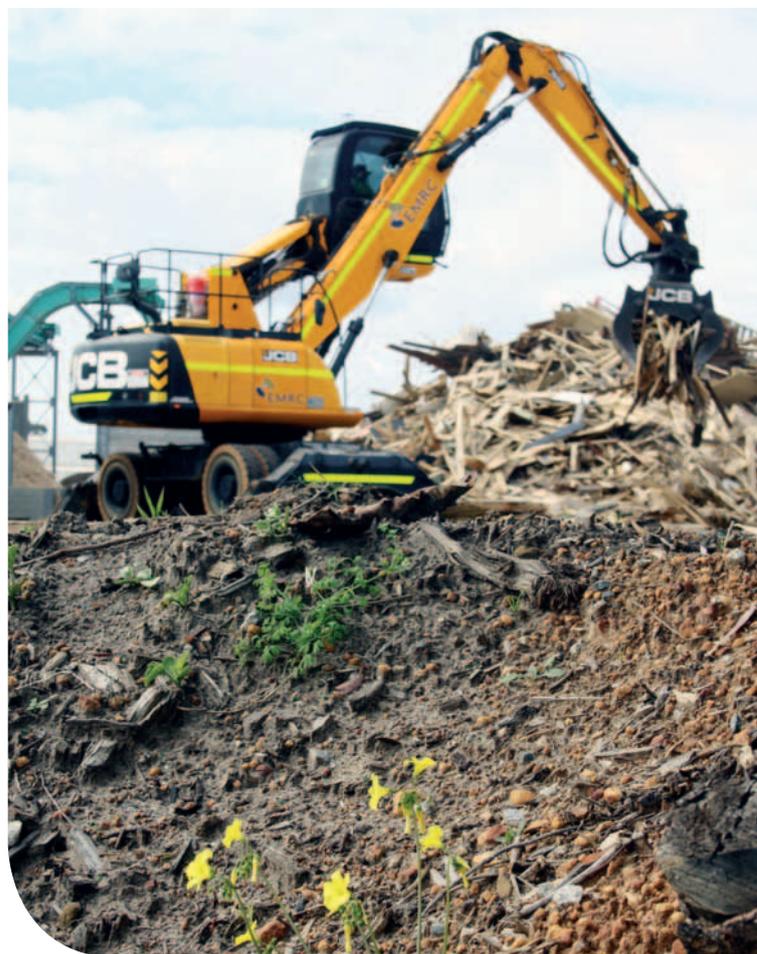
Provide leadership in the development of waste policy and practices

The EMRC has a reputation for being an innovative leader in responsible waste management and has demonstrated expertise in management and coordination of household waste; resource recovery and recycling services; managing and operating landfill sites; delivering education and awareness programs; and providing and maintaining waste management infrastructure.

During 2017/2018 the EMRC provided a submission on the review of the Waste Authority's State Waste Strategy, a submission on the Department of Water and Environment Regulation odour guideline for prescribed premises, a submission on the Discussion Paper – Controlled Waste Review and other regulatory matters and continued to represent the region on the WALGA steering group for the development of a Container Deposit System in WA.

Identify, investigate and develop new waste management practices and services

The EMRC is currently investigating and developing business cases for several new initiatives at the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park which will deliver new waste services for the region.



TO CONTINUE TO CONTRIBUTE TOWARDS IMPROVED REGIONAL AIR, WATER AND LAND QUALITY AND REGIONAL BIODIVERSITY CONSERVATION AND ADDRESS CLIMATE CHANGE

Review and implement the Regional Environment Strategy 2016 – 2020

In adopting the Regional Environment Strategy 2016 – 2020 the EMRC became one of the first organisations in Australia to progress regional environmental management under the Agenda 2030 Sustainable Development Goals framework. The Sustainable Development Goals, ratified by the Australian Government, provide a new and exciting strategic method for the EMRC to work effectively with member Councils and stakeholders towards achieving excellence in environmental protection and management. The EMRC was invited to submit a case study to the Voluntary National Review of Australia's progress on the implementation of the Sustainable Development Goals and was recognised in the final report where Perth's Eastern Region was specifically mentioned.

The EMRC is taking an active and innovative leadership role in environmental management in Perth's Eastern Region by embracing the Sustainable Development Goals, continuing an ongoing partnership with the Cooperative Research Centre (CRC) for Water Sensitive Cities and taking opportunities to work with Murdoch and Curtin Universities to leverage funding for research projects for the benefit of the region.

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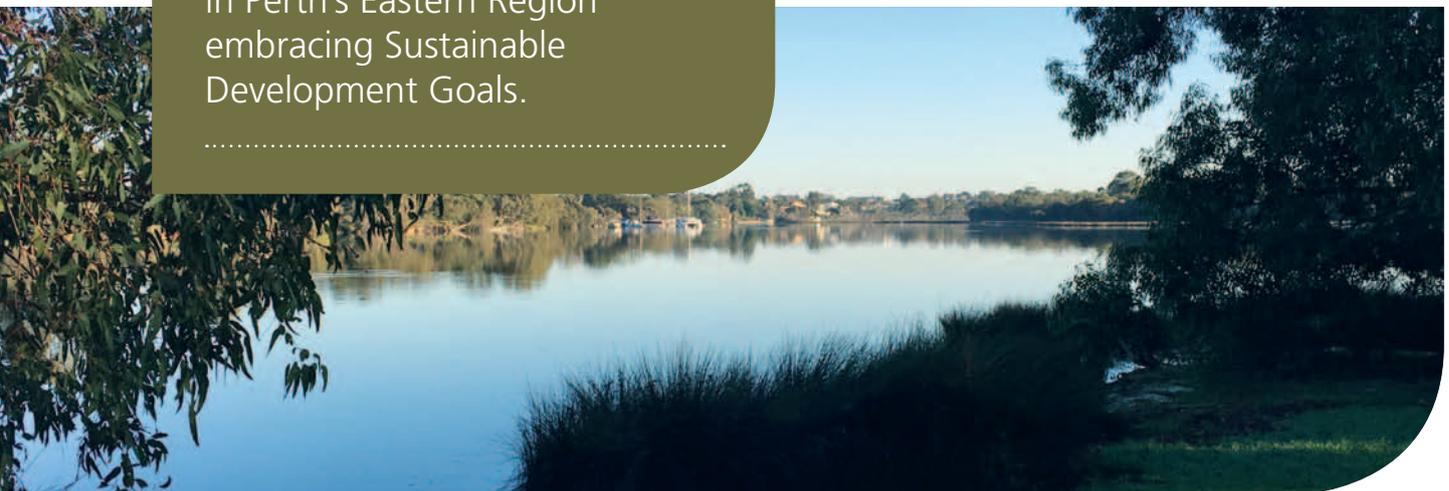
The EMRC is taking an active and innovative leadership role in environmental management in Perth's Eastern Region embracing Sustainable Development Goals.

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Implement the Eastern Region Catchment Management Program

The Eastern Region Catchment Management program is a partnership between the City of Kalamunda, Shire of Mundaring, City of Swan, Department of Biodiversity, Conservation and Attractions and the EMRC that has operated for over 15 years to support the Councils and their community groups in protecting and managing the biodiversity, waterways and catchments of the area. The Eastern Region Catchment Management program provides opportunities for regional advocacy, grant applications and implementation, coordinated community engagement for natural area enhancement, strengthening of messaging for biodiversity conservation and skilled officers to provide expert support and information.

The program also includes the delivery of the award-winning Bush Skills 4 Youth program as well as Bush Skills for the Hills workshops; 20 Million Trees projects; the Healthy Wildlife Healthy Lives project; Greenpage Newsletter; Community Capability project; and revegetation and water quality initiatives. Highlights from the 2017/2018 financial year include delivery of 9 Bush Skills for the Hills workshops, with topics ranging from planting for fire and diversity to Boobook owls; completion of the 20 Million Trees revegetation program with distribution of a further 4,000 plants to landholders; hiring the EMRC's steam weeding machine to member Councils and other agencies; continuing projects under the Swan and Alcoa Landcare Program; and assisting community groups and member Councils with Community Rivercare Grants. The success of the program is supported by an active and diverse group of over 1,700 volunteers. The EMRC



organised the popular 2017 End of Year Volunteer function for over 120 volunteers from the region's catchment groups and 'friends of groups' to celebrate their achievements.

This year saw the completion of the 'Healthy Wildlife, Healthy Lives' – A One Health Project, which was implemented by the EMRC in partnership with Murdoch University with funding support by Lotterywest. The collaborative project engaged communities in protecting and enhancing wildlife conservation and increased their knowledge about wildlife in the urban environment. The project was the first of its kind in Australia to focus on the impact that humans can have on wildlife and to consider ways to improve lives for all. A key output from the project, the Healthy Wildlife website, will be a lasting resource for the community.

The EMRC has also continued to deliver the Community Capability project supported by grant funding from the Western Australian Government's State Natural Resource Management (NRM) Program. The project is providing the region's volunteer base with targeted skills development, supporting recruitment of new volunteers and providing on ground assistance and support to develop an engaged, capable, coordinated and proactive community. The inaugural Combined Catchment Group meeting was held. Planning and implementation of on ground activities is considering Noongar values and traditional ecological knowledge relating to NRM. A mapping tool has been introduced for community groups to record NRM projects in a shared repository. The mapping data will capture the importance that smaller groups have on larger catchment scale issues, helping to develop corridors and ecological linkages.

The Community Capability project has also ensured the continuation of the Bush Skills 4 Youth program this year to develop environmental stewards of the future, with over 42 workshops held across the region with topics ranging from bush tucker to nest boxes. The project has also continued to nurture key networks between youth, local government and community as well as connect youth to nature. Bush Skills 4 Youth was developed in response to member Council priorities for community education and engagement to support environmental stewardship and has been one of the EMRC's most successful initiatives in recent years.

The EMRC was successful in receiving a Lotterywest grant for the 'Farm Dams as refuges for freshwater plants and animals in a drying climate' project which was launched in April 2018. This is a collaborative project with Murdoch University as our research partner and has a strong citizen science component. Our drying climate is having serious impacts on streams and wetlands, which has increased the risk of extinction for fish, frogs and freshwater invertebrates such as dragonflies and also impacts bird life. This project will increase the knowledge of what biodiversity is supported by farm dams, as well as increasing the capacity of all landholders with farm dams to manage them to sustain native biodiversity into the future.

Review and implement the Water Quality and Conservation Program

The EMRC's Water Quality and Conservation program offers support and guidance to reduce water consumption across the region and takes a structured approach enabling local governments within Perth's Eastern Region to continue to be leaders in water management. The program provides opportunities to improve water efficiency and water quality to ensure a sustainable water future for local governments, the community and the environment. Through this program, the EMRC assists member Councils and the Town of Victoria Park to maintain Waterwise Council status.

In 2017/2018, the EMRC prepared relevant member Council Water Data Report Cards; undertook water data anomaly investigations and reported findings; liaised with the Department of Water and Environmental Regulation and Water Corporation on issues and information relating to groundwater reporting and the Waterwise Council program; facilitated water team meetings to achieve implementation of participating member Councils' Water Efficiency Action Plans; identified facilities with the highest volumetric consumption increases of water for investigation; and progressed and recorded implementation of water efficiency actions. The City of Belmont and the Shire of Mundaring retained their Waterwise Council status; the Town of Bassendean, City of Swan and Town of Victoria Park all achieved Gold Waterwise Council status. The Shire of Mundaring and Town of Victoria Park were also successful in receiving funding through Water Corporation to each undertake a Water Sensitive Cities Index Benchmarking Workshop, which the EMRC assisted with the provision of technical information and facilitation support.

The EMRC also ensured that the region was represented at key strategic events. These events included the Waterwise Business Forum 2017 held by Water Corporation and the Cooperative Research Centre (CRC) for Water Sensitive Cities 3rd Conference, Tools and Products workshop for local government and the Integrated Research Project 2 Steering Committee. This research project to develop an integrated economic evaluation framework includes the opportunity to assist with development and testing of a Benefit Cost Analysis Tool and Non- market Value Tool including Benefit Transfer for water sensitive urban design and application of the tool through a case study of a development in Bellevue within the Shire of Mundaring and City of Swan. The EMRC continues to represent the region as a member of the CRC for Water Sensitive Cities Western Regional Advisory Panel and worked with the Regional Manager to develop a local government engagement strategy. The EMRC also provided input to the Department of Planning, Lands and Heritage Stakeholder Reference Group relating to the review of State Planning Policy 2.9 Water Resources and State Planning Policy 2.10 Swan-Canning River System.

Review and implement the Regional Climate Change Program

The EMRC has provided a proactive leadership approach to addressing the impacts of climate change in Perth's Eastern Region since 2008. Climate change presents a huge challenge for local government with possible impacts including infrastructure failure, changes in land-use, loss or migration of biodiversity, reduction in environmental health and increased intensity and frequency of fire and emergency events. The program delivers key information to member Councils on an ongoing basis including through provision of summaries of key climate reports; supporting local climate change adaptation action planning and implementation; lodging submissions on key policy and planning documents; participating in 202020 Vision, a network of more than 400 industry and government organisations across Australia; and working with a range of key stakeholders to support appropriate action in climate change adaptation across the region.

In 2017/2018, the EMRC partnered with 202020 Vision to support the Green Light Tour Forum at The RISE in Maylands, which included an update on the state of play for urban canopy and planning in Perth as well as information on building a community engagement campaign. The EMRC also attended and disseminated information from several meetings and events including:

- WALGA's Climate Change Collaborators;
- WALGA's Sustainability Officers Networking Group;
- WALGA's Sustainable Procurement Guide launch; and
- Bankwest Curtin Economics Centre's 'Power to the People: WA's Energy Future' launch.

The EMRC also provided information or briefing notes to participating Councils regarding:

- The Climate Council's Cities Power Partnership Round 2 opportunity;
- The Climate Council's 'Fully Charged: renewables and storage powering Australia' and 'Hot & Dry: Australia's weird weather' reports;
- Myer Foundation funding for sustainability and environment capacity building.



Review and implement the Achieving Carbon Emissions Reduction Program

The EMRC aspires to have Perth's Eastern Region recognised as a leader in corporate carbon management and energy efficiency by reducing carbon emissions to ensure that the region minimises its impact on the environment both now and into the future. The Achieving Carbon Emissions Reduction program (ACER) was developed to monitor, mitigate, reduce and report on corporate carbon emissions and provide a structured approach for member Councils to ensure continual improvement and to advance their leadership positions in the community regarding carbon management.

The EMRC provides technical information and a range of assistance to support participating Councils in reviewing and developing energy efficiency and emissions reduction strategies, plans and emissions targets, as well as implementing actions such as solar PV system and LED lighting installations. The EMRC also maintains Home Energy Audit Kits at relevant member Council libraries and provides media articles to assist with community awareness.

As part of both ACER and the Water Quality Control Plan (WQCP), participating Councils monitor energy use, emissions and water use through Planet Footprint. The EMRC assists with the management of the Planet Footprint software to enable Councils to address high use in facilities and monitor efficiency measures. This includes coordinating quarterly performance and service level reviews to identify top consuming assets of water and energy, identifying any anomalies, analysing current performance and undertaking data analysis of the participating member Councils' energy, fuel and water consumption, including tracking towards reduction targets.

Review and implement the Swan and Helena Rivers Framework

The EMRC, four of its member Councils and the Department of Biodiversity, Conservation and Attractions work in partnership to enhance the Swan and Helena Rivers through a coordinated management framework. The Swan and Helena Rivers are iconic landscapes in Perth's Eastern Region recognised for their natural, cultural and social values. They provide a regional resource in terms of ecosystem functions, access to the natural environment, and recreation, social, historic and economic links. The EMRC supports a collaborative approach under this framework including representing the region on the River Protection Strategy Advisory Group.

The need for up to date flood risk information on the Swan and Helena Rivers was identified through a major review of the Swan and Helena Rivers Management Framework and the EMRC's Regional Climate Change Adaptation

Action Plan. The 'Understanding and Managing Flood Risk' staged project was initiated in 2014 and has received funding to date through the Natural Disaster Resilience Program administered by the Western Australian State Emergency Management Committee under a National Partnership Agreement between the Western Australian and Commonwealth governments, and the Office of Emergency Management through the All West Australians Reducing Emergencies (AWARE) Program. The current stages of the project will provide all local governments along the study area with updated floodplain mapping for a range of events, Flood Risk and Vulnerability Assessments for each participating Council and a revised Floodplain Development Strategy which will be incorporated into state and local government planning.

Future stages of the project are proposed to develop a web-based interactive flood intelligence portal to enable local government, state government and emergency management agencies to have easy access to up to date flood hazard information, undertake flood risk adaptation planning for participating local governments, as well as develop awareness materials and undertake community engagement



**KEY
RESULT
AREA
02**



**Economic
Development**

The EMRC provides a range of services and projects that focus on stimulating economic development and advocating for a safe and efficient transport network in the region, all of which support social outcomes for the region. The programs and projects are delivered under the guidance of key strategies that respond to the needs of member Councils and emerging regional issues.

Three key regional services strategies are regularly reviewed and updated in partnership with member Councils. The strategies were developed through consultation with member Councils and supported by research to ensure that they provide effective solutions to making the region a great place to live, work, play and do business. The strategies that guide regional services delivery are: the Integrated Transport Strategy 2017-2021; the Economic Development Strategy 2017-2021; and the Environmental Strategy 2016-2020. In addition to these, the EMRC also has a Regional Advocacy Strategy that underpins advocacy actions throughout the region for the period 2016-2020 and includes not only transport and economic development but also environmental and waste services.

TO FACILITATE AND ADVOCATE FOR INCREASED INVESTMENT IN REGIONAL INFRASTRUCTURE

Review and implement the Regional Integrated Transport Strategy

Perth's Eastern Region is a major air, rail and road transport hub servicing both passenger and freight demands of the state. It encompasses a variety of stakeholders with various responsibilities that contribute to the efficiency and effectiveness of the transport system. The provision of an efficient and safe transport network in Perth's Eastern Region is a critical issue, particularly with the predicted population and transport growth for Perth in the future. The EMRC works with key stakeholders to identify opportunities for a collaborative approach to addressing the future transport needs of the residents and visitors of Perth's Eastern Region under the Regional Integrated Transport Strategy 2017-2021.

The Regional Integrated Transport Strategy 2017-2021 promotes relevant and contemporary issues including road safety; infrastructure design; congestion; intelligent transport systems; travel demand management and route optimisation; behaviour change; self-sufficiency and decentralisation; active transport; public transport; transit-oriented developments; freight network resilience; new technologies; vulnerable populations; and mobility. The strategy was developed in conjunction with the EMRC's Regional Integrated Transport Implementation Advisory Group. This group is particularly unique due to its broad representation which includes the EMRC, the EMRC's six member Councils, Department of Transport, Main Roads Western Australia, Public Transport Authority, Department of Planning, Perth Airport Pty Ltd, Western Roads Federation, WA Road Safety Commission, RAC, Westcycle and Western Australian Local Government Association.

The EMRC progressed initiatives from the new Regional Integrated Transport Strategy 2017-2021, such as advocating for the 'Your Move' program to be introduced into Perth's Eastern Region to coincide with the completion of the Forrestfield Airport Link (FAL) public transport initiative; promoting the Swan River Ramble project and the Share the Space campaign, conducting a guided tour of the FAL and NorthLink WA infrastructure projects for key stakeholders in the region, researching congestion issues and developing a draft Regional Congestion Action Management Plan and lobbying for transport related projects within the Connect Perth's East City Deal proposal.



TO FACILITATE AND ADVOCATE FOR REGIONAL ECONOMIC DEVELOPMENT ACTIVITIES

Review and implement the Regional Economic Development Strategy

Perth's Eastern Region is a diverse area with a multitude of economic centres that support a range of businesses and industries. Each of these centres, the businesses within and the community surrounding them require differing levels of support, intervention and regulation. The EMRC has supported member Councils and industry stakeholders to achieve economic development outcomes since 1998. The EMRC works with member Councils and other stakeholders to ensure that the region capitalises on its strategic advantages, attracts investment and develops a diverse industry base, as outlined in the Regional Economic Development Strategy.

During 2017/2018, the EMRC continued to provide REMPLAN, Profile.id and Atlas.id subscriptions to enable member Councils and the EMRC to obtain relevant regional economic and social-demographic profiling data.

The EMRC works with our member Councils to support the development of local businesses in the region. These businesses benefit from a collaborative local government approach provided on a regional scale. By working together, the EMRC, Town of Bassendean, City of Bayswater, City of Belmont and Shire of Mundaring can attract key presenters and business experts, providing a one of a kind experience for local businesses. In 2017/2018, the EMRC offered two key opportunities to businesses in the region: the business exemplar project and the 'how to do business with local government' forum.

The 2017/2018 business exemplar project was offered to exemplary businesses, showcasing the winners of business awards from the Belmont Environmental Achievers Program for Business and Belmont Small Business Awards. The project provided business award winners with a free professional public relations package, with the intention to also promote business associations and groups within Perth's Eastern Region.

Presentations were made to the Economic Development Officers Group during 2017/2018 and included topics such as Affordable Housing, presented by the WA Housing Authority; Unpicking the Census Data, presented by REMPLAN; and Blockchain, presented by Power Ledger. A Report Card on the census data was prepared and disseminated to participating member Councils.

More than 20 local businesses from across Perth's Eastern Region gained an insight into competing for local government tenders through a "How to do Business with Local Government" forum that was hosted by the EMRC. The forum was held on 9 May 2018 in partnership with the Town of Bassendean, City of Bayswater, City of Belmont and Shire of Mundaring and included attendees from businesses located within those local government areas. Businesses of all sizes were represented, from single operators to larger scale companies. Presenter Alison Maggs from WALGA acknowledged the benefits of reaching such a varied cross section of businesses in one place. The forum focused on how to best respond to local government tenders, what it means to become a WALGA 'preferred supplier' and the process for gaining pre-qualified status.

Identify and investigate strategic regional development project and investment opportunities

The EMRC has been working with its six member Councils, two non-member Councils (Town of Victoria Park and City of Canning) and industry partner Perth Airport Pty Ltd to progress a City Deal proposal, "Connect Perth's East" which was subsequently lodged with the WA State Government in January 2018. The proposal will take advantage of existing and new markets via improved connectivity, clustering and innovation. This will be achieved through generating the greatest amount of Productivity to generate the greatest economic output that is supported by enhanced Liveability in Perth's Extended Eastern Region (PEER). "Connect Perth's East" identifies alignment between the PEER Group's priorities and state and federal government priorities.

The "Connect Perth's East" City Deal proposal, comprises two distinct themes, Productivity and Liveability, which recognise the complementary and integrated competitive advantages of an enhanced and integrated PEER over the next 15 years and beyond. The proposal connects the eight local governments and Perth Airport Pty Ltd to wider WA, the nation and the Asia-Pacific region and beyond and connects PEER's productive precincts, communities and jobs. This proposal ensures that the region is a productive leader in freight, logistics, transport, manufacturing and warehousing with an appropriate skills based workforce, a productivity leader in clustering/colocation and innovation, a liveability leader in diverse and affordable housing that is well connected to public transport and a liveability leader in resilience, sustainable densification, regeneration, revitalisation and urban infill.



TO FACILITATE REGIONAL CULTURAL AND RECREATIONAL ACTIVITIES

Continue the coordination, marketing and promotion of regional events

The EMRC's regional events program sets out to leverage local community events, designed to attract a relatively local market, and support these events through attraction of a wider audience and coordination of grant funding and regional marketing. The regional events program provides a cost-effective mechanism for promoting to a much wider audience through its regional approach. The EMRC's participating member Councils and two non-member Councils, the Shire of Toodyay and Shire of Northam, each contribute to the regional events program both financially, through collaboration of ideas and assistance in cross promotion of each other's activities. By working together, the program leverages a stronger and more cohesive position within the tourism market and supports member Council investment in events to maximise marketing budgets and expand market reach.

The Avon Descent Family Fun Days are a range of family-friendly events which in 2017 were scheduled from Friday, 4 August to Sunday, 6 August. Activities, entertainment and food were provided along the river to coincide with the Avon Descent White Water Race.

These annual events presented great opportunities for the community to come out and support competitors as they tackled this incredibly challenging race. With five family fun day events spread along the 124km of river foreshore, incorporating a huge range of on-shore activities, this was a great weekend to get outdoors with family and friends. The EMRC coordinated a regional marketing campaign for the 2017 Avon Descent Family Fun Days at a cost of \$47,000 and delivered over \$87,000 in advertising value. This campaign, along with a significant contribution to event staging costs was funded through support from Lotterywest. Since becoming involved, the EMRC has secured more than two and a half million dollars in grant funding for these events.

The Perth's Autumn Festival is a collection of community events held across the region, held in 2018 from 1 March to 30 May. The EMRC grant application to Lotterywest was successful. All events were promoted through the www.perthseasternregion.com.au website which was the call to action. An extensive regional marketing campaign valued at almost \$70,000 was secured through a spend of \$30,000, \$12,000 of which was provided by Lotterywest.



The EMRC coordinated a regional marketing campaign for the 2017 Avon Descent Family Fun Days at a cost of \$47,000 and which delivered over \$87,000 in advertising value.

**KEY
RESULT
AREA
03**



**Good
Governance**

TO PROVIDE ADVICE AND ADVOCACY ON ISSUES AFFECTING PERTH'S EASTERN REGION

Review and Implement the Regional Advocacy Strategy 2016 – 2020

The EMRC's *Regional Advocacy Strategy 2016 – 2020* is a collective voice on regional priorities. In pursuing regional outcomes that benefit member Councils, the EMRC initiates and develops relationships with individuals, organisations and state and federal governments. This strategy is outward-focused with the capacity to deliver broad scale, big picture outcomes.

A significant advocacy project for 2017/2018 is the Connect Perth's East City Deal proposal which encompasses regionally significant projects across the six member Councils of Town of Bassendean, City of Bayswater, City of Belmont, City of Kalamunda, Shire of Mundaring and City of Swan, two non-member Councils being the City of Canning and Town of Victoria Park and strategic industry partner, Perth Airport Pty Ltd. The City Deal proposal was presented to the state government in January 2018 and meetings have been ongoing with both the state and federal government on funding key projects. In a joint announcement by both governments, six of the Connect Perth's East City Deal projects have been funded with the federal government committing \$1.065 billion. These projects are likely to attract matching state government funding for an estimated total of cost of \$2 billion.

The *Regional Advocacy Strategy 2016 – 2020* priorities and areas of focus for Perth's Eastern Region are:

Regional Waste Management

- Waste reduction and resource recovery;
- Environmentally sustainable solutions; and
- Capacity for the future.

Regional Environmental Management

- Swan and Helena Rivers;
- Natural resource management; and
- Climate change.

Regional Economic Development

- Business growth, investment and innovation;
- Infrastructure to support strategic centres and population growth; and
- Maximise infrastructure benefits.

Regional Integrated Transport

- Increase and maximise benefits of infrastructure and services;
- Behaviour change; and
- Safety.

Submissions developed and submitted by the EMRC during 2017/2018 include the following:

- Waste Authority WA - Waste Avoidance and Resource Recovery Strategy;
- Westport Taskforce - Preparing for the Strategy;
- Department of Industry, Innovation and Science - The Digital Economy: Opening up the Conversation discussion paper;
- Australia's Voluntary National Review on the 2030 Sustainable Development Goals;
- Department of the Environment and Energy - Australia's Draft Strategy for Nature 2018-2030;
- WA Local Government Association - Climate Change Policy Statement Review Discussion Paper; and
- Shire of Mundaring - Draft Street Tree Policy.



Other actions of regional relevance have included providing regional representation on peak bodies and committees including:

- NorthLink Southern Construction Group and Freight and Road User Group;
- Northam Avon Descent Association;
- WALGA Cycling Reference Group;
- North East Youth Organisations Network;
- CRC for Water Sensitive Cities – Western Regional Advisory Panel;
- CRC for Water Sensitive Cities – Integrated Research Project 2;
- Water Resources State Planning Policy Stakeholder Reference Group;
- WALGA Climate Change Collaborators;
- WALGA Sustainability Officers Networking Group;
- Swan Region Strategy for Natural Resource Management Committee;
- Swan Canning River Protection Strategy Advisory Group;
- Department of Parks and Wildlife Rivers and Estuaries Division – Sub-Regional Groups Chairs and Coordinators Meeting;
- Sustainable Schools WA Alliance;
- Municipal Waste Advisory Council and committees - Officers Advisory Group, Household Hazardous Waste Committee, Contaminated Sites Committee;
- Australian Landfill Owners Association; and
- Waste Management Association of Australia.
- Regional Councils Working Group

The EMRC continues to actively engage with its six member Councils, relevant ministers, local members of parliament, government agencies and key stakeholders on the delivery of services in waste management, resource recovery, transport, economic development, natural resource management, sustainability and climate change.

Media releases prepared and disseminated to advocate for EMRC initiatives have included the following:

- Regional Integrated Transport - EMRC launches 'Share the Space' campaign;
- Regional Events - 2017 Avon Descent Family Fun Days;
- Regional Economic Development - 2017/2018 Business Exemplar projects including Barra Electrical & Services;
- Regional Economic Development - Perth's Eastern Region Economic Report Card 'Gross regional product in Perth's Eastern Region increased by \$27.9 million'
- Regional Economic Development - Doing more business with local government tendering workshop;
- Regional Integrated Transport - Swan River Ramble Competition 'Find Eric and win a chance to fly!';
- Bush Skills 4 Youth - New bush cards inspire kids to become environmental detectives;
- Bush Skills 4 Youth - EMRC calls for bushcare workshop nominations;
- Eastern Region Catchment Management Program - EMRC supporting the Blue Sky Festival;
- Eastern Region Catchment Management Program - EMRC awarded Lotterywest grant for major environmental study 'Farm dams as wildlife refuges'; and
- EMRC 2017/2018 Community Grants Program.

The priorities, focus areas and intended actions identified in the *Regional Advocacy Strategy 2016 – 2020* remain constant for the life of the strategy with reporting against the actions modified as required in order to respond to emerging issues and opportunities for Perth's Eastern Region. The EMRC is regarded as a credible partner for regional projects and the EMRC model is held in high regard by other Councils and the state and federal government and their agencies.

TO MANAGE PARTNERSHIPS AND RELATIONSHIPS WITH STAKEHOLDERS

Continue to foster and enhance relationships with member Councils and all key stakeholders

The ongoing sustainability and development of the region depends on the strength and ability of the region to pool its resources to compete for public and private investment, deal with community issues, capitalise on opportunities and influence outcomes. This can be achieved through education and awareness-raising or through directly influencing key decision-makers and key stakeholders for the purpose of achieving specific outcomes.

The EMRC works with member Councils to provide a collective voice for the region and to be a conduit for collaboration and advocacy on issues of regional significance. In pursuing regional outcomes that benefit member Councils, the EMRC initiates and develops relationships with individuals, organisations and state and federal governments. The aim of this approach is to assist the region to fulfil its potential by attracting and increasing investment and supporting activities that contribute to making Perth's Eastern Region a great place to live, work, play and do business.

Member Council officers provide input to the EMRC on the development and delivery of strategic projects and relevant strategies through participation on steering groups. The Waste Services Directorate also meets regularly with groups comprising of member Council officers, particularly through the Regional Waste Education Steering Group and Resource Recovery Project Advisory Group. The Resource Recovery Project Advisory Group provides direction on the delivery of the Resource Recovery Project. The Regional Waste Education Steering Group meets to review, advise and collaborate on waste education matters for the region, and in particular the implementation of actions to meet the objectives of the Regional Waste Education Strategy.

Regional Services advisory groups meet regularly to consider regional economic, transport and environmental projects and initiatives and assist in guiding EMRC strategies. Representation from each participating member Council and the EMRC constitute each group's membership with an expanded membership of the Regional Integrated Transport Strategy Implementation Advisory Group including numerous key stakeholders with an interest in transport. In addition, project teams comprising representatives from participating Councils meet to provide guidance to the EMRC's role in regional events and a TravelSmart working group informs the Regional Integrated Transport Strategy Implementation Advisory Group on public and active transport matters.

Advancing the interests of Perth's Eastern Region through strategic and proactive representation and effective working relationships, across all three tiers of government, is a key enabler for investment attraction and development in the region. The EMRC's regional areas of priority are consistent with delivering on the core function of working on behalf of our member Councils and making the region stronger. Influencing the outcomes for these areas is achieved through targeting a range of primary and secondary audiences including funding partners, policy makers and key community leaders. The EMRC maintains:

- A cooperative and productive relationship with State and Federal Government Ministers and their Departments, and Members of Parliament, particularly those representing Perth's Eastern Region;
- Consistent and effective participation in relevant regional organisations and peak bodies for the purpose of influencing outcomes beneficial to Perth's Eastern Region;
- Representation of the region's interests at key conferences, meetings, forums and on strategic committees;
- Protocols for communication with different stakeholders and target groups; and
- Involvement in external consultation processes, seeking out regional funding opportunities and providing written submissions, where relevant to Perth's Eastern Region.

The EMRC also works with several community and business organisations for the benefit of the region. Several projects were delivered in 2017/2018 in partnership with the region's chambers of commerce, business support services, environmental not-for-profit organisations, catchment and 'friends of' groups. Meetings of the Red Hill Waste Management Facility Community Liaison Group continued throughout 2017/2018 to provide a forum for neighbours to be briefed on site development issues and have any concerns addressed. The Waste Management Community Reference Group met twice during the year for briefings on the Resource Recovery Project and waste education initiatives.

Review and implement the Corporate Communications Plan 2017-2019

The EMRC's Corporate Communications Plan 2017-2019 provides a framework for communications activities that support the EMRC's 10 Year Strategic Plan for the period July 2017 to June 2019.

The Plan is driven by the organisation's vision, mission and values and supports the EMRC to be a responsive, progressive and responsible organisation.

The Communications Team is responsible for review and implementation of the Plan, which is designed to support the EMRC in developing and maintaining strong communication strategies with internal and external stakeholders, and also by upholding the integrity and credibility of the EMRC brand.

While the implementation of actions contained within the Plan are largely coordinated by the Communications Team, the initiatives are intended to support EMRC staff in providing consistency and quality in delivering communications supporting their services and projects.

To ensure continuous improvement, a review of the Plan is carried out annually prior to the commencement of the new financial year. The Plan's actions are also progressively updated as the communications objectives of the organisation develop in line with business needs and technological capability.

The EMRC's Corporate Communications Plan 2017-2019 provides a framework for communications activities that support the EMRC's 10 Year Strategic Plan



TO PROVIDE RESPONSIBLE AND ACCOUNTABLE GOVERNANCE AND MANAGEMENT OF THE EMRC

Continue to improve organisational governance

The EMRC continues to implement and review a wide range of policies through which the organisation maintains and improves its high standards of organisational governance.

Following local government elections in October 2017, Council elections were held at the Special Council meeting of 9 November 2017. A Chair and Deputy Chair were appointed at the first meeting of each of the EMRC's committees. A 12-month review of Council policies commenced in October 2017.

The Recordkeeping Plan continues to be reviewed and updated. A Recordkeeping plan for the Woodwaste to Energy plant was finalised during the year.

The Executive Management Team adopted fresh management guidelines covering Workers Compensation and Credit Control and Debt management.

The EMRC's Integrated Planning Framework

The EMRC's Integrated Planning Framework has been developed to ensure that programs and services are being delivered in alignment with the strategic priorities of the EMRC's key stakeholders. The *10 Year Strategic Plan* identifies the overarching outcomes that the EMRC Council aspires to achieve. The Corporate Business Plan is used to drive operational activities and is aligned to the priorities identified in the 10 Year Strategic Plan. These two documents comprise the EMRC's Plan for the Future. Strategic high level plans guide development of actions which are prioritised during annual business planning workshops, and resourced through the annual budget.

Business Plans and staff performance objectives were developed in February 2018 in alignment with the *10 Year Strategic Plan 2017 – 2027*. The Corporate Business Plan was reviewed and aligned to the *10 Year Strategic Plan 2017 – 2027*. It was utilised in the development of the 2018/2019 Annual Budget. The Corporate Business Plan sets out the actions that staff will undertake over the next five years in support of the *10 Year Strategic Plan 2017 – 2027*.

Develop and implement a Risk Management Plan

The EMRC Risk Management Policy is underpinned by the Risk Management Plan which is reviewed on an annual basis. The Risk Management Plan conforms to the process framework as set out in AS/NZS ISO 31000 Risk Management and provides detailed actions and responsibilities to ensure the intentions of the Policy are achieved. Risk Management is an essential component of good governance and competent management generally and is tracked closely by the Executive Management Team via the Risk Management Steering Group. This forum ensures that the main risks facing the EMRC are mitigated as planned and that the ever-changing operating environment is being monitored for evolving threats to the business.

Review and implement the Disability Access and Inclusion Plan (DAIP)

The EMRC continued implementation of the strategies identified within the Disability Access and Inclusion Plan 2013/2014 to 2017/2018. The objectives of the plan are to ensure that the EMRC delivers facilities, services and events that are open, available and accessible to the whole community, regardless of ability, ethnicity, gender, age or any other perceived difference.

TO CONTINUE TO IMPROVE FINANCIAL AND ASSET MANAGEMENT PRACTICES

Develop and review long term financial plans

The EMRC's *10 Year Financial Management Plan* was updated to reflect the activity for the period 2018/2019 – 2027/2028. The EMRC strives to achieve improved financial management practices ensuring clarity in financial planning and reporting.

The EMRC updated the *Asset Management Plan* including the *10 Year Fleet and Plant Replacement Plan* to manage assets for the period 2018/2019 – 2027/2028. The Annual Condition Report of all plant and equipment at the Red Hill Waste Management Facility was completed in June 2018.

Review and implement the Strategic IT Plan

During 2017/2018, the EMRC replaced a network storage device and replaced the mail server, migrating to Microsoft Exchange 2016. In addition, the Internet facing name server was upgraded to allow cloud access from the Finance system.

The EMRC also upgraded the Finance System, SynergySoft to add compliance with the Australian Taxation Office requirements for Single Touch Payroll reporting and Taxable Payments Annual Report (TPAR) reporting.



TO IMPROVE ORGANISATIONAL CULTURE, HEALTH, WELFARE AND SAFETY

Develop and implement a Workforce Plan

An internal training calendar was developed and implemented to provide staff with skills in internal procedures such as procurement, records management, safety etc. Staff also continued to enhance their skills and knowledge by attending relevant training courses, identified as a result of their annual performance reviews.

The EMRC assisted a number of Curtin University students in completing their Global MBA course by offering them opportunities to work on a number of projects.

Several initiatives were undertaken to develop an inclusive culture, which were focused on working as a high-performing team. These included:

- Group training sessions held at Ascot Place and Red Hill Waste Management Facility for all staff;
- Regular CEO and executive management attendance at Toolbox meetings at the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park;
- The annual Staff Tree Planting Day at Red Hill Waste Management Facility, which saw staff plant seedlings as part of rehabilitation of the site;
- Shire of Mundaring Transfer Station employees attended monthly Toolbox Meetings at Red Hill Waste Management Facility, as well as training sessions, to ensure they were integrated into the EMRC's processes;
- HR days were organised at the operations sites so that staff could raise any queries;
- Long serving staff continued to be recognised for completing five year service interval milestones;
- The Rewards and Recognition Program continued with the 2017 Employee of the Year being awarded;
- Staff continued to support key charities:
 - o St Bartholomew's Christmas Appeal through collecting food items and gifts for homeless people
 - o The Operations Team generously contributed to the Food Bank WA Christmas appeal to help support families in need.



The EMRC assisted a number of Curtin University students in completing their Global MBA course by offering them opportunities to work on a number of projects



The safety logo and slogan *'Our Safety is in Your Hands'* was utilised to reinforce that everyone is responsible for safety and they must hold it firmly in their hands.

Review and implement the Safety Management Plan

The Safety Advisory Committee continued to meet and provide input at a strategic level on improving safety systems. A key focus was on continuing to improve reporting, analysis and management of incident and injuries at all EMRC sites to ensure lessons are learned as to the root cause of each incident and effective controls put in place to reduce the likelihood of an event reoccurring, and to reduce overall risk across all EMRC operations.

With respect to injury prevention, the main elements of the safety management system continued to include:

- Comprehensive OH&S induction processes for new staff;
- Accident/incident reporting;
- Hazard identification and reporting processes; and
- Emergency response with up to date documentation and quarterly drills.

The safety logo and slogan 'Our Safety is in Your Hands' was utilised to reinforce that everyone is responsible for safety and they must hold it firmly in their hands. The following initiatives were implemented:

- The OS&H section of the intranet was updated to provide staff with current procedures and policies;
- A business case to implement online OS&H contractor inductions was approved;
- Accident/incident reporting was improved;
- Emergency response and evacuation drills were conducted at various sites;
- The hazard assessment process was reviewed and staff were provided tools for all site procedures and inductions; and
- Safety boards were installed at Red Hill Waste Management Facility and Hazelmere Resource Recovery Park;

The Safety Training program continued to be implemented to promote a safety focused culture. Safety inspections were regularly conducted at all EMRC sites and actions

were implemented to minimise the risk of safety incidents. The following ongoing safety training was conducted at EMRC sites:

- OH&S safety inductions – outdoor environments;
- OH&S safety inductions – indoor environments;
- Vehicle safety;
- Manual tasks;
- Emergency evacuations; and
- Heat Stress and manual handling training.

The Health Promotion program continued and a number of new initiatives were rolled out to encourage staff to maintain a healthy work life balance. These were promoted to staff through the Health Promotion Calendar. Some of the activities included:

- Free swim passes
- Fresh fruit
- Flu vaccinations and skin cancer checks
- Ergonomic assessments
- Exercise bands to reinforce that warming up and stretching is an important part of preventing injury at work
- Employee Assistance Program
- Bring a plant into the office
- Walking group
- Bike riding group
- Yoga
- Dancing
- Mental health talks

The EMRC also worked with the Local Government Insurance Scheme to roll out "Healthy Intel", which is an online resource providing staff with resources aimed at raising awareness of health issues and tips for a healthy lifestyle.



Statutory Reports

STATUTORY REPORTS

Register of Complaints

The *Local Government Act 1995* s.5.53(2)(hb) contains provision that requires complaints made against any Council member during the financial year under s.5.121 of the *Local Government Act 1995*, must be reported annually. There have been no registered complaints against EMRC Council members during the 2017/2018 financial year.

Statutory Compliance Return

The Statutory Compliance Return for the period 1 January 2017 to 31 December 2017 was completed and referred to the Audit Committee meeting held on 8 March 2018 and the Ordinary Meeting of Council held on 22 March 2018. A certified copy of the completed Statutory Compliance Return, along with the relevant section of the minutes, was submitted to the Department of Local Government, Sport and Cultural Industries on 23 March 2018. Council was able to advise that it achieved a high level of compliance with all matters applicable to the EMRC's operations.

National Competition Policy

The Competition Principles Agreement is a contractual agreement between the federal government and all state and territory governments. As a result, local government is committed to the Competition Principles Agreement, which aims to ensure all public enterprises operate in a transparent manner and in the best interests of the public. Under the Competition Principles Agreement, public enterprises are required to review their operations to ensure that they have no competitive advantage, or disadvantage, in comparison to the private sector.

The EMRC supports the Competition Principles Agreement concept and, as such, a cost benefit analysis of operations was conducted. The analysis concluded that none of the core services – operation of the Red Hill Waste Management Facility, Hazelmere Resource Recovery Park, and environmental services – should be subject to competitive neutrality principles.

Furthermore, the EMRC has not received notification that the Australian Bureau of Statistics has classified any of its operations as either public trading or public financial enterprises. No allegations of non-compliance with the principles have been made against the EMRC.

Public Interest Disclosure Act 2003

The *Public Interest Disclosure Act 2003* facilitates the disclosure of public interest information, and provides protection for those making such disclosures and those who are the subject of disclosures.

During 2017/2018 the EMRC received no public interest disclosures.

State Records Act 2000

During 2017/2018, the EMRC carried out its record keeping in accordance with the *State Records Act 2000*. A total of 19,047 documents were saved by staff into the EMRC's TRIM document records management system and 445 new files were created.

A TRIM help desk service was also provided to staff throughout the year. Records management training was conducted for current staff and new staff were inducted on their records management responsibilities and the use of TRIM.

Freedom of Information

The EMRC received one Freedom of Information application during the 2017/2018 financial year. No applications relating to the amendment of personal information were received.

Payments to Employees

Nine EMRC employees were entitled to an annual salary of \$100,000 or more.

EMPLOYEES' REMUNERATION	
SALARY RANGE \$	No.
100,000 - 109,999	3
110,000 - 119,999	1
120,000 - 129,999	1
130,000 - 139,999	1
150,000 - 159,999	2
210,000 - 219,999	1
TOTAL:	9

STATUTORY REPORTS

Plan for the Future

Section 5.53(2)(e) of the *Local Government Act 1995* requires local governments to provide an overview of the 'plan for the future', including the major initiatives that are proposed to commence, or to continue, in the next financial year. Full details are contained within the EMRC's Corporate Business Plan 2018/2019 to 2022/2023.

KEY RESULT AREA 1: ENVIRONMENTAL SUSTAINABILITY

Red Hill Waste Management Facility

- Develop a Master Plan for the Red Hill Waste Management Facility
- Implement Leachate Project
- Construct Class III Leachate Pond
- Construct Class III cells
- Construct Class IV Cell (Stage 2)
- Construct storm water and siltation ponds
- Construct water storage dams
- Construct access roads to Lots 8,9 & 10
- Construct drainage diversion and earthworks infrastructure
- Investigate the feasibility of new waste processing facility
- Undertake Greenwaste audit

Transfer Stations

- Continue to operate transfer stations on behalf of member Councils

Hazelmere Resource Recovery Park

- Review and update Hazelmere Development Plan
- Construct and commission:
 - Community Transfer Station
 - Administration Building
 - Community Reuse Store
 - Site Workshop
 - Weighbridges
 - Wood Waste to Energy Plant
- Construct carpark, storage bunkers
- Investigate the feasibility of a Materials Recovery Facility

Resource Recovery

- Implement Council resolutions regarding the Resource Recovery tender
- Develop and implement programs to increase sales of Red Hill and Hazelmere by-products

Environmental Waste Operations

- Rehabilitate completed landfill cells
- Monitor environmental impacts from waste management activities
- Manage offsets program
- Transition the Environmental Management System for the Red Hill Waste Management Facility from ISO14001:2004 to ISO14001:2015

Waste Education

- Review and implement the Waste Education Strategy
- Continue with the waste education program
- Support WA Waste initiatives regarding:
 - Container Deposit Scheme
 - Illegal dumping
 - Plastic bag ban

Environmental Projects

- Implement priority initiatives and progress regional environmental management under the global Sustainable Development Goals (SDGs) framework.
- Continue the Eastern Region Catchment Management Program
- Implement the Water Quality and Conservation Program
- Continue the Regional Climate Change Program
- Continue the ACER Program
- Review and implement the Swan and Helena Rivers Framework

KEY RESULT AREA 2: ECONOMIC DEVELOPMENT

- Implement the Regional Integrated Transport Strategy
- Implement the Regional Economic Development Strategy
- Continue the coordination, marketing and promotion of regional events

KEY RESULT AREA 3: GOOD GOVERNANCE

- Continue to implement the Regional Advocacy Strategy
- Continue to advocate for and promote the "Connect Perth's East City Deal" proposal

**ANNUAL
FINANCIAL
REPORT**



**For the year ended
30 June 2018**

FINANCIAL REPORT

For the year ended 30 June 2018

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Statement by Chief Executive Officer

The attached financial report of the Eastern Metropolitan Regional Council for the financial year ended 30 June 2018 is based on proper accounts and records to present fairly the financial position of the Eastern Metropolitan Regional Council at 30 June 2018 and the results of the operations for the financial year then ended in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 25th day of September 2018.



Peter B. Schneider
Chief Executive Officer

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2018

BY PROGRAM	NOTE	ACTUAL 2017/2018 \$	BUDGET 2017/2018 \$	ACTUAL 2016/2017 \$
REVENUE				
Governance		28,559	135,105	64,652
General Purpose Funding		2,420,067	2,159,626	2,575,308
Community Amenities		35,794,282	39,713,572	32,945,774
Other Property and Services		1,108,756	1,260,271	1,254,526
TOTAL REVENUE		39,351,664	43,268,574	36,840,260
EXPENSES				
Governance		725,167	1,100,954	772,226
Community Amenities		23,894,763	31,578,689	23,503,388
Other Property and Services		3,283,678	4,648,310	3,599,969
TOTAL EXPENSES		27,903,608	37,327,953	27,875,583
INCREASE / (DECREASE)		11,448,056	5,940,621	8,964,677
DISPOSAL OF ASSETS				
Profit on Sale		0	34,599	0
Loss on Sale		(11,500)	0	(173,517)
PROFIT / (LOSS) ON DISPOSALS	22	(11,500)	34,599	(173,517)
FAIR VALUE ADJUSTMENTS TO FINANCIAL ASSETS				
General Purpose Funding		0	0	0
GAIN / (LOSS)		0	0	0
NET RESULT		11,436,556	5,975,220	8,791,160
OTHER COMPREHENSIVE INCOME				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in Revaluation of Non-Current Assets	12,13	(316,138)	0	2,602,635
TOTAL OTHER COMPREHENSIVE INCOME		(316,138)	0	2,602,635
TOTAL COMPREHENSIVE INCOME		11,120,418	5,975,220	11,393,795

This statement is to be read in accordance with the attached notes to the financial report.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2018

BY NATURE AND TYPE	NOTE	ACTUAL 2017/2018 \$	BUDGET 2017/2018 \$	ACTUAL 2016/2017 \$
REVENUE				
Fees and Charges	4	28,081,630	36,342,059	29,829,371
Grants, Subsidies and Contributions	5	1,783,424	1,899,885	2,340,762
Interest Earnings	2	2,416,358	2,159,626	2,471,983
Other Revenue	2	7,070,252	2,867,004	2,198,144
TOTAL REVENUE		39,351,664	43,268,574	36,840,260
EXPENSES				
Employee Costs		7,804,689	9,490,464	8,044,920
Materials and Contracts		4,705,008	8,568,545	5,059,905
Utility Expenses		357,516	403,101	353,105
Insurance Expenses		257,229	318,146	278,653
Other Expenditure	2	10,907,233	13,919,564	11,498,067
Depreciation Expenses on Non-Current Assets	2	3,871,933	4,628,133	2,640,933
TOTAL EXPENSES		27,903,608	37,327,953	27,875,583
INCREASE / (DECREASE)		11,448,056	5,940,621	8,964,677
DISPOSAL OF ASSETS				
Profit on Sale		0	34,599	0
Loss on Sale		(11,500)	0	(173,517)
PROFIT / (LOSS) ON DISPOSALS	22	(11,500)	34,599	(173,517)
FAIR VALUE ADJUSTMENTS TO FINANCIAL ASSETS				
Gain/(Loss)		0	0	0
GAIN / (LOSS)		0	0	0
NET RESULT		11,436,556	5,975,220	8,791,160
OTHER COMPREHENSIVE INCOME				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in Revaluation of Non-Current Assets	12,13	(316,138)	0	2,602,635
TOTAL OTHER COMPREHENSIVE INCOME		(316,138)	0	2,602,635
TOTAL COMPREHENSIVE INCOME		11,120,418	5,975,220	11,393,795

This statement is to be read in accordance with the attached notes to the financial report.

STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2018

	NOTE	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
CURRENT ASSETS			
Cash and Cash Equivalents	10	97,180,201	90,799,929
Trade and Other Receivables	6	3,666,740	3,633,350
Inventories	7	29,845	28,834
Other Assets	8	21,377	115,198
TOTAL CURRENT ASSETS	21	<u>100,898,163</u>	<u>94,577,311</u>
NON CURRENT ASSETS			
Property, Plant and Equipment	12	73,642,629	75,590,604
Infrastructure	13	20,309,485	17,706,421
TOTAL NON CURRENT ASSETS	21	<u>93,952,114</u>	<u>93,297,025</u>
TOTAL ASSETS	21	<u>194,850,277</u>	<u>187,874,336</u>
CURRENT LIABILITIES			
Trade and Other Payables	15	3,604,991	3,846,227
Provisions	16	1,541,191	1,438,690
TOTAL CURRENT LIABILITIES		<u>5,146,182</u>	<u>5,284,917</u>
NON CURRENT LIABILITIES			
Provisions	16	3,573,905	7,579,647
TOTAL NON CURRENT LIABILITIES		<u>3,573,905</u>	<u>7,579,647</u>
TOTAL LIABILITIES		<u>8,720,087</u>	<u>12,864,564</u>
NET ASSETS		<u>186,130,190</u>	<u>175,009,772</u>
EQUITY			
Retained Surplus		57,548,967	67,395,109
Reserves	17	86,979,194	65,431,736
Revaluation Surplus	14	41,602,029	42,182,927
TOTAL EQUITY		<u>186,130,190</u>	<u>175,009,772</u>

This statement is to be read in accordance with the attached notes to the financial report.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

	NOTE	RETAINED SURPLUS \$	RESERVES \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2016		60,214,225	62,674,377	40,727,375	163,615,977
Net Result		8,791,160	0	0	8,791,160
Total Other Comprehensive Income		0	0	2,602,635	2,602,635
Revaluation Surplus Reversal	14	1,147,083	0	(1,147,083)	0
Transfer (from) / to Reserves		(2,757,359)	2,757,359	0	0
Balance as at 30 June 2017		67,395,109	65,431,736	42,182,927	175,009,772
Net Result		11,436,556	0	0	11,436,556
Total Other Comprehensive Income		0	0	(316,138)	(316,138)
Revaluation Surplus Reversal	14	264,760	0	(264,760)	0
Transfer (from) / to Reserves		(21,547,458)	21,547,458	0	0
Balance as at 30 June 2018		57,548,967	86,979,194	41,602,029	186,130,190

This statement is to be read in accordance with the attached notes to the financial report.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2018

	NOTE	ACTUAL 2017/2018 \$	BUDGET 2017/2018 \$	ACTUAL 2016/2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Fees and Charges		31,517,167	36,342,060	33,995,233
Grants, Subsidies and Contributions		1,783,424	1,899,885	2,340,762
Interest Earnings		2,230,656	2,159,626	2,431,655
Other Revenue		2,834,606	3,701,553	2,198,145
Total Receipts		38,365,853	44,103,124	40,965,795
Payments				
Employee Costs		(7,729,687)	(9,461,855)	(8,060,525)
Materials and Contracts		(6,047,256)	(8,568,545)	(8,541,550)
Utility Expenses		(357,516)	(403,101)	(353,105)
Insurance Expenses		(230,134)	(318,146)	(293,373)
Other Expenditure		(10,649,704)	(14,550,069)	(11,218,377)
Goods and Services Tax paid		(2,116,625)	0	(2,079,857)
Total Payments		(27,130,922)	(33,301,716)	(30,546,787)
NET CASH PROVIDED BY OPERATING ACTIVITIES	18(ii)	11,234,931	10,801,408	10,419,008
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment		327,046	605,924	386,700
Payments for purchase of property, plant and equipment		(5,181,705)	(25,956,194)	(6,126,607)
NET CASH USED IN INVESTING ACTIVITIES		(4,854,659)	(25,350,270)	(5,739,907)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from sale of investments		0	0	0
NET CASH PROVIDED BY FINANCING ACTIVITIES		0	0	0
SUMMARY OF CASH FLOWS				
Cash and cash equivalents at the beginning of the year		90,799,929	92,285,179	86,120,828
Net Increase/(Decrease) in Cash Held		6,380,272	(14,548,862)	4,679,101
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	18(i)	97,180,201	77,736,317	90,799,929

This statement is to be read in accordance with the attached notes to the financial report.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations.

Except for cash flow information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

The Local Government Reporting Entity

All funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

The significant accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise:

(a) Trust Funds

Any monies held in the Trust Fund, which Council may hold in a custodian role, are excluded from the Financial Statements.

The EMRC currently does not hold any trust fund monies for the year ended 30 June 2018.

(b) Cash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts, where applicable, are included as short-term borrowings in current liabilities on the Statement of Financial Position.

The EMRC does not have any bank overdrafts for the year ended 30 June 2018.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(c) Fixed Assets**

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Mandatory Requirements to Revalue Non-Current Assets

Effective from 1 July 2012, the *Local Government (Financial Management) Regulations 1996* were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the EMRC commenced the process of adopting Fair Value in accordance with the Regulations. Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the EMRC revalues its asset classes in accordance with this mandatory timetable. Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

Land Under Control

In accordance with *Local Government (Financial Management) Regulations 1996, Reg.16(a)*, the Council is required to include as an asset (by 30 June 2013), Crown Land operated by the local government such as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance.

The Council does not have any Crown land which comes under this Regulation.

Land Under Roads

In Western Australia, all land under roads is Crown land, the responsibility for managing which, is vested in the local government.

Effective from 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the fact *Local Government (Financial Management) Regulations 1996, Reg.16 (a)(i)* prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, *Local Government (Financial Management) Regulations 1996, Reg.16(a)(i)* prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of *AASB 1051, Local Government (Financial Management) Regulations 1996, Reg.4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations 1996* prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

Initial Recognition and Measurement between Mandatory Revaluation Dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. 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 Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(c) Fixed Assets (continued)**

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believed this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in the Statement of Comprehensive Income.

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, artworks and work in progress which are not depreciated, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- a) Restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or
- b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Major depreciation rates used for each class of depreciable asset are:

• Buildings	0.20 - 32.00% (based on components)
• Structures	
General	0.56 - 18.10%
Class III and IV Waste Cells	% of actual usage
• Plant	3.67 - 57.66%
• Furniture and fittings	5.97 - 33.33%
• Equipment	5.33 - 52.59%

The asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income in the period in which they arise.

When revalued assets are disposed of, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Capitalisation Threshold

Expenditure on items of major equipment under \$5,000 and minor equipment under \$1,000 are not capitalised. Rather, they are recorded on an asset inventory listing.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(d) Fair Value of Assets and Liabilities**

When performing a revaluation, the Council uses a combination of both independent and management valuations using the following as a guide:

Fair value is the price that Council would receive to sell the asset or would have to pay to transfer the liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

Where possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair Value Hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

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 are 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 Council selects a valuation technique that is 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 Council are consistent with one or more of the following valuation approaches:

Market Approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(d) Fair Value of Assets and Liabilities (continued)*****Income Approach***

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost Approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs which 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 Council 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 is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

As detailed above, the mandatory measurement framework imposed by the *Local Government (Financial Management) Regulations 1996* requires, as a minimum, all assets carried at a revalued amount to be revalued in accordance with the regulatory framework.

(e) Intangible Assets**Easements**

Regulation 16 of the *Local Government (Financial Management) Regulations 1996* requires easements to be recognised as assets. The EMRC does not have any easements.

(f) Rates

The EMRC does not levy rates. Accordingly rating information as required under the *Local Government (Financial Management) Regulations 1996* has not been presented in this financial report.

(g) Grants, Donations and Other Contributions

Grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 9. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

(h) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the local government prior to the end of the financial year that are unpaid and arise when the Local Government becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(i) Impairment**

In accordance with Australian Accounting Standards, the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired. Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with *AASB 136 Impairment of Assets* and appropriate adjustments are made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. *AASB 116 Property, Plant and Equipment*) whereby an impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

(j) Revenue Recognition**Waste Services**

Revenue from waste services is recognised when the waste is received.

Generation of Gas Services

Revenue from the generation of gas services is recognised on an accrual basis. Proceeds from the sale of Renewable Energy Certificates are only recognised when the certificates are sold.

Interest Income

Interest income is recognised on an accrual basis.

Sale of Goods and Disposal of Assets

Revenue from the sale of goods and disposal of other assets is recognised when the Council has passed control of the goods or other assets to the buyer.

Rendering of Services

Revenue from the provision of services is recognised on an accrual basis.

Royalties

Royalty revenue is recognised on an accrual basis.

(k) Inventories**General**

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

(l) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the Statement of Financial Position are stated inclusive of applicable GST. The net amount of GST recoverable from, or payable to the ATO is included with receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Provisions

Provisions are recognised when: The Council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured using the best estimate of the amounts required to settle the obligations at the end of the reporting period.

(n) Provision for Site Rehabilitation

A provision for the future costs associated with closing and restoring the landfill is recognised as liabilities within the financial accounts. The nature of work planned by Council includes cell capping, landform reconstruction, dismantling of site operating facilities and implementation of a revegetation plan to suit the final land use. The cost is based on estimated current costs, determined on a discounted basis.

The obligation for the EMRC to recognise the provision for site rehabilitation arises at the time the landfill cell is first put into use. Increments in the provision are calculated on the basis of the volumetric usage of the landfill cell air space during the year, present value of the costs for site rehabilitation and remaining capacity of the landfill site.

As per the independent engineers report from June 2015, the present value for the rehabilitation of the site has been calculated to be \$6,920,000 and has been deemed sufficient for post closure management purposes. This value will be reviewed on a five yearly cycle.

The provision is measured using the best estimate of the amounts required and is reassessed internally on an annual basis with an independent review being undertaken on a five yearly cycle.

In addition, Council has also adopted an incremental charge based on volumetric usage of landfill airspace for ongoing site rehabilitation during the in-use operations of the landfill.

(o) Provision for Environmental Monitoring

A provision for the future costs associated with closing and restoring the landfill is recognised as liabilities within the financial accounts. The nature of work planned by Council includes monitoring of groundwater, surface water, leachate and landfill gas generation. The cost is based on estimated current costs, determined on a discounted basis.

The obligation for the EMRC to recognise the provision for environmental monitoring arises at the time the landfill cell is first put into use. Increments in the provision are calculated on the basis of the volumetric usage of the landfill cell air space during the year, present value of the costs for environmental monitoring and remaining capacity of the landfill site.

As per the independent engineers report from June 2015, the present value for the environmental monitoring of the site has been calculated to be \$3,760,000 and has been deemed sufficient for post closure management purposes. This value will be reviewed on a five yearly cycle.

The provision is measured using the best estimate of the amounts required and is reassessed internally on an annual basis with an independent review being undertaken on a five year cycle.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(p) Provision for Carbon Pricing**

The EMRC is subject to the reporting requirements of the National Greenhouse and Energy Reporting Act 2007. The National Greenhouse and Energy Reporting Act 2007 requires the EMRC to report its annual greenhouse gas emissions and energy use. The EMRC has implemented systems and processes for the collection and calculation of the data required.

As an operator of the landfill site at Red Hill, the EMRC is a net emitter of CO₂e over the life of the waste it receives. While the payment of the carbon pricing was based on the CO₂e emitted in the respective years and under the liability method of accounting, a corresponding recognition of future years' CO₂e emitted was recognised in the year the liability was incurred.

Following the end of the 2013/2014 financial year, the Australian Parliament passed retrospective legislation to repeal the carbon price on 17 July 2014. This repeal received Royal assent and has been gazetted.

The consequence of the repeal of the carbon pricing mechanism for the EMRC is that no new carbon tax liability applied effective from 1 July 2014.

In August 2017 the EMRC Council approved the use of the excess carbon tax revenue collected for its proposed Resource Recovery Park project and Resource Recovery Facility project which will deliver a reduction in greenhouse gas emissions and provide renewable energy generation.

(q) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

(r) Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of this experience and other factors combine to form the basis of making judgements about carrying values of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

(s) Trade and Other Receivables

Trade and other receivables include amounts due from member Councils and non-members for unpaid fees and charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(t) Employee Entitlements**

The provisions for employee benefits relate to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Short-term Employee Benefits

Provision is made for the Council's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Council's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

(ii) Other long-term Employee Benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. The Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(iii) Superannuation Fund

The Council contributes to the WA Local Government Superannuation Plan (LGSP) and other choice funds for qualifying employees as per statutory requirements (9.50% for 2017/2018). It also contributes to the LGSP and other choice funds for full scheme members (5% for 2017/2018). Contributions to defined contribution plans are recognised as an expense as they become payable.

(u) Rounding Off Amounts

All amounts shown in this annual financial report are rounded to the nearest dollar. As a result of rounding, some minor reconciliation discrepancies may be present in the disclosures to the financial report.

(v) Comparative Figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(w) Budget Comparative Figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(x) Leases**

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Council, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

The EMRC does not currently have any finance leases and operating leases.

(y) Financial Instruments**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial assets are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;
- (ii) less principal repayments;
- (iii) plus or minus the cumulative amortisation of the differences, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the related period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in the Statement of Comprehensive Income.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(y) Financial Instruments (continued)**

The Council does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Council's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

If during the period the Council sold or reclassified more than a significant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be reclassified as available-for-sale.

(iv) Available for sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets.)

(v) Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(y) Financial Instruments (continued)****(vi) Fair Value**

Fair value is determined based on current bid prices of all quoted investments. Valuation techniques are applied to determine the fair value of all unlisted securities, including arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

(z) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where the Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months.

Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the Council's intentions to release for sale.

(aa) Landfill Cells

There are three general components of cell construction:

- Cell excavation and development costs;
- Cell liner costs; and
- Cell capping costs.

All cell excavation and development costs and cell liner costs are capitalised and depreciated over the useful life of the cell based on the volumetric usage of the landfill cell air space during the year.

Cell capping costs are expensed as they occur as part of ongoing site rehabilitation.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(bb) New Accounting Standards and Interpretations for Application in Future Periods**

The Australian Accounting Standards Board (AASB) has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Council.

Management's assessment of the new and amended pronouncements that are relevant to the Council, applicable to future reporting periods and which have not yet been adopted are set out as follows:

Title and topic	Issued/ Compiled	Applicable (1)	Impact
(i) AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8).	December 2014	1 January 2018	Nil - The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.
(ii) AASB 15 Revenue from Contracts with Customers.	December 2014	1 January 2019	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the Council has with those third parties it has dealings with. It may or may not be significant.

(1) Applicable to reporting periods commencing on or after the given date.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(bb) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

Title and topic	Issued/ Compiled	Applicable (1)	Impact
(iii) AASB 16 Leases.	February 2016	1 January 2019	<p>Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted.</p> <p>Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges.</p> <p>Currently this does not have any impact on the Council's financial statements.</p>
(iv) AASB 1058 Income of Not-for-Profit Entities.	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services. <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Council's operations.</p>

(1) Applicable to reporting periods commencing on or after the given date.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(cc) Adoption of New and Revised Accounting Standards

During the current year, the Council adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

- AASB 2016-4 (Applicable to reporting periods commencing on or after 1 January 2017)
Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities.
- AASB 2016-7 (Applicable to reporting periods commencing on or after 1 January 2017)
Amendments to Accounting Standards - Deferral of AASB 15 for Non-for-Profit Entities.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

2. REVENUE AND EXPENSES

	ACTUAL 2017/2018 \$	BUDGET 2017/2018	ACTUAL 2016/2017 \$
Net Result			
The Net Result includes:			
(i) Crediting as Revenue:	\$	\$	\$
Interest Earnings			
Interest on funds held in Reserves	1,741,894	1,759,626	1,830,971
Interest on Municipal Cash and Investments	674,464	400,000	641,012
	2,416,358	2,159,626	2,471,983
Other Revenue			
Sale of Products	2,006,994		1,319,635
Gas Royalty Income	577,277		569,204
Carbon Tax (Refer Note 16)	4,235,645		0
Miscellaneous Income	250,336		309,305
	7,070,252		2,198,144
Significant Revenue			
General Purpose Funding	0		0
	0		0
(ii) Charging as an Expense:			
Auditors Remuneration			
Audit of the Financial Report	29,320		21,280
Audit and assurance of grant acquittals	600		1,683
	29,920		22,963
Depreciation and Amortisation Expense			
Buildings	109,791		156,312
Plant	2,054,270		2,101,289
Equipment	196,257		135,951
Furniture and Fittings	9,415		8,908
Structures - Landfill Cells	1,230,792		0
- Other	271,408		238,473
	3,871,933		2,640,933
Other Expenses			
State Landfill levy	9,426,579		9,909,291
Other Expenses	1,480,654		1,588,776
	10,907,233		11,498,067

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

3. COMPONENT FUNCTIONS/ACTIVITIES

The activities relating to the Eastern Metropolitan Regional Council's components reported on in the Statement of Comprehensive Income are as follows:

EMRC MISSION STATEMENT

The Eastern Metropolitan Regional Council, by partnering with member Councils (and other stakeholders), facilitates strategies and actions for the benefit and sustainability of Perth's Eastern Region.

Governance

Objective:

To provide responsible and accountable governance and management of the EMRC.

Activities:

Includes the activities of members of council and the administration and operation of facilities and services to members of Council together with other administrative governance costs.

General Purpose Funding

Objective:

To provide responsible and accountable financial management practices.

Activities:

Includes the activities relating to the management of the EMRC's investment portfolio, records interest revenue as well as other general purpose revenue.

Community Amenities

Objective:

To provide sustainable waste disposal, resource recovery and recycling operations and solutions in partnership with member Councils.

Activities:

Includes waste disposal, resource recovery and recycling operations undertaken at the Red Hill Waste Disposal Facility, the Hazelmere Resource Recovery Facility, Coppin and Mathieson Road transfer stations.

Other Property and Services

Objective:

To facilitate the sustainable economic development of the region together with the provision of responsible and accountable management of the EMRC.

Activities:

Includes activities and projects of the EMRC's Regional Services directorate, the operations of the Ascot Place activity and records the activities associated with public works overheads, plant operation, materials, salaries and wages.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

4. FEES AND CHARGES SUMMARY BY PROGRAM

	ACTUAL 2017/2018 \$	BUDGET 2017/2018 \$	ACTUAL 2016/2017 \$
Community Amenities	28,078,480	36,336,059	29,821,213
Other Property and Services	3,150	6,000	8,158
Total Statutory Fees and Charges	28,081,630	36,342,059	29,829,371

5. GRANT, SUBSIDY AND CONTRIBUTION REVENUE BY PROGRAM

	ACTUAL 2017/2018 \$	BUDGET 2017/2018 \$	ACTUAL 2016/2017 \$
Governance	26,196	26,176	50,219
Community Amenities	807,208	784,438	1,203,782
Other Property and Services	950,020	1,089,271	1,086,761
Total Grant, Subsidy and Contribution Revenue	1,783,424	1,899,885	2,340,762

6. TRADE AND OTHER RECEIVABLES

	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
Current		
Sundry Debtors	2,032,014	2,617,883
Loan Receivable ¹	414,884	0
Other Debtors	27,588	16,224
GST Receivable	0	0
Accrued Interest Earnings	1,240,676	1,054,975
Allowance for Impairment of Receivables ²	(48,422)	(55,732)
	3,666,740	3,633,350

¹ Loan Receivable is covered under a loan agreement on commercial terms with Anergy Australia Pty Ltd. This loan is treated as a current receivable as under the terms of the agreement payment may be made at any time by Anergy Australia Pty Ltd up to 12 months following practical completion.

² Reconciliation of changes in the Allowance for Impairment of Receivables

	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
Balance at start of period	55,732	7,025
Doubtful debts expense	0	48,707
Amounts written off during the period	0	0
Impairment losses reversed during the period	(7,310)	0
Balance at end of period	48,422	55,732

The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectable are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the EMRC will not be able to collect the debts.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

7. INVENTORIES

	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
Current		
Distillate	25,314	23,917
Oils	4,531	4,917
	<u>29,845</u>	<u>28,834</u>

8. OTHER ASSETS

	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
Current		
Prepayment - Contract Expenses	2,387	13,887
Prepayment - General	8,767	42,181
Prepayment - Insurance	0	27,095
Prepayment - Miscellaneous	10,223	32,035
	<u>21,377</u>	<u>115,198</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

9. CONTROL OVER GRANTS/CONTRIBUTIONS

Conditions Over Grants/Contributions	Function/Activity	Opening Balance ⁽¹⁾	Received ⁽²⁾	Expended ⁽³⁾	Closing Balance
		1 July 2016 \$	2016/17 \$	2016/17 \$	30 June 2017 \$
Grant/Contribution					
Lighthouse Project - Disability Access & Inclusion Plan	Governance	0	9,500	(6,700)	2,800
Metropolitan Local Government Youth Development Scholarship	Governance	0	10,000	0	10,000
20M Trees Program	Other Property and Services	22,055	41,950	(56,315)	7,690
Coordination of Community Led Projects	Other Property and Services	52,500	105,000	(105,000)	52,500
Healthy Wildlife Project	Other Property and Services	42,150	100,000	(133,322)	8,828
Operational Support for the Steamwand Machine	Other Property and Services	2,465	0	(2,465)	0
Protecting Priority Tributaries in Perth's Eastern Region	Other Property and Services	7,264	0	(7,264)	0
Steaming To Success Program	Other Property and Services	3,835	6,000	(9,835)	0
Water Quality Monitoring in the Lower Helena Sub Catchment	Other Property and Services	24,788	0	(24,104)	684
All West Australian Reducing Emergencies Program	Other Property and Services	0	20,000	(20,000)	0
Avon Descent	Other Property and Services	0	155,000	(155,000)	0
Bush Skills for Youth Program	Other Property and Services	0	25,000	(25,000)	0
Community Capability Project	Other Property and Services	0	80,000	(34,597)	45,403
Keep Australia Beautiful Community Litter Program	Other Property and Services	0	10,000	(8,260)	1,740
Keep Australia Beautiful Waste Education Program	Community Amenities	0	800	(800)	0
Perth's Autumn Festival	Other Property and Services	0	40,000	(40,000)	0
		155,057	603,250	(628,662)	129,645

Conditions Over Grants/Contributions

Grant/Contribution	Function/Activity	Opening Balance ⁽¹⁾	Received ⁽²⁾	Expended ⁽³⁾	Closing Balance
		1 July 2017 \$	2017/18 \$	2017/18 \$	30 June 2018 \$
Lighthouse Project	Governance	2,800	0	(2,800)	0
Metropolitan Local Government Youth Development Scholarship	Governance	10,000	0	(10,000)	0
20M Trees Program	Other Property and Services	7,690	5,300	(12,990)	0
Coordination of Community Led Projects	Other Property and Services	52,500	105,000	(105,000)	52,500
Healthy Wildlife Project	Other Property and Services	8,828	38,006	(46,834)	0
Water Quality Monitoring in the Lower Helena Sub Catchment	Other Property and Services	684	0	(684)	0
Community Capability Project	Other Property and Services	45,403	100,000	(79,874)	65,529
Keep Australia Beautiful Community Litter Program	Other Property and Services	1,740	0	0	1,740
Avon Descent	Other Property and Services	0	155,000	(155,000)	0
Enhancing Biodiversity SALP Project	Other Property and Services	0	3,039	(130)	2,909
Farm Dams Project	Other Property and Services	0	50,000	(42,001)	7,999
Lotterywest Bush Skills for Youth	Other Property and Services	0	3,155	(3,155)	0
		129,645	459,500	(458,468)	130,677

Notes:

- (1) Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.
- (2) New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.
- (3) Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the manner specified by the contributor.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

10. CASH AND CASH EQUIVALENTS

	ACTUAL 2017/2018	ACTUAL 2016/2017
	\$	\$
Cash and Cash Equivalents - Unrestricted	9,927,009	25,198,428
Cash and Cash Equivalents - Restricted	87,253,192	65,601,501
	<u>97,180,201</u>	<u>90,799,929</u>

The following restrictions have been imposed by regulations or other externally imposed requirements:

Plant and Equipment	3,383,664	1,372,015
Site Rehabilitation Red Hill - Post Closure	2,482,057	2,314,792
Future Development	16,089,599	6,238,460
Environmental Monitoring Red Hill	975,126	885,502
Environmental Insurance Red Hill	11,844	13,506
Risk Management	14,737	14,377
Class IV Cells Red Hill	589,575	563,778
Regional Development	328,109	195,233
Secondary Waste Processing	56,190,599	48,550,081
Class III Cells	5,929,276	4,344,485
Building Refurbishment (Ascot Place)	74,411	72,593
Long Service Leave	910,197	866,914
	<u>86,979,194</u>	<u>65,431,736</u>
Add movement in accrued interest	273,998	169,765
Less unrealised gain/(loss) from changes in fair value of Investments	0	0
	<u>87,253,192</u>	<u>65,601,501</u>

11. NET CURRENT ASSET POSITION

The net current asset position balance carried forward from the previous financial year after adjustment for Restricted Assets for the purpose of the 2017/2018 budget was \$22,108,614.

The actual net current asset position balance shown in the audited financial report as at 30 June 2017 and after adjustment for Restricted Assets was \$23,690,893.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

12. PROPERTY, PLANT AND EQUIPMENT

	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
Land - Independent Valuation 2017	50,570,000	50,570,000
Additions after Valuation - Cost	0	0
Less Disposals after Valuation	0	0
Total Land	50,570,000	50,570,000
Buildings - Independent Valuation 2017	7,485,440	7,485,440
Additions after Valuation - Cost	17,805	0
Less Disposals after Valuation	0	0
Less Accumulated depreciation	(109,791)	0
Total Buildings	7,393,454	7,485,440
Total Land and Buildings	57,963,454	58,055,440
Plant - Independent Valuation 2016	10,776,173	10,776,173
Additions after Valuation - Cost	4,216,873	3,881,077
Less Disposals after Valuation	(807,094)	(472,571)
Less Accumulated depreciation	(4,155,559)	(2,101,289)
Total Plant	10,030,393	12,083,390
Equipment - Independent Valuation 2016	658,759	658,759
Additions after Valuation - Cost	227,073	147,641
Less Disposals after Valuation	(3,387)	(611)
Less Accumulated depreciation	(332,208)	(135,951)
Total Equipment	550,237	669,838
Furniture and Fittings - Independent Valuation 2016	16,806	16,806
Additions after Valuation - Cost	8,244	8,244
Less Accumulated depreciation	(18,323)	(8,908)
Total Furniture and Fittings	6,727	16,142
Artworks - Independent Valuation 2018	150,125	145,040
Additions after Valuation - Cost	0	0
Total Artworks	150,125	145,040

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

12. PROPERTY, PLANT AND EQUIPMENT (Continued)	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
Work in Progress - At Cost		
- Buildings	579,154	579,943
- Plant	4,362,539	4,040,811
- Equipment	0	0
Total Work in Progress	<u>4,941,693</u>	<u>4,620,754</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u><u>73,642,629</u></u>	<u><u>75,590,604</u></u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

12. PROPERTY, PLANT AND EQUIPMENT (Continued)**Movements in Carrying Amounts**

Movements in the carrying amount of each class of property, plant and equipment between the beginning and the end of the current financial year are reflected as follows:

	Land \$	Buildings \$	Total Land & Buildings \$	Plant \$	Equipment \$	Furniture & Fittings \$	Artworks \$	Work in Progress \$	Total \$
Balance at 1 July 2016	48,504,912	5,477,919	53,982,831	10,776,173	658,759	16,806	145,040	6,108,495	71,688,104
Additions	0	483,284	483,284	3,003,117	147,641	8,244	0	601,632	4,243,918
WIP - Transfers in/(out)	0	1,209,819	1,209,819	877,960	1,594	0	0	(2,089,373)	0
(Disposals)	0	(37,112)	(37,112)	(472,571)	(2,205)	0	0	0	(511,888)
Reclassification	0	(29,705)	(29,705)	0	0	0	0	0	(29,705)
Revaluation increments/(decrements)	2,065,088	537,547	2,602,635	0	0	0	0	0	2,602,635
Impairment (losses)/reversals	0	0	0	0	0	0	0	0	0
Depreciation expense	0	(156,312)	(156,312)	(2,101,289)	(135,951)	(8,908)	0	0	(2,402,460)
Balance at 30 June 2017	50,570,000	7,485,440	58,055,440	12,083,390	669,838	16,142	145,040	4,620,754	75,590,604
Additions	0	17,015	17,015	335,796	79,432	0	0	321,729	753,972
WIP - Transfers in/(out)	0	790	790	0	0	0	0	(790)	0
(Disposals)	0	0	0	(334,523)	(2,776)	0	0	0	(337,299)
Reclassification	0	0	0	0	0	0	0	0	0
Revaluation increments/(decrements)	0	0	0	0	0	0	5,085	0	5,085
Impairment (losses)/reversals	0	0	0	0	0	0	0	0	0
Depreciation expense	0	(109,791)	(109,791)	(2,054,270)	(196,257)	(9,415)	0	0	(2,369,733)
Carrying amount at 30 June 2018	50,570,000	7,393,454	57,963,454	10,030,393	550,237	6,727	150,125	4,941,693	73,642,629

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

12. PROPERTY, PLANT AND EQUIPMENT (Continued)

Artworks:

The EMRC's artworks were revalued at 30 June 2018 by independent valuers.

The revaluation resulted in an overall increase of \$5,085 in the net value of the EMRC's artworks. All of the increase was credited to the revaluation surplus in the Council's equity and was recognised as changes on Revaluation of non-current assets in the Statement of Comprehensive Income.

Refer to Note 30 for detailed disclosures regarding fair value measurement of the EMRC's artworks.

They will next be revalued during the year ended 30 June 2021 in accordance with the mandatory asset measurement framework detailed in Note 1(c).

Furniture and Fittings, Plant and Equipment:

Both furniture and fittings and plant and equipment were revalued in 2016 as part of the mandatory requirements embodied in *Local Government (Financial Management) Regulations 1996, Reg.17A*.

Whilst the additions since that time are shown at cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. Thus the value is considered in accordance with *Local Government (Financial Management) Regulations 1996, Reg.17A (2)* which requires these assets to be shown at fair value.

They will be revalued during the year ended 30 June 2019 in accordance with the mandatory asset measurement framework detailed in Note 1(c).

Land and Buildings:

Both land and buildings were revalued in 2017 as part of the mandatory requirements embodied in *Local Government (Financial Management) Regulations 1996, Reg.17A*.

Whilst the additions since that time are shown at cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. Thus the value is considered in accordance with *Local Government (Financial Management) Regulations 1996, Reg.17A (2)* which requires these assets to be shown at fair value.

They will next be revalued during the year ended 30 June 2020 in accordance with the mandatory asset measurement framework detailed in Note 1(c).

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

13. INFRASTRUCTURE

	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
Landfill Cells - Management Valuation 2018	6,676,510	11,473,806
Additions after Valuation - Cost	0	4,139,197
Less Accumulated depreciation	0	(7,705,701)
	<u>6,676,510</u>	<u>7,907,302</u>
Other Structures - Independent Valuation 2018	6,621,065	6,582,782
Additions after Valuation - Cost	0	952,002
Less Disposals after Valuation	0	(48,329)
Less Accumulated depreciation	0	(471,655)
	<u>6,621,065</u>	<u>7,014,800</u>
Work in Progress - At Cost		
- Landfill Cells	482,938	321,902
- Other Structures	6,528,972	2,462,417
Total Work in Progress	<u>7,011,910</u>	<u>2,784,319</u>
TOTAL INFRASTRUCTURE	<u><u>20,309,485</u></u>	<u><u>17,706,421</u></u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

13. INFRASTRUCTURE (Continued)**Movements in Carrying Amounts**

Movements in the carrying amount of infrastructure between the beginning and the end of the current financial year are reflected as follows:

	Landfill Cells \$	Other Structures \$	Work in Progress \$	Total \$
Balance at 1 July 2016	7,870,507	6,458,394	1,751,928	16,080,829
Additions	36,795	557,517	1,288,377	1,882,689
WIP - Transfers in/(out)	0	255,986	(255,986)	0
(Disposals)	0	(48,329)	0	(48,329)
Reclassification	0	29,705	0	29,705
Revaluation increments/(decrements)	0	0	0	0
Impairment (losses)/reversals	0	0	0	0
Depreciation expense	0	(238,473)	0	(238,473)
Balance at 30 June 2017	7,907,302	7,014,800	2,784,319	17,706,421
Additions	0	199,113	4,228,621	4,427,734
WIP - Transfers in/(out)	0	1,030	(1,030)	0
(Disposals)	0	(1,247)	0	(1,247)
Reclassification	0	0	0	0
Revaluation increments/(decrements)	0	(321,223)	0	(321,223)
Impairment (losses)/reversals	0	0	0	0
Depreciation expense	(1,230,792)	(271,408)	0	(1,502,200)
Carrying amount at 30 June 2018	6,676,510	6,621,065	7,011,910	20,309,485

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

13. INFRASTRUCTURE (Continued)

Infrastructure:

The EMRC's infrastructure assets were revalued at 30 June 2018 by independent valuers and a Management valuation was undertaken for the EMRC's landfill cells.

The revaluation resulted in an overall decrease of \$321,223 in the net value of the EMRC's infrastructure assets. All of the decrease was debited to the revaluation surplus in the Council's equity and was recognised as changes on Revaluation of non-current assets in the Statement of Comprehensive Income.

Refer to Note 30 for detailed disclosures regarding fair value measurement of the EMRC's infrastructure assets.

They will next be revalued during the year ended 30 June 2021 in accordance with the mandatory asset measurement framework detailed in Note 1(c).

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

14. REVALUATION SURPLUS

	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
Revaluation surpluses have arisen as a result of the revaluation of the following classes of non-current assets:		
Plant and Equipment		
Opening balance	4,749,067	5,834,205
Revaluation Increment/(decrement)	0	0
Revaluation writeback on disposals	(264,746)	(1,085,138)
Closing Balance	<u>4,484,321</u>	<u>4,749,067</u>
Land		
Opening balance	31,540,697	29,475,609
Revaluation Increment/(decrement)	0	2,065,088
Closing Balance	<u>31,540,697</u>	<u>31,540,697</u>
Buildings		
Opening balance	1,711,014	1,205,328
Revaluation Increment/(decrement)	0	537,547
Revaluation writeback on disposals	0	(31,861)
Closing Balance	<u>1,711,014</u>	<u>1,711,014</u>
Artworks		
Opening balance	25,807	25,807
Revaluation Increment/(decrement)	5,085	0
Closing Balance	<u>30,892</u>	<u>25,807</u>
Infrastructure - Other Structures		
Opening balance	4,156,342	4,186,426
Revaluation Increment/(decrement)	(321,223)	0
Revaluation writeback on disposals	(14)	(30,084)
Closing Balance	<u>3,835,105</u>	<u>4,156,342</u>
Total Revaluation Surplus	<u>41,602,029</u>	<u>42,182,927</u>
Revaluation Surplus Summary		
Opening balance	42,182,927	40,727,375
Revaluation Increment/(decrement)	(316,138)	2,602,635
Revaluation writeback on disposals	(264,760)	(1,147,083)
Total Revaluation Surplus	<u>41,602,029</u>	<u>42,182,927</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

15. TRADE AND OTHER PAYABLES

	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
Current		
Payroll Accruals	74,777	74,651
GST Liability	63,055	127,014
Sundry Creditors	3,467,159	3,644,562
	<u>3,604,991</u>	<u>3,846,227</u>

16. PROVISIONS

Current Employee Benefits Related Provisions

Employees Annual Leave	635,506	646,193
Employees Long Service Leave	706,392	604,636
Employment On-Costs	199,293	187,861
	<u>1,541,191</u>	<u>1,438,690</u>

Non-current Employee Benefits Related Provisions

Employees Long Service Leave	104,482	128,421
Employment On-Costs	11,600	15,287
	<u>116,082</u>	<u>143,708</u>

Total Employee Benefits Provisions

	<u>1,657,273</u>	<u>1,582,398</u>
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Non-current Other Provisions

Red Hill Landfill Site Post Closure Rehabilitation	2,482,057	2,314,792
Red Hill Landfill Environmental Monitoring	975,766	885,502
Carbon Pricing Tax	0	4,235,645

Total Other Provisions

	<u>3,457,823</u>	<u>7,435,939</u>
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Total Provisions

	<u>5,115,096</u>	<u>9,018,337</u>
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Analysis of total provisions:

Current	1,541,191	1,438,690
Non-current	3,573,905	7,579,647
	<u>5,115,096</u>	<u>9,018,337</u>

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Provision for Employment On-Costs \$	Provision for Carbon Pricing \$	Provision for Site Rehabilitation \$	Provision for Environmental Monitoring \$	Total \$
Opening balance as at 1 July 2017	646,193	733,057	203,148	4,235,645	2,314,792	885,502	9,018,337
Additional provisions made	526,068	133,970	11,432	0	167,265	90,264	928,999
Amounts used	(536,755)	(56,153)	(3,687)	0	0	0	(596,595)
Unused amount reversed	0	0	0	(4,235,645)	0	0	(4,235,645)
Balance as 30 June 2018	<u>635,506</u>	<u>810,874</u>	<u>210,893</u>	<u>0</u>	<u>2,482,057</u>	<u>975,766</u>	<u>5,115,096</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

16. PROVISIONS (Continued)**Annual Leave Liabilities**

Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2017/2018	2016/2017
	\$	\$
Within 12 months of the end of the reporting period	498,688	562,806
More than 12 months after the end of the reporting period	136,818	83,387
	<u>635,506</u>	<u>646,193</u>

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

Long Service Leave Liabilities

Unconditional long service leave provisions are classified as current liabilities as the EMRC does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the EMRC has an unconditional right to defer settlement of the liability until the employee has completed the requisite years of service.

Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2017/2018	2016/2017
	\$	\$
Within 12 months of the end of the reporting period	101,177	78,034
More than 12 months after the end of the reporting period	709,697	655,023
	<u>810,874</u>	<u>733,057</u>

The provision for long service leave is calculated at the present value as the EMRC does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

16. PROVISIONS (Continued)**Employment On-Cost Provision**

The settlement of annual leave and long service leave liabilities give rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Employee Costs' in the Statement of Comprehensive Income. The related liability is included in 'Employment On-Costs' provision.

	2017/2018	2016/2017
	\$	\$
Carrying amount at start of period	203,148	207,262
Additional(reversal of) provisions recognised	7,745	(4,114)
	<u>210,893</u>	<u>203,148</u>

Carbon Pricing

The amount of \$4,235,645 held by the EMRC as at 30 June 2017, which represented Carbon Tax collections from unidentified sources, was transferred to the Other Revenue account in the Statement of Comprehensive Income.

The Australian Landfill Operators Association (ALOA) negotiated a position with the Federal Government over the fate of these unidentifiable collected funds. The Federal Government issued a Voluntary Waste Industry Protocol for the handling of early collected carbon charges in the landfill sector in August 2015. Consistent with this protocol, the EMRC Council at its meeting held on 24 August 2017 passed a resolution to use such funds for the resource recovery initiatives, specifically the development of Hazelmere Resource Recovery Park and the Resource Recovery Facility Project.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

17. RESERVES

	ACTUAL 2017/2018 \$	BUDGET 2017/2018 \$	ACTUAL 2016/2017 \$
(a) Plant and Equipment Reserve			
Opening balance as at 1 July 2017	1,372,015	1,526,891	510,804
Transfer from retained surplus	2,134,690	5,551,377	3,002,368
Transfer to retained surplus	(157,381)	(6,299,497)	(2,155,934)
Interest	34,340	29,543	14,777
Closing Balance as at 30 June 2018	3,383,664	808,314	1,372,015
(b) Site Rehabilitation Reserve - Post Closure			
Opening balance as at 1 July 2017	2,314,792	2,330,654	2,132,389
Transfer from retained surplus	109,329	126,226	120,713
Transfer to retained surplus	0	0	0
Interest	57,936	61,136	61,690
Closing Balance as at 30 June 2018	2,482,057	2,518,016	2,314,792
(c) Future Development Reserve			
Opening balance as at 1 July 2017	6,238,460	6,272,601	6,063,056
Transfer from retained surplus	9,695,000	13,945,000	0
Transfer to retained surplus	0	0	0
Interest	156,139	346,626	175,404
Closing Balance as at 30 June 2018	16,089,599	20,564,227	6,238,460
(d) Environmental Monitoring Reserve			
Opening balance as at 1 July 2017	885,502	892,253	788,213
Transfer from retained surplus	67,461	77,821	74,486
Transfer to retained surplus	0	0	0
Interest	22,163	23,800	22,803
Closing Balance as at 30 June 2018	975,126	993,874	885,502
(e) Environmental Insurance Reserve			
Opening balance as at 1 July 2017	13,506	13,734	40,514
Transfer from retained surplus	40,000	40,000	0
Transfer to retained surplus	(42,000)	(42,000)	(28,180)
Interest	338	305	1,172
Closing Balance as at 30 June 2018	11,844	12,039	13,506

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

17. RESERVES (Continued)

	ACTUAL 2017/2018 \$	BUDGET 2017/2018 \$	ACTUAL 2016/2017 \$
(f) Risk Management Reserve			
Opening balance as at 1 July 2017	14,377	14,456	13,973
Transfer from retained surplus	0	0	0
Transfer to retained surplus	0	0	0
Interest	361	369	404
Closing Balance as at 30 June 2018	14,738	14,825	14,377
(g) Class IV Reserve			
Opening balance as at 1 July 2017	563,778	566,846	544,803
Transfer from retained surplus	11,686	3,214	3,214
Transfer to retained surplus	0	(500,000)	0
Interest	14,111	7,908	15,761
Closing Balance as at 30 June 2018	589,575	77,968	563,778
(h) Regional Development Reserve			
Opening balance as at 1 July 2017	195,233	197,255	359,102
Transfer from retained surplus	580,000	580,000	250,000
Transfer to retained surplus	(452,010)	(637,738)	(424,258)
Interest	4,886	4,292	10,389
Closing Balance as at 30 June 2018	328,109	143,809	195,233
(i) Secondary Waste Reserve			
Opening balance as at 1 July 2017	48,550,081	48,985,881	46,773,843
Transfer from retained surplus	6,425,381	4,810,120	4,819,705
Transfer to retained surplus	0	(8,635,749)	(4,396,633)
Interest	1,215,137	1,195,844	1,353,166
Closing Balance as at 30 June 2018	56,190,599	46,356,096	48,550,081
(j) Class III Reserve			
Opening balance as at 1 July 2017	4,344,485	4,370,133	4,554,958
Transfer from retained surplus	1,676,259	1,767,464	0
Transfer to retained surplus	(200,204)	(5,376,426)	(342,248)
Interest	108,736	65,423	131,775
Closing Balance as at 30 June 2018	5,929,276	826,594	4,344,485

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

17. RESERVES (Continued)

	ACTUAL 2017/2018 \$	BUDGET 2017/2018 \$	ACTUAL 2016/2017 \$
(k) Building Refurbishment Reserve			
Opening balance as at 1 July 2017	72,593	72,990	70,552
Transfer from retained surplus	0	0	0
Transfer to retained surplus	0	0	0
Interest	1,817	1,862	2,041
Closing Balance as at 30 June 2018	74,410	74,852	72,593
(l) Long Service Leave Reserve			
Opening balance as at 1 July 2017	866,914	871,543	822,170
Transfer from retained surplus	21,586	21,586	20,958
Transfer to retained surplus	0	0	0
Interest	21,697	22,518	23,786
Closing Balance as at 30 June 2018	910,197	915,647	866,914
TOTAL RESERVES	86,979,194	73,306,261	65,431,736

All of the reserve accounts are supported by money and investments held in financial institutions and match the amount shown as restricted cash in Note 10 to this financial report.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

17. RESERVES (Continued)

The purpose for which the Reserve funds are set aside are as follows and will be utilised in accordance with annual budgeted expenditure: -

Plant and Equipment Reserve (Ongoing Reserve)

This reserve was established to finance the replacement of major items of plant and equipment.

Site Rehabilitation Reserve - Post Closure (Ongoing Reserve)

This reserve was established to finance the rehabilitation of the Red Hill waste disposal site at time of decommissioning.

Future Development Reserve (Ongoing Reserve)

This reserve was established to finance future developments being undertaken by the EMRC. The reserve is also utilised to provide funds for projects that the EMRC is investigating and undertaking for the purpose of the long term future direction in the area of waste management for the benefit of the region

Class IV Reserve (Ongoing Reserve)

This reserve was established to finance the capping of the existing Class IV cells and the construction of future Class IV cells and associated works at the Red Hill waste disposal site.

Class III Reserve (Ongoing Reserve)

This reserve was established to finance the capping of the existing Class III cells and the construction of future Class III cells and associated works at the Red Hill waste disposal site.

Environmental Monitoring Reserve (Ongoing Reserve)

This reserve was established to provide funds for environmental monitoring after decommissioning of the Red Hill Waste disposal site.

Environmental Insurance Reserve (Ongoing Reserve)

This reserve was established to provide funds to enable the EMRC to immediately respond to the need for repairs to, or rectification of damage to the environment surrounding the Red Hill waste disposal site as a result of any incident not covered by the EMRC's existing insurance policies.

Risk Management Reserve (Ongoing Reserve)

This reserve was established to receive surpluses from the Risk Management Service and to fund future requirements of the service in subsequent financial years.

Secondary Waste Reserve (Anticipated date of Use - 2018/2019 to 2019/2020 financial years)

This reserve was established to accumulate and to make provision for Secondary Waste Treatment Technology in the future.

Regional Development Reserve (Ongoing Reserve)

This reserve was established to accumulate and provide funds to enable the EMRC to fund Regional Development activities.

Building Refurbishment Reserve (Ongoing Reserve)

This reserve was established to accumulate and provide funds for the refurbishment of the Ascot Place administration building.

Long Service Leave Reserve (Ongoing Reserve)

This reserve was established to accumulate and provide funds to enable the EMRC to fund staff long service leave.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

18. NOTES TO THE STATEMENT OF CASH FLOWS

(i) Reconciliation of Cash

For the purpose of the Statement of Cash Flows, the EMRC considers cash to include cash on hand, cash at bank and term deposits. Cash at the end of the reporting period as shown in the Statement of Cash Flows is as follows:

	ACTUAL 2017/2018	BUDGET 2017/2018	ACTUAL 2016/2017
	\$	\$	\$
Cash and Cash Equivalents - Unrestricted	9,927,009	4,278,095	25,198,428
Cash and Cash Equivalents - Restricted	87,253,192	73,458,222	65,601,501
Total Cash	97,180,201	77,736,317	90,799,929

(ii) Reconciliation of net cash provided by operating activities to Net Result

Net Result	11,436,556	5,975,220	8,791,160
<u>Non-Cash Flows in Net Result</u>			
Depreciation	3,871,933	4,628,133	2,640,933
(Profit)/Loss on sale of assets	11,500	(34,599)	173,517
<u>Changes in Assets and Liabilities</u>			
Increase/(Decrease) in provisions - Other	257,529	204,047	279,692
Increase/(Decrease) in provisions - Employee	74,875	28,607	(39,779)
Increase/(Decrease) in Sundry Creditors	(177,276)	0	(2,073,728)
Increase/(Decrease) in GST	(63,960)	0	30,036
Increase/(Decrease) in Other Revenue (Carbon Tax)	(4,235,645)	0	0
(Increase)/Decrease in accrued interest earnings	(185,701)	0	(40,328)
(Increase)/Decrease in Receivables	152,311	0	688,636
(Increase)/Decrease in Inventory	(1,011)	0	(992)
(Increase)/Decrease in Prepayments	93,821	0	(30,139)
Net cash from operating activities	11,234,932	10,801,408	10,419,008

(iii) Undrawn Borrowing Facilities

Credit Standby Arrangements

There were no bank overdraft facilities in place for the EMRC at balance date.

Credit Card Limits	43,000	43,000
Credit Utilised at Balance Date	(11,269)	(7,069)
Total amount of credit unutilised	31,731	35,931

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

19. EMPLOYEE ENTITLEMENTS

The aggregate employee entitlements liability recognised and included in the financial report is as follows:

Provision for Employee Entitlements (Refer to Note 16)	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
- Current	1,541,191	1,438,690
- Non-current	116,082	143,708
Total Employee Entitlements	<u>1,657,273</u>	<u>1,582,398</u>
	ACTUAL FTE's 2017/2018	ACTUAL FTE's 2016/2017
Total number of (FTE) employees at end of financial year	<u>80</u>	<u>85</u>

20. COUNCILLORS FEES AND ALLOWANCES

	ACTUAL 2017/2018 \$	BUDGET 2017/2018 \$	ACTUAL 2016/2017 \$
The following fees, expenses and allowances were paid to council members and the Chairman:			
Councillors' meeting fees	115,005	115,005	115,005
Chairman's meeting fees	15,682	15,682	15,682
Deputy Councillors' meeting fees	1,888	12,393	3,068
Chairman's Local Government fee	19,864	19,864	19,864
Deputy Chairman's Local Government fee	4,966	4,966	4,966
	<u>157,405</u>	<u>167,910</u>	<u>158,585</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

21. ASSETS CLASSIFIED BY TYPE AND LOCAL GOVERNMENT PROGRAM	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
CURRENT ASSETS		
General Purpose Funding	17,028,635	30,347,825
Governance	1,273,343	1,123,650
Community Amenities	82,268,076	62,910,604
Economic Services	328,109	195,232
TOTAL CURRENT ASSETS	100,898,163	94,577,311
NON-CURRENT ASSETS		
Land		
Governance	5,450,000	5,450,000
Community Amenities	45,120,000	45,120,000
Buildings		
Governance	3,933,332	4,000,000
Community Amenities	3,460,122	3,485,440
Structures		
Governance	38,899	29,705
Community Amenities	13,258,676	14,892,398
Plant		
Governance	95,989	299,913
Community Amenities	9,934,403	11,783,476
Equipment		
Governance	327,046	431,416
Community Amenities	223,192	241,124
Furniture and Fittings		
Governance	156,852	158,479
Work In Progress		
Unclassified	11,953,603	7,405,074
TOTAL NON CURRENT ASSETS	93,952,114	93,297,025
TOTAL ASSETS	194,850,277	187,874,336

22. DISPOSAL OF ASSETS	ACTUAL 2017/2018			BUDGET 2017/2018		
	Net Book Value \$	Sale Price \$	Gain (Loss) \$	Net Book Value \$	Sale Price \$	Gain (Loss) \$
Plant	334,523	327,046	(7,477)	571,325	605,924	34,599
Structues	1,247	0	(1,247)	0	0	0
Equipment	2,776	0	(2,776)	0	0	0
Total Assets Disposed	338,546	327,046	(11,500)	571,325	605,924	34,599

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

23. INFORMATION ON BORROWINGS

(a) Borrowings

The EMRC does not have any loans or borrowings.

(b) New Borrowings

There were no new borrowings during the 2017/2018 financial year.

(c) Unspent Loans

There were no unspent loans during the 2017/2018 financial year.

24. INTEREST IN THE EMRC

The following table shows the total interest in the EMRC as at year end:

Member Council	2017/2018		2016/2017	
	%	\$	%	\$
Town of Bassendean	4.27	7,954,836	4.31	7,538,338
City of Bayswater	18.86	35,096,066	18.67	32,684,701
City of Belmont	11.35	21,132,204	11.42	19,990,184
City of Kalamunda	16.30	30,331,642	16.43	28,747,212
Shire of Mundaring	10.69	19,891,176	10.84	18,974,932
City of Swan	38.53	71,724,266	38.33	67,074,405
Total Equity	100.00	186,130,190	100.00	175,009,772

The EMRC participating Member Councils' interest distributions have been calculated in accordance with clause 9.4 of the Eastern Metropolitan Regional Council Establishment Agreement.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

25. FINANCIAL RISK MANAGEMENT

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Council's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council engages in transactions expressed in foreign currencies with respect to equipment purchases or for legal representation on a minor scale only and therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council.

The Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2017/2018	2016/2017	2017/2018	2016/2017
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	97,180,201	90,799,929	97,180,201	90,799,929
Receivables	3,666,740	3,633,350	3,666,740	3,633,350
Financial Assets at fair value through profit and loss	0	0	0	0
	100,846,941	94,433,279	100,846,941	94,433,279
Financial Liabilities				
Payables	3,541,936	3,719,213	3,541,936	3,719,213
	3,541,936	3,719,213	3,541,936	3,719,213

Fair value is determined as follows:

Cash and Cash Equivalents, Receivables, Payables - estimated to the carrying value which approximates net market value.

Financial Assets at Fair Value through profit and loss - based on market valuations and verified by independent financial advisors.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

25. FINANCIAL RISK MANAGEMENT (Continued)**(a) Cash and Cash Equivalents****Financial assets at fair value through profit or loss**

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers. Council has an investment policy and the policy is subject to review by Council.

The major risk associated with investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash and investments is credit risk - the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to Council.

Council seeks advice from an independent adviser before placing any cash and investments.

	2017/2018	2016/2017
	\$	\$
Impact of a 10% movement in price of investments:		
- Equity	0	0
- Statement of Comprehensive Income	0	0
Impact of a 1% movement in interest rates on cash and investments:		
- Equity	16,767	20,965
- Statement of Comprehensive Income	16,767	20,965

(b) Receivables

Council's major receivables comprise user charges and fees. The major risk associated with these receivables is credit risk - the risk that the debts may not be repaid. Council manages this risk by monitoring outstanding debt and employing debt recovery policies.

Council makes suitable provision for impairment of receivables as required and carries out credit checks on all debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

25. FINANCIAL RISK MANAGEMENT (Continued)

(c) Ageing Analysis of Receivables

	Carrying Amount	Not Past due and not Impaired	Past due but not Impaired					Impaired Receivables
			Up to 1 month	1 - 3 Months	3 Months to 1 Year	1 - 5 Years	More than 5 Years	
	\$	\$	\$	\$	\$	\$	\$	
2017/2018								
Receivables *	3,251,856	3,118,823	79,667	53,366	0	0	0	
Loan receivable	414,884	414,884	0	0	0	0	0	
	3,666,740	3,533,707	79,667	53,366	0	0	0	
2016/2017								
Receivables *	3,633,350	3,169,643	463,707	0	0	0	0	
	3,633,350	3,169,643	463,707	0	0	0	0	

* The amount of receivables excludes the GST recoverable from the ATO (statutory receivable)

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

25. FINANCIAL RISK MANAGEMENT (Continued)**(d) Payables**

Payables and borrowings are both subject to liquidity risk - that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

The contractual undiscounted cash flows of Council's Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2017/2018					
Payables *	3,541,936	0	0	3,541,936	3,541,936
	3,541,936	0	0	3,541,936	3,541,936
2016/2017					
Payables *	3,719,213	0	0	3,719,213	3,719,213
	3,719,213	0	0	3,719,213	3,719,213

* The amount of payables excludes the GST payable to the ATO (statutory payable)

(e) Borrowings

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. Council manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

Council does not have any borrowings or loans.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

25. FINANCIAL RISK MANAGEMENT (Continued)

(f) Liquidity Risk and Interest Rate Exposure

The following table details the EMRC's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The interest rate exposure section analyses the only the carrying amounts of each item.

Interest Rate Exposure and Maturity Analysis of Financial Assets and Financial Liabilities

	Weighted Average Effective Interest Rate %	Carrying Amount \$	Interest Rate Exposure				Maturity Dates			
			Fixed Interest Rate \$	Variable Interest Rate \$	Non-Interest Bearing \$	Nominal Amount \$	Up to 1 month \$	1 - 3 Months \$	3 Months to 1 Year \$	More than 1 Year \$
2017/2018										
Financial Assets										
Cash and cash equivalents	2.28%	9,927,009	8,246,808	1,676,751	3,450	9,927,009	2,543,741	2,633,797	4,749,471	0
Restricted cash and cash equivalents	2.64%	87,253,192	87,253,192	0	0	87,253,192	9,136,460	27,866,203	50,250,529	0
Receivables *	-	3,251,856	0	0	3,251,856	3,251,856	3,251,856	0	0	0
Loan receivable	8.00%	414,884	414,884	0	0	414,884	0	0	414,884	0
		100,846,941	95,914,884	1,676,751	3,255,306	100,846,941	14,932,057	30,500,000	55,414,884	0
Financial Liabilities										
Payables *	-	3,541,936	0	0	3,541,936	3,541,936	3,541,936	0	0	0
		3,541,936	0	0	3,541,936	3,541,936	3,541,936	0	0	0
2016/2017										
Financial Assets										
Cash and cash equivalents	2.72%	25,198,428	23,098,499	2,096,479	3,450	25,198,428	5,224,867	7,161,316	12,812,245	0
Restricted cash and cash equivalents	2.91%	65,601,501	65,601,501	0	0	65,601,501	8,875,062	20,338,684	36,387,755	0
Receivables *	-	3,633,350	0	0	3,633,350	3,633,350	3,633,350	0	0	0
		94,433,279	88,700,000	2,096,479	3,636,800	94,433,279	17,733,279	27,500,000	49,200,000	0
Financial Liabilities										
Payables *	-	3,719,213	0	0	3,719,213	3,719,213	3,719,213	0	0	0
		3,719,213	0	0	3,719,213	3,719,213	3,719,213	0	0	0

* The amount of receivables/payables excludes the GST recoverable/payable from/to the ATO (statutory receivable/payable)

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

26. COMMITMENTS FOR CAPITAL EXPENDITURE	ACTUAL 2017/2018 \$	ACTUAL 2016/2017 \$
Commitments for the acquisition of assets contracted for at the reporting date but not recognised as liabilities:		
- Payable not longer than one year	2,381,392	1,022,587
Total Capital Commitments	<u>2,381,392</u>	<u>1,022,587</u>

27. CONTINGENT LIABILITIES

Contingent liabilities at balance date, not otherwise provided for in the financial statements, relate to an action by Lehman Brothers in the United States Bankruptcy Court.

On 9 May 2007 EMRC invested \$450,000 into Federation notes.

On 30 Oct 2008, in common with hundreds of other investors in the Federation notes, this investment of \$450,000 was fully repaid to the EMRC.

Subsequently Lehman Brothers Special Financing Inc. commenced an action in the United States Bankruptcy Court, Southern District of New York, No. 10 - 803547 applying for an order for all investors to repay the amounts paid.

It is the opinion of the attorney representing the EMRC in this action that the claim will not be decided until about 2021.

28. EVENTS AFTER THE REPORTING PERIOD

There have been no significant events after the reporting period required to be included in the 2017/2018 Annual Financial Report.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

29. FINANCIAL RATIOS

	ACTUAL 2017/2018	ACTUAL 2016/2017
<i>Liquidity Ratio</i>		
Current Ratio ⁽¹⁾	3.07	6.19
<hr/>		
Current Assets less Restricted Current Assets		
Current Liabilities less Liabilities Associated with Restricted Assets		
<i>Debt Ratio</i>		
Debt Service Cover Ratio ⁽²⁾	Not Applicable	Not Applicable
<hr/>		
Operating Surplus before Interest and Depreciation Expenses		
Principal and Interest Repayments		
<i>Coverage Ratio</i>		
Own Source Revenue Coverage Ratio ⁽³⁾	1.35	1.23
<hr/>		
Own Source Operating Revenue		
Operating Expense		
<i>Financial Performance Ratio</i>		
Operating Surplus Ratio ⁽⁴⁾	0.30	0.25
<hr/>		
Operating Revenue less Operating Expense		
Own Source Operating Revenue		
<i>Asset Management Ratio</i>		
Asset Sustainability Ratio ⁽⁵⁾	0.10	0.69
<hr/>		
Capital Renewal and Replacement Expenditure		
Depreciation Expense		
<i>Asset Consumption Ratio</i> ⁽⁶⁾		
Asset Consumption Ratio ⁽⁶⁾	0.79	0.79
<hr/>		
Depreciated Replacement Cost of Depreciable Assets		
Current Replacement Cost of Depreciable Assets		
<i>Asset Renewal Funding Ratio</i> ⁽⁷⁾		
Asset Renewal Funding Ratio ⁽⁷⁾	1.00	1.00
<hr/>		
NPV of planned Capital renewals over 10 years		
NPV of required Capital expenditure over 10 years		

Notes

⁽¹⁾ This is a modified commercial ratio designed to focus on the liquidity position of the Council that has arisen from past year's transaction

⁽²⁾ This ratio is the measurement of Council's ability to repay its debt including lease payments.

⁽³⁾ This ratio is the measurement of Council's ability to cover its costs through its own revenue efforts.

⁽⁴⁾ This ratio is a measure of Council's ability to cover its operational costs and have revenues available for capital funding or other purposes

⁽⁵⁾ This ratio indicates whether Council is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out.

⁽⁶⁾ This ratio measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.

⁽⁷⁾ This ratio is a measure of the ability of Council to fund its projected asset renewal / replacements in the future.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

30. FAIR VALUE MEASUREMENT

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

- Financial Assets at fair value through profit or loss
- Land and buildings
- Plant
- Equipment
- Furniture and Fittings
- Artworks
- Infrastructure

The following table provides the fair values of the EMRC's assets measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy [refer to Note 1(d)]:

Recurring Fair Value Measurements

		30 June 2018			
	Note	Level 1	Level 2	Level 3	Total
		\$	\$	\$	\$
Financial Assets	10	0	0	0	0
<hr/>					
Total financial assets recognised at fair value on a recurring basis		0	0	0	0
<hr/>					
Non-Financial Assets					
Land	12	0	50,570,000	0	50,570,000
Buildings	12	0	3,933,332	3,460,122	7,393,454
Plant	12	0	4,391,949	5,638,444	10,030,393
Equipment	12	0	550,237	0	550,237
Furniture and Fittings	12	0	6,727	0	6,727
Artworks	12	0	150,125	0	150,125
Infrastructure	13	0	0	13,297,575	13,297,575
<hr/>					
Total non-financial assets recognised at fair value on a recurring basis		0	59,602,370	22,396,141	81,998,511

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

30. FAIR VALUE MEASUREMENT (Continued)

	Note	30 June 2017			
		Level 1	Level 2	Level 3	Total
		\$	\$	\$	\$
Financial Assets	10	0	0	0	0
Total financial assets recognised at fair value on a recurring basis		0	0	0	0
Non-Financial Assets					
Land	12	0	50,570,000	0	50,570,000
Buildings	12	0	4,000,000	3,485,440	7,485,440
Plant	12	0	5,903,527	6,179,863	12,083,390
Equipment	12	0	669,838	0	669,838
Furniture and Fittings	12	0	16,142	0	16,142
Artworks	12	0	145,040	0	145,040
Infrastructure	13	0	0	14,922,102	14,922,102
Total non-financial assets recognised at fair value on a recurring basis		0	61,304,547	24,587,405	85,891,952

(a) Transfers Policy

The policy of the EMRC is to recognise transfers into and transfers out of the fair value hierarchy levels as at the end of the reporting period.

(b) Highest and Best Use

There were no assets valued where it was assumed that the highest and best use was other than their current use.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

30. FAIR VALUE MEASUREMENT (Continued)

(c) Valuation techniques and Inputs used to derive fair values

The following table summarises valuation inputs and techniques used to determine the Fair value for each asset class.

Asset	Level of Valuation Input	Fair Value at 30 June 2018 \$	Valuation Technique(s)	Inputs Used
Financial Assets				
Financial Assets at Fair Value through profit or loss - CDOs	2	0	Market approach	Similar priced securities in a more active market.
TOTAL		0		
Non-Financial Assets				
Land	2	32,880,000	Market approach	Price per square metre.
	2	17,690,000	Cost Approach	Price per square metre.
Buildings	3	3,460,122	Cost Approach	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount.
	2	3,933,332	Market and income approach	Rental yields and price per square metre.
Plant	2	4,391,949	Market approach	Make, size, year of manufacture and condition.
	3	5,638,444	Cost approach	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount.
Equipment	2	550,237	Market approach	Make, size, year of manufacture and condition.
Furniture and Fittings	2	6,727	Market approach	Make, size, year of manufacture and condition.
Artworks	2	150,125	Market approach	Estimated value expected to be realised.
Infrastructure	3	13,297,575	Cost approach	Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount.
TOTAL		81,998,511		

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

30. FAIR VALUE MEASUREMENT (Continued)**(c) Valuation techniques and Inputs used to derive fair values (Continued)****Recurring fair value measurements****Land**

Where there is directly comparable market evidence Level 2 valuation inputs were used to value land held in freehold title (investment and non-investment) as well as land used for special purposes which is restricted in use under current zoning rules. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

Level 2 valuation inputs were used to value land held in freehold title (investment and noninvestment) as well as land used for special purposes which is restricted in use under current zoning rules. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

The land purchased in December 2012, Lot 8, 9 & 10 land parcels at Red Hill Waste Management Facility, was a strategically planned and prolonged acquisition over a period of several years. It was a closed negotiation and was not open to market participants. Market research and analysis was undertaken by the Valuers who have acknowledged that the cost of this land area equates to a land rate per hectare greater than analysis of nearby market evidence. The difference is a premium rate which Council paid to obtain the asset. AASB13 requires Fair Value of this land to be calibrated to the transactional cost. The Valuers have therefore adopted the Fair Value of this land at the purchase price as it provides calibration with actual price required for purchasing a land fill site.

Buildings*Level 2 valuation inputs*

These were used to determine the fair value of a range of properties. This included the bulk of residential and commercial properties. The residential properties fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

Commercial buildings have been generally derived using a combination of sales direct comparison approach and capitalisation of income approach. Fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach are rental yields and price per square metre.

Level 3 valuation inputs

The level of evidence used to support the critical assumptions of some commercial buildings was considered to be highly variable due to high levels of variability in the market for rental yields and future demand. As such the level of valuation input for these properties was considered level 3.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

30. FAIR VALUE MEASUREMENT (Continued)**(c) Valuation techniques and inputs used to derive fair values (Continued)****Recurring fair value measurements****Artworks**

Valuation inputs and techniques used to determine the fair value for all Art work Assets have been based on Level 2 inputs - Market Based.

It has been determined that there is an active market for the Art Work Assets and hence the 'market approach' has been adopted.

Level 2 valuation inputs

Market (Direct Comparison) - This has been applied and fair value assessed on the basis of the estimated amount which the interest in each item of Art Work valued might reasonably be expected to realise on the date of valuation in an exchange between market participants given highest and best use or highest and best alternative use. This was determined by comparison to recent sales of Art work with similar characteristics. This was then adjusted to reflect conditions and comparability. As this was based on observable evidence they have been classified as Level 2.

InfrastructureRoad, Equipment and Civil Assets

All road, equipment and civil assets were valued using the cost approach.

The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres or similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

The consumption rating scales were based initially on the past experience of the valuation firm and industry guides and were then updated to take into account the experience and understanding of Eastern Metropolitan Regional Council's own engineers, asset management and finance staff. The results of the valuation were further evaluated by confirmation against Eastern Metropolitan Regional Council's own understanding of the assets and the level of remaining service potential.

Plant

Plant assets have generally been derived from comparable sales and relevant industry market price reference guides and have been classified as being valued at level 2. The most significant inputs into this valuation approach are the make, size, year of manufacture and condition.

Some items of plant and contents however are unique in design or there was insufficient observable market evidence to support the valuation. As a result these assets have been valued using the cost approach. The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and determining the Fair Value for each component based on the Remaining Useful Life (RUL) in proportion to the Useful Life after adjusting for any Residual Value.

Equipment, Furniture and Fittings

The Council acquires its furniture and equipment at arm's length from approved suppliers. These acquisitions are recorded at cost and any accumulated depreciation reflects the usage of service potential. It is considered that the recorded written down values approximate the fair value of furniture and fittings.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

30. FAIR VALUE MEASUREMENT (Continued)

(d) Valuation processes

The EMRC engages external, independent and qualified valuers to determine the fair value of the Council's land, buildings, plant, equipment, infrastructure, artworks and furniture and fittings on a regular basis in line with Regulation 17A(4) of the *Local Government (Financial Management) Regulations 1996*.

As at 30 June 2018, a comprehensive revaluation was undertaken for the other structures class of assets by external valuers, APV Valuers and Asset Management, except for the Landfill Cell asset class which were subject to a management valuation.

As at 30 June 2018, a comprehensive revaluation was undertaken for the artworks class of assets by art valuer, Richard McDonald from RSM Art Conservation, as a sub-contractor to external valuers, APV Valuers and Asset Management.

Management carried out an assessment of the revaluation work performed by the external valuers, which included review of the valuer's methodology, limitations, algorithms, key assumptions and inputs used in applying the valuation methodology to ensure they were appropriate prior to their application. Changes in fair values were analysed at the end of the reporting period. Consequently, management is satisfied with the results of the valuations undertaken and confirm that the movement in the asset values are reasonable.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

31. RELATED PARTY TRANSACTIONS**Key Management Personal (KMP) Compensation Disclosure**

The total remuneration for KMP of the Council during the year are as follows:

	2017/2018	2016/2017
	\$	\$
Short-term employee benefits	607,911	603,598
Post-employment benefits	96,146	95,388
Other long term benefits	71,741	70,529
Termination benefits	0	0
	<u>775,798</u>	<u>769,515</u>

Short-term employee benefits

These amounts include all salary, fringe benefits and cash bonuses awarded to KMP except for details in respect of fees and benefits paid to elected members which may be found at Note 20.

Post-employment benefits

These amounts are the current-year's estimated cost of providing for the Council's superannuation contributions made during the year.

Other long-term benefits

These amounts represent annual leave and long service benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Related Parties**The Council's main related parties are as follows:***i Key management personnel*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

ii Entities subject to significant influence by the Council

Any entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 June 2018

31. RELATED PARTY TRANSACTIONS (Continued)**Related Parties (Continued)****Transactions with related parties**

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	2017/2018	2016/2017
	\$	\$
Member Councils:		
Sale of goods and services	25,372,410	24,520,682
Purchase of goods and services	0	0
Amounts outstanding from related parties:		
Trade and other receivables	1,419,667	1,989,376

INDEPENDENT AUDITOR'S REPORT



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Members of the Eastern Metropolitan Regional Council

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the Eastern Metropolitan Regional Council which comprises the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the Eastern Metropolitan Regional Council:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the Council for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Council in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the Act. Regulation 16 of the *Local Government (Financial Management) Regulations 1996* (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. My opinion is not modified in respect of this matter.

Responsibilities of the Chief Executive Officer and Council for the Financial Report

The Chief Executive Officer (CEO) of the Council is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT

In preparing the financial report, the CEO is responsible for assessing the Council'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 the State government has made decisions affecting the continued existence of the Council.

The Council is responsible for overseeing the Council's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Report

The objectives of my audit 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 my 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I 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 my 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO'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 Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report, as we cannot predict future events or conditions that may have an impact.
- 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.

I communicate with the Council and the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

INDEPENDENT AUDITOR'S REPORT

Report on Other Legal and Regulatory Requirements

In accordance with the *Local Government (Audit) Regulations 1996* I report that:

- (i) In my opinion, the following material matter indicates significant adverse trends in the financial position or the financial management practices of the Council:
 - a. The Asset Sustainability Ratio has been below the Department of Local Government, Sport and Cultural Industries standard for the last three years. The financial ratios are reported at Note 29 to the financial report.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the asset consumption ratio and the asset renewal funding ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the Eastern Metropolitan Regional Council for the year ended 30 June 2018 included on the Council's website. The Council's management is responsible for the integrity of the Council's website. This audit does not provide assurance on the integrity of the Council's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.



CAROLINE SPENCER
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
5 October 2018



Eastern Metropolitan Regional Council

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14.5 SUNDRY DEBTOR WRITE-OFF

REFERENCE: D2018/14283

PURPOSE OF REPORT

The purpose of this report is to seek Council approval to write off an outstanding sundry debtor.

KEY ISSUES AND RECOMMENDATION(S)

- A provision of \$8,753.80 was made in the 2014/2015 financial accounts for doubtful debts relating to HAS Group (WA) Pty Ltd who went into liquidation in March 2015.
- Since this time the EMRC has received two dividend payments, one for \$1,137.99 in July 2016 and a further dividend of \$472.71 in July 2018.
- Upon making enquiries in July 2018, the liquidators confirmed the liquidation process had been completed.
- Approval is sought from Council for a write off totalling \$7,143.10 following the finalisation of the liquidation processes for HAS Group (WA) Pty Ltd.

Recommendation(s)

That Council, by an absolute majority in accordance with section 6.12(1)(c) of the *Local Government Act 1995*, authorises the write-off of \$7,143.10 (inc. GST) owing from HAS Group (WA) Pty Ltd.

SOURCE OF REPORT

Director Corporate Services

BACKGROUND

Section 6.12(1)(c) of the *Local Government Act 1995* states that a local government, by absolute majority, may write off any amount of money which is owed to the local government.

Prior to the setting up of an account for credit for potential clients, reference checks are undertaken together with online checks via the Dunn & Bradstreet website in order to ensure the credit worthiness of the client.

Efforts are constantly being undertaken to reduce the amount of outstanding sundry debtors. This includes mailing of a monthly statement, weekly reminder calls, ongoing correspondence by mail and e-mail, and, as a last resort, the threat of legal action.

EMRC has also implemented a direct debit system in August 2015 to improve credit management processes.



Item 14.5 continued

REPORT

HAS Group (WA) Pty Ltd commenced purchasing ferricrete from the Red Hill Landfill Facility in December 2014. Two invoices were issued during December 2014 totalling \$8,753.80.

Notice was received from the liquidators, Melsom Robson, Chartered Accountants, on 18 March 2015 advising that HAS Group (WA) Pty Ltd had gone into liquidation.

Since this time the EMRC has received two dividend payments, one for \$1,137.99 in July 2016 and a further dividend of \$472.71 in July 2018.

The EMRC received correspondence from the liquidators in July 2018 confirming that the liquidation process has been finalised and that due to insufficient funds, no further distribution will be received.

Approval is therefore sought from Council for the write off of the outstanding amount of \$7,143.10.

A provision for impairment was made for the outstanding amount as at 30 June 2015 and as such, the write-off of this amount will not impact on the Statement of Comprehensive Income.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 3 - Good Governance

- 3.3 To provide responsible and accountable governance and management of the EMRC.
- 3.4 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

As detailed within the report.

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	



Item 14.5 continued

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Absolute Majority

RECOMMENDATION(S)

That Council, by an absolute majority in accordance with section 6.12(1)(c) of the *Local Government Act 1995*, authorises the write-off of \$7,143.10 (inc. GST) owing from HAS Group (WA) Pty Ltd.

COUNCIL RESOLUTION(S)

MOVED CR LAVELL

SECONDED CR DAW

THAT COUNCIL, BY AN ABSOLUTE MAJORITY IN ACCORDANCE WITH SECTION 6.12(1)(C) OF THE *LOCAL GOVERNMENT ACT 1995*, AUTHORISES THE WRITE-OFF OF \$7,143.10 (INC. GST) OWING FROM HAS GROUP (WA) PTY LTD.

CARRIED UNANIMOUSLY



14.6 REVIEW OF THE MANAGEMENT OF INVESTMENT POLICY

REFERENCE: D2018/14284

PURPOSE OF REPORT

The purpose of this report is to outline the procedure(s) required to amend the Management of Investment Policy to provide a preference of fossil fuel divestment.

KEY ISSUES AND RECOMMENDATION(S)

- At its 18 October 2018 meeting, Council resolved for a report to be tabled and provide the steps and resolutions necessary to amend the relevant policies and procedures governing investments to require the EMRC to invest with financial institutions that do not invest in or finance the fossil fuel industry.
- Council also resolved for the report to provide the steps and resolutions necessary to require existing financial statements and reporting to include the state of the EMRC's divestment from fossil fuels as a percentage of total funds.

Recommendation(s)

That Council refer the proposal to amend Council Policy 3.3 – Management of Investments to divest from financial institutions that invest in or finance the fossil fuel industry and the consequential changes to the financial statement reports on the state of Council's divestment from fossil fuels to the Investment Committee

SOURCE OF REPORT

Director Corporate Services

BACKGROUND

It was resolved at the Council meeting held on 18 October 2018 (D2018/12194):

"THAT:

1. *THE EMRC REQUESTS THAT THE CEO PREPARES FOR THE NEXT COUNCIL MEETING A REPORT OUTLINING THE STEPS AND RESOLUTIONS NECESSARY TO AMEND ALL RELEVANT POLICIES AND PROCEDURES IN ORDER TO REQUIRE THE EMRC TO INVEST WITH FINANCIAL INSTITUTIONS THAT DO NOT INVEST IN OR FINANCE THE FOSSIL FUEL INDUSTRY, SO LONG AS:*
 - a) *THE INVESTMENT IS COMPLIANT WITH COUNCIL'S EXISTING APPROACH TO RISK MANAGEMENT; AND;*
 - b) *THE INVESTMENT RATE OF INTEREST IS FAVOURABLE TO COUNCIL RELATIVE TO OTHER SIMILAR INVESTMENTS THAT MAY BE ON OFFER TO COUNCIL AT THE TIME OF INVESTMENT.*
2. *THE EMRC ALSO REQUESTS THAT THE CEO INCLUDE IN THIS REPORT THE STEPS AND RESOLUTIONS NECESSARY TO REQUIRE THAT EXISTING FINANCIAL STATEMENTS AND REPORTING INCLUDE THE STATE OF COUNCIL'S DIVESTMENT FROM FOSSIL FUELS, AS A PERCENTAGE OF TOTAL FUNDS."*



Item 14.6 continued

REPORT

Changes to Investment Policy

Fossil fuel divestment entails the removal of investment assets including shares, bonds, and investment funds from companies involved in extracting fossil fuels, in an attempt to reduce climate change by tackling its ultimate causes.

The financial risk management structure of the Eastern Metropolitan Regional Council (EMRC) has historically been focussed on preservation of capital and is enshrined in the Council Policy 3.3 Management of Investments. It has been resolved that the EMRC now consider giving preference to financial institutions/investments not aligned with the fossil fuel industry. Such a strategy will shift the primary investment objective away from EMRC's existing approach to risk management, which is the preservation of capital, to a portfolio giving preference to those institutions based on environmental factors, when the rates on offer are the same.

To facilitate this proposed change in strategy, Council will be required to adopt the necessary changes to the Council Policy giving preference to financial institutions/investments not aligned with the fossil fuel industry, when the rates on offer are the same.

The Investment Committee (IC) is a formally appointed committee of Council and has been established to deal with matters related to EMRC's Management of Investment Policy. One of the functions of the IC is to consider amendment and revision of the Investment Policy. Accordingly, it is appropriate for any proposed amendments to the Investment Policy to allow for a preference for non-fossil fuel investments to be discussed and considered by the IC.

A report detailing the background, the pros and cons of this change in strategy as well as the potential impacts on the EMRC as a result of this change will be presented at the IC.

Arrangements will be made for the EMRC's financial advisor to attend and brief the IC on the ramifications of the proposed amendments.

Changes to Financial Report

It is a requirement of the *Local Government (Financial Management) Regulations 1996* (r.34) that a Local Government is to prepare and present to Council financial reports in such a form as the Local Government considers to be appropriate. Accordingly, the proposed amendments can be accommodated within the attachment "Investment Report" that is distributed with the monthly Financial Report received by Council.

It should be noted that this change only applies to the monthly Financial Report presented to Council and not the Annual Financial Report. The Annual Financial Report does not include such information regarding the level of investment in fossil fuel or non-fossil fuel as the presentation of the Annual Financial Report is governed by the *Local Government Act 1995*, the *Local Government (Financial Management) Regulations 1996* (as amended) and to the extent that they are not inconsistent with Australian Accounting Standards.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 3 – Good Governance

- 3.3 To provide responsible and accountable governance and management of the EMRC
- 3.4 To continue to improve financial and asset management practices

Council Policy 3.3 – Management of Investments



Item 14.6 continued

FINANCIAL IMPLICATIONS

May have financial risk implications.

SUSTAINABILITY IMPLICATIONS

May have present and future economic and environmental implications.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} No direct implications
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council refer the proposal to amend Council Policy 3.3 – Management of Investments to divest from financial institutions that invest in or finance the fossil fuel industry and the consequential changes to the financial statement reports on the state of Council's divestment from fossil fuels to the Investment Committee.

COUNCIL RESOLUTION(S)

MOVED CR LAVELL

SECONDED CR DAW

THAT COUNCIL REFER THE PROPOSAL TO AMEND COUNCIL POLICY 3.3 – MANAGEMENT OF INVESTMENTS TO DIVEST FROM FINANCIAL INSTITUTIONS THAT INVEST IN OR FINANCE THE FOSSIL FUEL INDUSTRY AND THE CONSEQUENTIAL CHANGES TO THE FINANCIAL STATEMENT REPORTS ON THE STATE OF COUNCIL'S DIVESTMENT FROM FOSSIL FUELS TO THE INVESTMENT COMMITTEE.

CARRIED UNANIMOUSLY



14.7 REVIEW OF COUNCIL POLICIES

REFERENCE: D2018/14285

PURPOSE OF REPORT

The purpose of this report is to review the EMRC policies in accordance with Council's decision of 18 September 2014, that all of the policies be reviewed following the ordinary elections in 2017.

KEY ISSUES AND RECOMMENDATION(S)

- Council Policies were last fully reviewed at the meeting of Council held on 18 September 2014.
- It is proposed that existing policies, as revised, be adopted.

Recommendation(s)

That:

1. All policies, as reviewed and amended forming attachment 3 to this report, be adopted.
2. All EMRC policies be reviewed in the twelve months following the ordinary election day in 2021.

SOURCE OF REPORT

Director Corporate Services

BACKGROUND

Council policies were last reviewed at the meeting of Council held on 18 September 2014 (Ref: D2014/10191) and Council resolved inter alia that:

- “5. *All EMRC policies be reviewed in the twelve months following the ordinary election day in 2017.*”

REPORT

The policies of the EMRC, determined by Council as required by Section 2.7(2)(b) of the *Local Government Act 1995* (the Act), guide and inform management and the public about key Council principles. It is important that policies are reviewed periodically and amended where necessary.

EMRC's CEO and Directors, together with relevant Officers, have undertaken a comprehensive review of existing policies. The following objectives were used as a basis for undertaking the review:

- To ensure policies met the definition of a policy;
- To incorporate in the policies appropriate amendments to account for changes in details such as dates, times and values since the last review;
- To realign all Council policies with the adopted EMRC 10 Year Strategic Plan 2017 – 2027 under the heading 'Strategic Plan Objective'; and
- To ensure the policies are contemporary and appropriate for the Council.



Item 14.7 continued

Attachment 1 contains all policies that have current approval of Council and are the subject of this review.

The policies are grouped in the attachment as follows:

1. Management;
2. Committees;
3. Finance;
4. Staff;
5. Waste;
6. Conferences; and
7. Risk Management.

The three main types of considerations for this review are as follows:

- Maintain the current policy without amendment;
- Maintain the policy with amendments; and
- Delete the policy if it is no longer required, for example if as these are covered under the *Local Government Act 1995* and regulations or has been incorporated into another policy.

No policy has been recommended for deletion.

No new policy is being recommended. New policies are developed and referred to Council on a progressive basis, as the need for them is identified.

Attachment 2 contains all the existing policies with the proposed changes tracked on the document.

Attachment 3 contains the final policies with all proposed changes incorporated i.e. clean copy of the final document.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 3 – Good Governance

- 3.3 To provide responsible and accountable governance and management of the EMRC

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

The policies under review contribute to sustainability by informing management and the public about key Council principles.



Item 14.7 continued

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil direct implications
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

1. Summary of EMRC policies and recommended changes (Ref: D2018/16000)
2. All policies with tracked changes to the documents (Ref: D2018/15944)
3. All policies incorporating changes made i.e. final policy documents (Ref: D2018/15945)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That:

1. All policies, as reviewed and amended forming attachment 3 to this report, be adopted.
2. All EMRC policies be reviewed in the twelve months following the ordinary election day in 2021.

COUNCIL RESOLUTION(S)

MOVED CR LAVELL

SECONDED CR DAW

THAT:

1. ALL POLICIES, AS REVIEWED AND AMENDED FORMING ATTACHMENT 3 TO THIS REPORT, BE ADOPTED.
2. ALL EMRC POLICIES BE REVIEWED IN THE TWELVE MONTHS FOLLOWING THE ORDINARY ELECTION DAY IN 2021.

CARRIED UNANIMOUSLY

Summary of EMRC policies and recommended changes

1.0 MANAGEMENT

No:	Policy Title	Summary of Changes
1.1	Election of MWAC Representatives	Keep with minor Amendments
1.3	Members, Chairman's and Deputy Chairman's Fees and Allowances Policy	Keep with minor amendments
1.4	Travelling expenses for Council Members	Keep with minor Amendments
1.5	Meeting Agenda / Minutes – Confidential Items Policy	Keep with minor Amendments
1.7	Legal representation costs indemnification	Keep with minor Amendments
1.8	Lobbying and Advocacy Policy	Keep with minor Amendments
1.9	Recognition of Members of Council	Keep with minor Amendments
1.10	Disability Access and Inclusion Policy	Keep with minor Amendments
1.11	Public Interest Disclosure Policy	Keep no amendments

2.0 COMMITTEES

No:	Policy Title	Summary of Changes
2.1	Committees of Council	Keep with minor Amendments

Summary of EMRC policies and recommended changes

3.0 FINANCE

No:	Policy Title	Summary of Changes
3.1	Annual Financial Reporting	Keep with minor Amendments Changes are due to amendments in the <i>Local Government (Financial Management) Regulations 1996</i> as well as appropriate application of the Australian Accounting Standards
3.2	Grants for Community Groups in the Vicinity of Red Hill Waste disposal Facility	Keep with minor Amendments
3.3	Management of Investments Policy	Keep with minor Amendments Changes are due to amendments in the <i>Local Government (Financial Management) Regulations 1996</i>
3.4	Occasional Grants / Sponsorship Policy	Keep with minor Amendments
3.5	Purchasing Policy	Keep with minor Amendments
3.6	Asset Management Policy	Keep with minor Amendments
3.7	Related Party Transaction and Disclosure Policy	Keep no amendments

Summary of EMRC policies and recommended changes

4.0 STAFF

No:	Policy Title	Summary of Changes
4.1	Chief Executive Officer – Appointment, and Performance Review	Keep with minor Amendments
4.2	Superannuation	Keep with minor Amendments
4.3	Gratuity Payments to Terminating Staff	Keep with minor Amendments
4.4	Service Recognition	Keep with minor Amendments
4.5	Staff Farewells, Special Circumstances and Associated Benefits	Keep with minor Amendments

5.0 WASTE

No:	Policy Title	Summary of Changes
5.1	Red Hill Waste Management Facility and Hazelmere Resource Recovery Park Environmental Policy	Keep with minor Amendments

6.0 CONFERENCES

No:	Policy Title	Summary of Changes
6.1	Member Conference and Seminar Attendance	Keep with minor Amendments
6.2	Reimbursement of Expenses for Conferences, Seminars and Other Events	Keep with minor Amendments

Summary of EMRC policies and recommended changes

7.0 RISK MANAGEMENT

No:	Policy Title	Summary of Changes
7.1	Risk Management Policy	Keep with minor Amendments
7.2	Occupational Health and Safety Policy	Keep with minor Amendments



1.1 ~~1.1~~ Election of MWAC Representatives Policy

STRATEGIC PLAN OBJECTIVE

4.3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To provide for representation on the Municipal Waste Advisory Council (MWAC). The Municipal Waste Advisory Council is a standing committee of the Western Australian Local Government Association (WALGA) with delegated authority on municipal waste issues.

LEGISLATION

Nil

POLICY STATEMENT

1. The Council will elect a member delegate and member deputy delegate to represent the EMRC on the MWAC.
2. ~~That if~~ if the member delegate is not present at a MWAC meeting the member deputy delegate will be eligible to vote on behalf of the EMRC.

FINANCIAL CONSIDERATIONS

Nil



Adopted/Reviewed by Council

1. 24 June 1993
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
- ~~8-9.~~ 06 December 2018

Next Review

Following the Ordinary Elections in 2021~~19~~7

Responsible Unit~~Directorate~~

~~Governance and~~ Corporate Services



1.3 Members', Chairman's and Deputy Chairman's Fees and Allowances Policy

STRATEGIC PLAN OBJECTIVE

43.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

Payment of fees and allowances paid to the Chairman, Deputy Chairman, council members and deputy council members.

LEGISLATION

Local Government Act (1995) s5.98 - 5.99A

Local Government (Administration) Regulations 1996, Reg. 30, 33 – 34 AB.

POLICY STATEMENT

1. That payments be made as follows:

- To members, other than the Chairman, an annual fee for attending meetings (s5.99);
- To the Chairman, an annual fee for attending meetings (s5.99);
- To the Chairman, an annual local government allowance (s5.98(5));
- To the Deputy Chairman, an annual local government allowance of 25% of the amount payable to the Chairman (s5.98A);
- To deputies of members when the deputy is deputising for a member at a Council or Committee meeting the prescribed maximum fee payable to a member for attending a meeting (s5.98(1)).

2. That the fees and allowances payable to the Chairman, Deputy Chairman, and members be the maximum payable in accordance with Section 5.98, 5.98A and 5.99 of the *Local Government Act 1995*, as determined by the Salaries and Allowances Tribunal.



| 2.

FINANCIAL CONSIDERATIONS

Nil



Adopted/Reviewed by Council

1. 03 July 1997
2. 22 July 1999
3. 28 June 2001
4. 02 May 2002
5. 26 June 2003
6. 20 May 2004
7. 23 February 2006
8. 18 September 2008
9. 23 September 2010
10. 18 September 2014

~~10,11.~~ 020 September 6 December -2018

Next Review

Following the Ordinary Elections in 2017~~2021~~

Responsible Unit Directorate

~~Governance and~~ Corporate Services



1.4 Travelling Costs Incurred by Council Members Policy

STRATEGIC PLAN OBJECTIVE

43.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To establish payment guidelines for members of Council for travelling on Council business.

LEGISLATION

Local Government Act (1995) s5.98 (2) – (4).

Local Government (Administration) Regulations 1996, Reg. 31, 32.

POLICY STATEMENT

1. Claims by members of Council for travelling costs:
 - a) because of the members attendance at a Council or committee meeting of which he or she is also a member of; or **A**acting in the capacity as a Councillor of the EMRC;
 - ~~b) —~~ associated with performing a function under the express authority of Council or in accordance with the Establishment Agreement of the Eastern Metropolitan Regional Council;
 - ~~b) —~~ be reimbursed on the basis detailed in clause 2 of this policy.
2.
 - a) Where the member is using a private vehicle, the rate of reimbursement shall be in accordance with the rates laid down for making motor vehicle claims under the “cents per kilometre method” permissible under the *Income Tax Assessment Act 1997*.
 - b) Where the member is using a taxi or public transport ~~the reimbursement shall be,~~ the actual amount of the fare paid by the member. A member may alternatively request to be issued with a Cabcharge voucher by the Chief Executive Officer. In the case of the Chairman, he or she may request to be issued with a Cabcharge card.
3. Claims for travelling costs must be in writing, detailing the date and purposes of the travel, be signed by the Councillor and in the case of claims for use of a private vehicle, include the opening and closing reading of the vehicles odometer in relation to each trip being reimbursed ~~and the vehicle engine size.~~



FINANCIAL CONSIDERATIONS

A statutory provision which requires a budget allocation

Adopted/Reviewed by Council

1. 24 April 1997
2. 22 July 1999
3. 02 May 2002
4. 26 June 2003
5. 20 May 2004
6. 23 February 2006
7. 18 September 2008
8. 23 September 2010
9. 18 September 2014
- ~~9.~~10. 06 December 2018

Next Review

Following the Ordinary Elections in 2017/2021

Responsible DirectorateUnit

~~Governance and~~ Corporate Services



1.5 Meeting Agenda / Minutes – Confidential Items Policy

STRATEGIC PLAN OBJECTIVE

43.3 - To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To ensure that confidential items, appearing on the Council and/or Committee agendas are easily recognised so that they can be dealt with in accordance with their special nature.

LEGISLATION

Local Government Act 1995 [s.5.23](#), [s.5.25\(1\)\(j\)](#), 5.94 and 5.95
 Local Government (Administration) Regulations 1996 [s.5.23](#), r14, 29 and 29A
[Local Government \(Rules of Conduct\) Regulations 2007](#)
[Freedom of Information Act 1992 r.6 Schedule 1 Clause 4](#)
 EMRC Standing Order Local Law 2013 clauses, 4.20 and 5.13

POLICY STATEMENT

1. That items which at the discretion of the [Chief Executive Officer \(CEO\)](#) are felt to require confidentiality be distributed separate from but accompanying the Council and or Committee agendas on paper of a colour not used elsewhere in the agenda.
2. That the agenda indicate that an item is to be treated as confidential while it is being considered by council/committee.
3. That the Council and/or Committee decision relating to a confidential item be included in the minutes of the meeting.
4. That copies of confidential agenda items be sent to members (and deputy members only when acting for a member) of the Council and others (in accordance with the protocol) dealing with a confidential item prior to the meeting, and be collected at the end of the meeting. Where a Council member or other [person](#) has been supplied with a confidential item and does not attend the relevant meeting, they will return the confidential item as soon as practicable to the office of the EMRC [marked to the attention of](#) the CEO.
5. Confidential items are not to be distributed by electronic media except at the discretion of the CEO in consultation with the Chairman.



- 6.—That the power of the CEO, under section 5.25(1)(j) of the [Local Government Act 1995Act](#) be exercised so that the reports and other documents, relating to the confidential item and presentation at the meeting, not be available for inspection by the public.



The protocol for dealing with confidential information is:

1. Confidential information will be categorised by the CEO of the EMRC into information that will be disclosed only to the Council and information which may be disclosed to committees and member Council CEO's and officers.
2. Confidential information which will only be disclosed to the Council will include information which is the subject of legal professional privilege, information relating to employees and information which, if disclosed will or may cause economic harm to the EMRC.
3. Where confidential information is to be disclosed only to the Council, it will be considered behind closed doors with the result the recipients of the information will be limited to officers and employees of the EMRC and Council members. This confidential information will not be disclosed to any third party, inclusive of member Council CEO's and officers.
4. Confidential information which may be disclosed to committees and member Council CEO's and officers will be marked as being expressly subject to confidentiality and will also be considered behind closed doors.
5. Confidential information which is categorised by the CEO to be not disclosed to committees and member Council CEO's and officers may be referred to Council for review about whether it should be disclosed to committees and member Council CEO's and officers.
6. Application of the protocol will be made in a manner which will facilitate decision making by the EMRC and its Council and committees, prevent confidential information being accidentally disseminated, minimise the conflict of interest member Council CEO's and officers may have consequent upon the duty they owe to a participant and the legal and equitable duty of confidence they owe to the EMRC and avoid the need for litigation by the EMRC.

FINANCIAL CONSIDERATIONS

Nil

Adopted/Reviewed by Council

1. 18 September 1997
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
- 8.9. 06 December 2018

Next Review

Following the Ordinary Elections in 2017/2021

Responsible Unit Directorate

~~Governance and~~ Corporate Services



1.7 Legal Representation Costs Indemnification Policy

STRATEGIC PLAN OBJECTIVE

43.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To protect the interests of Council members and employees (including past members and former employees) where they become involved in civil legal proceedings because of their official functions. In most situations the EMRC may assist the individual in meeting reasonable expenses and any liabilities incurred in relation to those proceedings.

In each case it will be necessary to determine whether assistance with legal costs and other liabilities is justified for the good government of the Region.

LEGISLATION

Local Government Act 1995 s9.56 – 9.57

Local Government (Functions and General) Regulations 1996 r35

POLICY STATEMENT

1. General Principles

- a) The EMRC may provide financial assistance to members and employees in connection with the performance of their duties provided that the member or employee has acted reasonably and has not acted illegally, dishonestly, against the interests of the EMRC or otherwise in bad faith.
- b) The EMRC may provide such assistance in the following types of legal proceedings:
 - i) ~~Proceedings-Those~~ brought by members and employees to enable them to carry out their EMRC _____ functions (eg where a member or employee seeks a restraining order against a person using _____ threatening behaviour);
 - ii) ~~Proceedings-Those~~ brought against members or employees [this could be in relation to a decision _____ of _____ Council or an employee which aggrieves another person or where the conduct of a _____ member or employee in carrying out his or her functions is considered detrimental to the _____ person (eg defending defamation actions)]; and



- iii) Statutory or other inquiries where representation of members or employees is justified.



- c) The EMRC will not support any defamation actions seeking the payment of damages for individual members or employees in regard to comments or criticisms levelled at their conduct in their respective roles. Members or employees are not precluded, however, from taking their own private action. Further, the EMRC may seek its own advice on any aspect relating to such comments and criticisms of relevance to it.
- d) The legal services the subject of assistance under this policy will usually be provided by the EMRC's solicitors. Where this is not appropriate for practical reasons or because of a conflict of interest then the service may be provided by other solicitors approved by the EMRC.

2. Applications for Financial Assistance

- e)a) Subject to item (f), decisions as to financial assistance under this policy are to be made by ~~the~~ Council.
- d)b) A member or employee requesting financial support for legal services under this policy is to make an application in writing, where possible in advance, to the Council providing full details of the circumstances of the matter and the legal services required. Such a request is to contain a declaration that the applicant has acted in good faith, and has not acted unlawfully or in anyway that constitutes improper conduct in relation to the matter to which the application relates.
- e)c) The application is to be accompanied by a written statement by the applicant that he or she:
 - i) has read, and understands, the terms of this policy;
 - ii) acknowledges that any approval of legal representation costs is conditional on the repayment provisions of clause 3 and any other conditions to which the approval is subject; and
 - iii) undertakes to repay to the EMRC any legal representation costs in accordance with the provisions of clause 3.
- f)d) An application to the Council is to be accompanied by an assessment of the request and with a recommendation, which has been prepared by, or on behalf of, the Chief Executive Officer (CEO) or where the CEO is the applicant by the Director Corporate Services.
- g)e) A member or employee requesting financial support for legal services, or any other person who might have a financial interest in the matter, should take care to ensure compliance with the financial interest provisions of the *Local Government Act 1995*.
- h)f) Where there is a need for the provision of urgent legal services before an application can be considered by Council, the CEO may give an authorisation to the value of \$5,000 provided that the power to make such an authorisation has been delegated to the CEO in writing under section 5.42 of the *Local Government Act 1995*. Council has delegated the authority to the CEO, up to \$5,000 per application, where the need arises for urgent legal services. (Delegation C7/2001).
- i)g) Where it is the CEO who is seeking urgent financial support for legal services the Director Corporate Services in consultation with the Chairman shall deal with the application.



3. Repayment of Assistance

- a) Any amount recovered by a member or employee in proceedings, whether for costs or damages, will be off set against any monies paid or payable by the EMRC.
- b) Assistance will be withdrawn where the Council determines, upon legal advice, that a person has acted unreasonably, illegally, dishonestly, against the interests of the EMRC or otherwise in bad faith; or where information from the person is shown to have been false or misleading.
- c) Where assistance is so withdrawn, the person who obtained financial support is to repay any moneys already provided. -The EMRC may take action to recover any such moneys in a court of competent jurisdiction.

FINANCIAL CONSIDERATIONS

A contingent item that could materialise at any time and therefore requires a budget allocation.

Adopted/Reviewed by Council

1. 20 October 2000
2. 14 December 2000
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
- ~~8-9.~~ 06 December 2018

Next Review

Following the Ordinary Elections in 20172021

Responsible UnitDirectorate

~~Governance and~~ Corporate Services



1.8 Government Relations and Advocacy Policy

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STRATEGIC PLAN OBJECTIVES

43.1 To provide advice and advocacy on issues affecting Perth's Eastern Region.

43.2 To manage partnerships and relationships with stakeholders.

PURPOSE

To provide policy support for the implementation of the Regional Advocacy Strategy and Council-approved recommendations on advocacy campaigns.

LEGISLATION

Nil

POLICY STATEMENT

Definitions:

For the purposes of this policy:

Government relations is the transparent, legally valid and ethically sound engagement with government employees and ministers to secure, for residents and Councils of Perth's Eastern Region, the highest quality of government services that they are entitled to expect.

Advocacy is the activity aimed at correcting and influencing the political, social, economic and environmental perceptions and opinions of government, non-government organisations and community leaders to align them with the EMRC and member Councils' views.

REGIONAL ADVOCACY STRATEGY

The Regional Advocacy Strategy is the guiding document for government relations and advocacy activities of the EMRC. The Strategy seeks to attract an increased share of investment in Perth's Eastern Region by implementation of a framework that facilitates consistent, professional and effective advocacy.



GOVERNMENT RELATIONS AND ADVOCACY OUTCOMES

Regional advocacy is undertaken for the benefit of the Region as a whole and requires activity across a range of issues and priorities of regional significance designed to create positive benefits and long term sustainability for Perth's Eastern Region.

An annual review of the regional advocacy ~~issues-actions~~ will be undertaken and ~~the results of this, together with any~~ revised actions ~~for each year~~, will be presented to Council.

IMPLEMENTATION OF COUNCIL-ENDORSED GOVERNMENT RELATIONS AND ADVOCACY MEASURES

1. The Chief Executive Officer of the EMRC, in consultation with the Chairman of the EMRC when required, will sanction the implementation and related activities being pursued.
2. At the appropriate time, the Chief Executive Officer will propose, and the EMRC Council may endorse, additions to this policy to guide the implementation of the government relations and advocacy measures in specific areas such as, protocol, ceremonial and correspondence matters etc.

Notwithstanding Council Policies 6.1 and 6.2 where urgent interstate or other travel related expenses are required to pursue urgent government relations and advocacy issues, authority for approval is delegated to the Chief Executive Officer in consultation with the Chairman.

FINANCIAL CONSIDERATIONS

An amount will be provided in each annual budget to meet costs associated with pursuing government relations and advocacy initiatives.

Adopted/Reviewed by Council

1. 20 July 2006
2. 18 September 2008
3. 23 September 2010
4. 18 September 2014
- 4-5. 06 December 2018

Next Review

Following the Ordinary Elections in 2017201921

Responsible DirectorateUnit

Regional Services



3.21.9 Recognition of Members of Council Policy

STRATEGIC PLAN OBJECTIVE

3.2 To manage partnerships and relationships with stakeholders.

PURPOSE

To establish a policy and provide guidelines for recognising the service that is given to the region by members of the Council.

LEGISLATION

Local Government Act 1995 s5.98(6)

POLICY STATEMENT

Council shall recognise the service of members of the Council who no longer hold office of the EMRC in accordance with clause 7.2(1) (b) and (c) of the Establishment Agreement of the Eastern Metropolitan Regional Council.

Recognition will be subject to the member not becoming disqualified from holding office of the EMRC or participant Council as a result of an offence under the Local Government Act 1995 or any other law.

The following awards shall be made to recognise such service:-

▪ During and on completing one 2-year term	A framed certificate of appreciation
▪ On completing two 2-year terms	A framed certificate of appreciation and a gift to the value of \$100
▪ On completing three 2-year terms	A framed certificate of appreciation and a gift to the value of \$200
▪ On completing four 2-year terms or more	A framed certificate of appreciation and a gift to the value of \$500

The certificate will specifically acknowledge any term spent as Chairman or Deputy Chairman in addition to the role of Councillor.

No gift will be given by way of a cash payout and the gift purchased, should be appropriate and may be suitable for keeping as a memento.

Such certificate of appreciation and gift will be presented at the next EMRC Biennial ~~D~~dinner or ~~C~~cocktail function.



FINANCIAL CONSIDERATIONS

Appropriate provision is to be included for consideration in Council's annual budget deliberations.

Adopted by Council:

1. 22 February 2007
2. 18 September 2008
3. 23 September 2010
4. 18 September 2014
5. 06 December 2018

Next review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



1.10 Disability Access & Inclusion Policy

STRATEGIC PLAN OBJECTIVE

4.33.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To ensure that all members of the community have equal access to all EMRC services, information and facilities.

LEGISLATION

Disability Services Act 1993
Equal Opportunity Act 1984.

POLICY STATEMENT

The EMRC is committed to the following outcomes:

1. The EMRC Council ~~ensures~~ will ensure that a Disability Access & Inclusion Policy and Implementation Plan are developed, implemented and reviewed regularly
2. People with ~~disabilities~~ disability have the same opportunities as other people to access the services of, and any events organised by, the EMRC.
3. People with ~~disabilities~~ disability have the same opportunities as other people to access the buildings and other facilities of the EMRC.
4. People with ~~disabilities~~ disability receive information from the EMRC in a format that will enable them to readily access the information other people are able to access.
5. People with ~~disabilities~~ disability receive the same level and quality of service from the staff and contractors of the EMRC.
6. People with ~~disabilities~~ disability have the same opportunities as other people to make complaints to the EMRC.
7. People with ~~disabilities~~ disability have the same opportunities as other people to participate in any public consultation by the EMRC.
- ~~7.8.~~ People with disability have the same opportunities as other people to obtain and maintain employment with the EMRC.



FINANCIAL CONSIDERATIONS

Funding for projects will be provided for in the annual budget.

Adopted/Reviewed by Council	<ol style="list-style-type: none"> 1. 19 August 2010 2. 18 September 2014 3. 23 August 2018
Next Review	Following the Ordinary Elections in 20172021
Responsible Directorate Unit	Governance and Corporate Services



1.11 Public Interest Disclosure Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

This policy supports the aims and objectives of the *Public Interest Disclosure Act 2003*.

LEGISLATION

- *Public Interest Disclosure Act 2003*
- *Corruption, Crime and Misconduct Act 2003*
- *Local Government Act 1995*

POLICY STATEMENT

The EMRC does not tolerate corrupt or other improper conduct.

The EMRC is committed to the aims and objectives of the *Public Interest Disclosure Act 2003* (PID Act). The PID Act recognises the value and importance of reporting as a means to identify and address wrongdoing.

The EMRC strongly supports disclosures being made by employees about corrupt or other improper conduct and also strongly supports contractors and members of the community making disclosures about corrupt or improper conduct.

The EMRC does not tolerate any of its employees, contractors or subcontractors taking reprisal action against anyone who makes or proposes to make a public interest disclosure.

All reasonable steps will be taken to protect employees from any detrimental action in reprisal for the making of a public interest disclosure.

The persons responsible for receiving disclosures of public interest information designated under s.23(1)(a) of the PID Act will abide by the PID Code of Conduct and Integrity in performing their duties.

The EMRC is also committed to responding to the disclosure thoroughly and impartially and will treat all people in the disclosure process fairly, including those who may be the subject of a disclosure.





As much information as possible will be provided to people considering making a public interest disclosure. Internal procedures are accessible to all employees and contractors. Copies are available from the designated person appointed as the proper authority (Public Interest Disclosure (PID) Officer).

General information about public interest disclosures and how the EMRC will manage a disclosure, will be made available for external clients and members of the community on the website.



While this policy focuses on public interest disclosures, the EMRC is committed to dealing with all reports of suspected wrongdoing. People are encouraged to report if they witness any such behaviour. Each matter will be considered under the appropriate reporting pathway and every attempt will be made to protect staff members making reports from any reprisals.

FINANCIAL CONSIDERATIONS

Funding for appropriate investigations will be provided for in the annual budget.

Adopted/Reviewed by Council	24 August 2017 06 December 2018
Next Review	Following the Ordinary Elections in 2021 October 2018
Responsible Directorate Unit	Corporate Services



2.1 Committees of Council

STRATEGIC PLAN OBJECTIVE

43.3 ___ To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To maintain a Chief Executive Officers Advisory Committee (CEOAC), Technical Advisory Committee (TAC), Resource Recovery Committee (RRC), Chief Executive Officer Performance Review Committee (CEOPRC), Audit Committee (AC), Investment Committee (IC), and determine attendance of officers at council meetings of the EMRC.

LEGISLATION

Local Government Act 1995 s5.8-5.25, 7.1A, B, C
Local Government (Administration) Regulations 1996 r4 - 14B

POLICY STATEMENT

1. Council will maintain a Chief Executive Officers Advisory Committee (CEOAC), a Technical Advisory Committee (TAC), a Resource Recovery Committee (RRC), a Chief Executive Officer Performance Review Committee (CEOPRC); an Audit Committee (AC) and an Investment Committee (IC) (occasional ~~temporary~~ committee) and determine Terms of Reference for each of these.
2. Membership of the CEOAC will ~~be comprise of~~ the CEO of the EMRC and the CEO of each participant local government; and the committee will have the ~~Terms of Reference~~ terms of reference as detailed in D2014/12021 Attachment 1.
3. Membership of the TAC will ~~comprise of~~ the CEO of the EMRC, or nominee, and a principal officer of each of the participant local governments nominated by the member council CEO; and the committee will have the ~~Terms of Reference~~ terms of reference as detailed in D2014/12022 Attachment 2.
4. Membership of the RRC will ~~comprise of~~ the members of the TAC and one councillor from each of the participant Local Governments; and the committee will have the ~~Terms of Reference~~ terms of reference as detailed in D2014/12023 Attachment 3.
5. Membership of the CEOPRC will ~~comprise of~~ Council members only and the committee will have the ~~Terms of Reference~~ terms of reference as detailed in D2014/12024 Attachment 4.
6. Membership of the AC will ~~be~~ comprise of one council member from each of the participant Local Governments and the committee will have the ~~Terms of Reference~~ terms of reference as detailed in D2014/12025 Attachment 5.



7. Membership of the IC will ~~comprise of~~ Council members only and the Committee will have the ~~Terms of Reference~~ ~~terms of reference~~ as detailed in ~~D2014/12026~~ ~~Attachment 6~~.



8. Through the following process a deputy member will be appointed by council for each committee member.
 - A deputy member for CEOAC and TAC may be nominated by the CEO of each participant local government.
 - The deputy members appointed for TAC will have the same role on the RRC.
 - Council will appoint deputy members to members of the Council on the RRC and the AC.
 - No deputy members are appointed to the CEOPRC as the continuity of members during the annual performance review is important in ensuring a fair and objective process is achieved.
 - No deputy members are appointed to the IC.
9. That a flexible approach be taken to those matters generally classified as commercial enterprises or investment and these matters be treated on a project basis with the CEO of the EMRC deciding whether to liaise with either of the committees where necessary. Working parties with specific terms of reference may be used in the future for these matters.
10. That meetings be generally face-to-face meetings. However, teleconferencing, videoconferencing and other electronic means will be used when appropriate.
11. The Chairman of the CEOAC & TAC may attend EMRC Council meetings as an advisor but that officer may not sit at the council table.
12. Where officers from Participants attend EMRC Council meetings, they are to have the status of observer.

FINANCIAL CONSIDERATIONS

Nil

Adopted/Reviewed by Council

1. 8 December 1994
2. 22 July 1999
3. 24 February 2000
4. 02 May 2002
5. 19 February 2004
6. 20 May 2004
7. 23 February 2006
8. 18 September 2008
9. 23 September 2010
10. 18 September 2014
- ~~10.~~ 11. 06 December 2018

Next Review

Following the Ordinary Elections in 2017/2021

Responsible Unit Directorate

~~Governance and~~ Corporate Services

TERMS OF REFERENCE

CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE

1. OBJECTIVES OF COMMITTEE:

- 1.1 The Chief Executive Officers Advisory Committee (CEOAC) is a formally appointed committee of Council and is responsible to that body. It has been established to consider matters that have an impact on the member Councils and/or EMRC's business activities.

2. RESPONSIBILITIES:

The Committee's responsibility is to:

- (a) Ensure that the EMRC conducts its operations in accordance with its Establishment Agreement; and
- (b) Give consideration, advice and make recommendations to Council in relation to:
 - Regional strategic and policy development; and
 - Matters of regional relevance.

3. MEMBERSHIP:

- 3.1 The Chief Officers Advisory Committee comprises of each of EMRC's participant member Council's Chief Executive Officer and the Chief Executive Officer of the Eastern Metropolitan Regional Council or his nominee.
- 3.2 In the event of a vacancy due to the resignation of a Committee member, the person replacing the Chief Executive Officer will automatically fill their position on the Committee.
- 3.3 A deputy member may be appointed to the Committee by each member Council Chief Executive Officer

4. MEETINGS

- 4.1 The Committee shall hold regular meetings at such times and on such days as the Council may determine by resolution.
- 4.2 Additional meetings will be convened at the discretion of the Chairperson.
- 4.3 The Committee shall also hold regular informal meetings for the purpose of sharing information and discussing matters on any topic whether related to EMRC matters or not in a friendly cooperative and confidential environment.

5. OPERATING PROCEDURES

- 5.1 All meetings of the CEOAC are to be conducted in accordance with the Local Government Act 1995, associated Regulations and the *EMRC Standing Orders Local Law 1998*.
- 5.2 A quorum for a meeting of the Committee shall be at least 50% of the number of offices (whether vacant or not) of members of the Committee.
- 5.3 Voting
- (a) All decisions of the Committee shall be made on the basis of a simple majority decision of the members present or, if another kind of majority has been prescribed by regulations for the particular kind of decision, by that kind of majority.
 - (b) If the decision results in a tied vote, the person presiding is to cast a second vote.
 - (c) Persons other than Committee members are not entitled to cast a vote.
 - (d) All other aspects related to voting procedure shall be consistent with relevant sections of the EMRC Standing Orders Local Law 1998
- 5.4 Other EMRC staff or member Council staff may attend meetings, at the discretion of the Chief Executive Officer and/or the Committee Chairperson, to provide advice and information when required.
- 5.5 Where officers from member Councils attend the meeting, they are to have the status of 'observer'.

6. REPORTING

- 6.1 The Committee shall after every meeting forward the minutes of that meeting to the next Ordinary Meeting of Council, including a report explaining any specific recommendations and key outcomes.

7. DELEGATED POWER

- 7.1 The Chief Executive Officers Advisory Committee has no delegated powers and no authority to implement its recommendations.

Related Documentation:

Policy 2.1 Committees of Council

EMRC Standing Orders Local Law 2013

EMRC Code of Conduct

Administration:

Adopted / Reviewed by Council: 23 September 2010
18 September 2014
~~0~~6 December 2018

Next Review: Following the Ordinary Elections in 2021

Responsible ~~Unit~~Directorate Office of the Chief Executive Officer

TERMS OF REFERENCE
TECHNICAL ADVISORY COMMITTEE

1. OBJECTIVES OF COMMITTEE:

The Technical Advisory Committee (TAC) is a formally appointed committee of Council and is responsible to that body. It has been established to review and provide reports on technical matters and recommendations to Council.

2. RESPONSIBILITIES:

Give consideration and prepare recommendations to Council in relation to:

- (a) Waste management;
- (b) Environment;
- (c) Risk management; and
- (d) Other technical matters referred to it from time to time.

3. MEMBERSHIP:

3.1. The Technical Advisory Committee will comprise of:

- (a) A Principal Officer of each of EMRC's participant member Councils nominated by the member Council Chief Executive Officer; and
- (b) The Chief Executive Officer of the Eastern Metropolitan Regional Council or nominee.

3.2. A deputy member may be appointed by each member Council Chief Executive Officer and will have the same role on the Resource Recovery Committee.

3.3. Members and Deputies will be appointed for a period of two years following each ordinary Council election.

4. MEETINGS

4.1. The Committee shall hold regular meetings at such times and on such days as the Council may determine by resolution.

4.2. Additional meetings will be convened at the discretion of the Chairperson.

5. OPERATING PROCEDURES

- 5.1. All meetings of the TAC are to be conducted in accordance with the Local Government Act 1995, associated Regulations and the *EMRC Standing Orders Local Law 1998*.
- 5.2. A quorum for a meeting of the Committee shall be at least 50% of the number of offices (whether vacant or not) of members of the Committee.
- 5.3. Voting
- (a) All decisions of the Committee shall be made on the basis of a simple majority decision of the members present or, if another kind of majority has been prescribed by regulations for the particular kind of decision, by that kind of majority.
 - (b) If the decision results in a tied vote, the person presiding is to cast a second vote.
 - (c) Persons other than Committee members are not entitled to cast a vote.
 - (d) All other aspects related to voting procedure shall be consistent with relevant sections of the EMRC Standing Orders Local Law 1998.
- 5.4. Other EMRC staff or member Council staff may attend meetings, at the discretion of the Chief Executive Officer and/or the Committee Chairperson, to provide advice and information when required.

6. REPORTING

- 6.1. The Committee shall after every meeting forward the minutes of that meeting to the next Ordinary Meeting of Council, including a report explaining any specific recommendations and key outcomes.

7. DELEGATED POWER

- 7.1. The Technical Advisory Committee has no delegated powers and no authority to implement its recommendations.

Related Documentation:

Policy 2.1 Committees of Council

EMRC Standing Orders Local Law 2013

EMRC Code of Conduct

Administration:

Adopted / Reviewed by Council: 23 September 2010
18 September 2014
06 December 2018

Next Review: Following the Ordinary Elections in 2021

Responsible Directorate **Director** Waste Services

~~[Terms of Reference - Policy 2.1 - Committees of Council - Technical Advisory Committee - 06 12 2018](#)~~
~~[Terms of Reference - Policy 2.1 - Committees of Council - Technical Advisory Committee - 06 12 2018.docx](#)~~

TERMS OF REFERENCE
RESOURCE RECOVERY COMMITTEE

1. OBJECTIVES OF COMMITTEE:

The Resource Recovery Committee (RRC) is a formally appointed committee of Council and is responsible to that body. It has been established to advise on Resource Recovery for the Eastern Metropolitan Regional Council.

2. RESPONSIBILITIES

To give consideration and prepare recommendations to Council in relation to:

- (a) Appropriate actions related to establishment of a Resource Recovery Facility;
- (b) Appropriate Community Waste Education/Engagement Initiatives;
- (c) Matters related to the activities of the Waste Management Community Reference Group; and
- (d) Other relevant matters referred to it from time to time.

3. MEMBERSHIP:

3.1. The Resource Recovery Committee will comprise of:

- (a) One Councillor from each of the member Councils;
- (b) Members of the Technical Advisory Committee; and
- (c) Chief Executive Officer of the Eastern Metropolitan Regional Council.

3.2. The deputy members of the Technical Advisory Committee, as appointed by each member Council Chief Executive Officer, will be deputy members of the RRC.

3.3. Council will appoint deputy members to members of the Council on the RRC.

3.4. Members and Deputies will be appointed for a period of two years following each ordinary Council election.

4. MEETINGS

4.1. The RRC shall hold regular meetings at such times and on such days as the Council may determine by resolution.

4.2. Additional meetings will be convened at the discretion of the Chairperson.

5. OPERATING PROCEDURES

- 5.1. All meetings of the RRC are to be conducted in accordance with the Local Government Act 1995, associated Regulations and the *EMRC Standing Orders Local Law 1998*.
- 5.2. A quorum for a meeting of the Committee shall be at least 50% of the number of offices (whether vacant or not) of members of the Committee.
- 5.3. Voting
- (a) All decisions of the Committee shall be made on the basis of a simple majority decision of the members present or, if another kind of majority has been prescribed by regulations for the particular kind of decision, by that kind of majority.
 - (b) If the decision results in a tied vote, the person presiding is to cast a second vote.
 - (c) Persons other than Committee members are not entitled to cast a vote.
 - (d) All other aspects related to voting procedure shall be consistent with relevant sections of the EMRC Standing Orders Local Law 1998.
- 5.4. Other EMRC staff or member Council staff may attend meetings, at the discretion of the Chief Executive Officer and/or the Committee Chairperson, to provide advice and information when required.
- 5.5. The EMRC Chief Executive Officer may invite the attendance of any particular additional officer through the participant Chief Executive Officer.
- 5.6. The EMRC Chief Executive Officer may invite other additional persons, including consultants, to provide advice and information when required.

6. REPORTING:

- 6.1 The Committee shall after every meeting forward the minutes of that meeting to the next Ordinary Meeting of Council, including a report explaining any specific recommendations and key outcomes.

7. DELEGATED POWER

- 7.1 The Resource Recovery Committee has no delegated powers and no authority to implement its recommendations.

Related Documentation:

Policy 2.1 Committees of Council
 EMRC Standing Orders Local Law 2013
 EMRC Code of Conduct

Administration:

Adopted / Reviewed by Council:	23 September 2010 18 September 2014 06 December 2018
Next Review:	Following the Ordinary Elections in 2017/2021
Responsible <u>Directorate</u> :	Chief Executive Officer Waste Services

~~[Terms of Reference - Policy 2.1 - Committees of Council - Resource Recovery Committee - 06 12 2018](#)~~
~~[Terms of Reference - Policy 2.1 - Committees of Council - Resource Recovery Committee - 18 09 2014.docx](#)~~

TERMS OF REFERENCE

CHIEF EXECUTIVE OFFICERS PERFORMANCE REVIEW COMMITTEE

1. OBJECTIVES OF COMMITTEE:

The Chief Executive Officers Performance Review Committee (CEOPRC) is a formally appointed committee of Council and is responsible to that body. It has been established to conduct an annual review of the Chief Executive Officer's (CEO) performance, remuneration, contract terms and conditions, with the assistance of an external facilitator.

2. RESPONSIBILITIES

To ensure that the review of performance of the Chief Executive Officer (CEO) for the EMRC is undertaken in accordance with the provisions of the *Local Government Act (1995)* and *Local Government (Administration) Regulations 1996* and EMRC's policies.

3. DUTIES

The duties of the Committee will include the following:

- (a) Review the Chief Executive Officer's (CEO) performance with the appropriate provisions contained within the CEO's Contract of Employment and agreed performance objectives;
- (b) Prepare and table the concluded Performance Review Report to the Council for consideration and actioning;
- (c) Review the CEO's performance on an on-going basis if the Council or the CEO perceives that there is a need to do so;
- (d) Determine the Performance Objectives to be met by the CEO for the following year and refer them to Council for consideration and actioning;
- (e) Review the CEO's remuneration package, in accordance with the appropriate provisions of the CEO's Contract of Employment and refer the recommendations to Council for consideration and actioning;
- (f) Review the CEO's Contract of Employment and make recommendations to council in relation to varying the contract as and when necessary; and
- (g) Appoint a consultant to assist it in its functions.

4. MEMBERSHIP:

- 4.1. ___ The Committee will comprise of six Councillors.
- 4.2. ___ The Committee will have no deputy members.
- 4.3. ___ Members will be appointed for a period of two years following each ordinary Council ___ election.

5. MEETINGS

- 5.1. ___ The Committee shall hold regular meetings at such times and on such days as the ___ Council may determine by resolution.
- 5.2. ___ Additional meetings will be convened at the discretion of the Chairperson.

6. OPERATING PROCEDURES

- 6.1. ___ All meetings of the Committee are to be conducted in accordance with the Local ___ Government Act 1995, associated Regulations and the *EMRC Standing Orders Local ___ Law 1998*.
- 6.2. ___ A quorum for a meeting of the Committee shall be at least 50% of the number of offices ___ (whether vacant or not) of member of the Committee.
- 6.3. Voting
- (a) All decisions of the Committee shall be made on the basis of a simple majority decision of the members present or, if another kind of majority has been prescribed by regulations for the particular kind of decision, by that kind of majority.
 - (b) If the decision results in a tied vote, the person presiding is to cast a second vote.
 - (c) Persons other than Committee members are not entitled to cast a vote.
 - (d) All other aspects related to voting procedure shall be consistent with relevant sections of the *EMRC Standing Orders Local Law 1998*.
- 6.4 Other EMRC staff may attend meetings, at the discretion of the Chief Executive Officer, to provide advice and information when required.

7. REPORTING

- 7.1. ___ The Committee shall after every meeting forward the minutes of that meeting to the next ___ Ordinary Meeting of Council, including a report explaining any specific recommendations ___ and key outcomes.
- 7.2. ___ The item of Council business referred to in relation to this is to be treated as confidential ___ in accordance with s5.23(2) of the Local Government Act 1995, r14(2) of the Local ___ Government (Administration) Regulations 1996, Standing Orders Bylaw 4.2 and Council's ___ Policy for dealing with confidential items.

8. DELEGATED POWER

- 8.1. ___ The Committee has no delegated powers and no authority to implement its ___ recommendations.

TERMS OF REFERENCE

AUDIT COMMITTEE

1 OBJECTIVES OF COMMITTEE

4 :

4.4 The Audit Committee (AC) is a formally appointed committee of Council and is responsible to that body. It has been established to assist Council with:

- (a) The effective conduct of its responsibilities for financial reporting, management of risk and maintaining a reliable system of controls.
- (b) The co-ordination of relevant activities of management, compliance, internal audit, external audit and to facilitate achieving overall organisational objectives in an efficient and effective manner.
- (c) The facilitation of:
 - The enhancement of the credibility and objectivity of internal and external financial reporting;
 - Effective management of financial and other risks and the protection of Council assets;
 - Compliance with laws and regulations as well as use of best practice guidelines;
 - The provision of an effective means of communication between the external auditor, internal audit, management and the Council;
 - The allocation of the EMRC's finances and resources.

2 RESPONSIBILITIES

The duties of the Audit Committee include the following:

- 2.1 To review the scope of the internal audit plan and programme and the effectiveness of the function. This review should consider whether, over a period of years the internal audit plan systematically addresses:
 - (a) Internal controls over revenue, expenditure, assets and liability processes
 - (b) The efficiency, effectiveness and economy of significant EMRC programmes; and
 - (c) Compliance with regulations, policies, best practice guidelines, instructions and contractual arrangements.
- 2.2 Critically analyse and follow up any internal or external audit report that raises significant issues relating to risk management, internal control, financial reporting and other accountability or governance issues, and any other matters relevant under the Committee's terms of reference. Review management's response to, and actions taken as a result of the issues raised.

- 2.3 Monitor the risk exposure of Council by determining if management has appropriate risk management processes and adequate management information systems.
- 2.4 Monitor ethical standards and related party transactions by determining whether the systems of control are adequate.
- 2.5 Review Council's draft annual financial report, focusing on:
- (a) ~~a~~Accounting policies and practices;
 - (b) ~~e~~Changes to accounting policies and practices;
 - (c) ~~t~~The process used in making significant accounting estimates;
 - (d) ~~s~~Significant adjustments to the financial report (if any) arising from the audit process;
 - (e) ~~e~~Compliance with accounting standards and other reporting requirements; and
 - (f) ~~s~~Significant variances from prior years.
- 2.6 Recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the financial report is signed.
- 2.7 Discuss with the external auditor the scope of the audit and the planning of the audit.
- 2.8 Discuss with the external auditor issues arising from the audit, including any management letter issued by the auditor and the resolution of such matters. Identify and refer specific projects or investigations deemed necessary through the Chief Executive Officer, the internal auditor and the Council if appropriate.
- 2.9 Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference.

3 MEMBERSHIP:

- 3.1 The Audit Committee will comprise of:
- (a) Six Councillors, one from each member Council; ~~and-~~
 - (b) ~~Six Deputy Councillors, one from each member Council~~A deputy member of the Committee will be appointed.
- 3.2 Members and Deputies will be appointed for a period of two years following each ordinary Council election.
- 3.3 The Chief Executive Officer and the Director Corporate Services will attend all meetings except when the Committee chooses to meet in camera.
- 3.4 An Internal Auditor (whether a member of staff or contractor) will attend meetings where internal audit reports are being considered by the committee

4 MEETINGS

4.1 The Audit Committee will meet as required at the discretion of the chairperson of the committee and at least three times per year to coincide with:

(a) ~~a~~ Approval of strategic and annual plans;

~~(a)~~(b) The Compliance Audit Return;

~~(b)~~(c) ~~a~~ Approval of the annual budget; and

(d) ~~t~~ The auditor's report on the annual financial report.

~~(e)~~

4.2 Additional meetings will be convened at the discretion of the Chairperson.

5 OPERATING PROCEDURES

5.1 ~~All~~ meetings of the AC are to be conducted in accordance with the *Local Government Act 1995*, associated Regulations and the *EMRC Standing Orders Local Law 19982013*.

5.2 ~~A~~ quorum for a meeting of the Committee shall be at least four of the number of offices ~~(whether vacant or not)~~ of members of the Committee.

5.3 ~~Voting~~

(a) All decisions of the Committee shall be made on the basis of a simple majority ~~decision~~ of the members present or, if another kind of majority has been ~~prescribed~~ by regulations for the particular kind of decision, by that kind of ~~majority~~;

(b) If the decision results in a tied vote, the person presiding is to cast a second ~~vote~~;

(c) Persons other than Committee members are not entitled to cast a vote ~~;~~ and

(d) All other aspects related to voting procedure shall be consistent with relevant ~~sections~~ of the *EMRC Standing Orders Local Law 19982013*.

5.4 Other EMRC staff or member Council staff may attend meetings, at the discretion of the Chief Executive Officer and/or the Committee Chairperson, to provide advice and information when required.

5.5 Representatives of the External Auditor will be invited to attend meetings at the discretion of the Committee but MUST attend meetings considering the draft annual financial report and results of the external audit.

6 REPORTING

6 REPORTING

- 6.1 The Committee shall after every meeting forward the minutes of that meeting to the next Ordinary Meeting of Council, including a report explaining any specific recommendations and key outcomes

7 DELEGATED POWER

- ~~7.1~~ The Committee does not have authority to implement actions in areas over which management has responsibility and does not have any delegated financial responsibility.

~~7.1~~

Related Documentation:

Policy 1.2 Meetings
Policy 2.1 Committees of Council
Policy 3.1 Annual Financial Reporting
Policy 7.1 Risk Management Policy

EMRC Standing Orders Local Law 2013

EMRC Code of Conduct

Administration:

Adopted / Reviewed by Council: 23 September 2010
18 September 2014
~~020 September~~ [6 December 2018](#)

Next Review: Following the Ordinary Elections in ~~2017~~ [2021](#)

Responsible ~~Directorate:~~ [Director](#) Corporate Services

TERMS OF REFERENCE
INVESTMENT COMMITTEE

1. OBJECTIVES OF COMMITTEE

The Investment Committee (IC) is a formally appointed committee of Council and is responsible to that body. It has been established to deal with matters related to EMRC's Management of Investment Policy.

1.1. The Committee's role is to:

- (a) Report to Council and provide appropriate advice and recommendations on matters relevant to its terms of reference in order to facilitate decision-making by Council in relation to the discharge of its responsibilities.
- (b) Carry out its functions and fulfil its responsibilities as required by the Local Government Act 1995 and associated regulations, guidelines and protocols of the Council which are relevant to the Committee.
- (c) The Committee will only have those executive powers as specifically delegated to it.

2. RESPONSIBILITIES

2.1 The Investment Committee shall have the following functions:

- (a) To consider amendment and revision of Policy 3.5 Management of Investment Policy;
- (b) To deal with matters referred to the committee, by the Chief Executive Officer (CEO), under Policy 3.5 Management of Investment Policy; ~~and~~
- (c) To deal with legal and other matters associated with the Grange Securities Ltd / Lehman Investment Mandate Agreement (3 March 2005) as referred to the Committee by the CEO or Council.

3. MEMBERSHIP:

3.1 The Investment Committee will comprise of Council members only.

3.2 Deputy members of the Committee will not be appointed.

3.3 Members will be appointed for a period of two years following each ordinary Council election.

4. MEETINGS

- 4.1 The Committee shall meet as required, convened at the discretion of the Chairperson.

5. OPERATING PROCEDURES

- 5.1 All meetings of the IC are to be conducted in accordance with the Local Government Act 1995, associated Regulations and the *EMRC Standing Orders Local Law 1998*.
- 5.2 A quorum for a meeting of the Committee shall be at least 50% of the number of offices (whether vacant or not) of member of the Committee.

5.23 Voting

- (a) All decisions of the Committee shall be made on the basis of a simple majority decision of the members present or, if another kind of majority has been prescribed by regulations for the particular kind of decision, by that kind of majority.
 - (b) If the decision results in a tied vote, the person presiding is to cast a second vote.
 - (c) Persons other than Committee members are not entitled to cast a vote.
 - (d) All other aspects related to voting procedure shall be consistent with relevant sections of the *EMRC Standing Orders Local Law 1998*.
- 5.4 Other EMRC staff may attend meetings, at the discretion of the Chief Executive Officer to provide advice and information when required.

6. REPORTING

- 6.1 The Committee shall after every meeting forward the minutes of that meeting to the next Ordinary Meeting of Council, including a report explaining any specific recommendations and key outcomes.

7. DELEGATED POWER

- 7.1 The Investment Committee has only those delegated powers and duties of Council associated with the EMRC Investment Portfolio, that have not been delegated to the CEO inclusive of, but not limited to:
- (a) The acceptance of tenders for the provision of advice and services; and
 - (b) To deal with any legal proceedings that may need to be initiated.

Related Documentation:

Policy 2.1 Committees of Council

Policy 3.5 Management of Investments Policy

EMRC Standing Orders Local Law 2013

EMRC Code of Conduct

Administration:

Adopted / Reviewed by Council: 23 September 2010
18 September 2014
06 December 2018

Next Review: Following the Ordinary Elections in 2021

Responsible Directorate **Director** Corporate Services



3.1 Annual Financial Reporting Policy

STRATEGIC PLAN OBJECTIVE

4.3.3 To provide responsible and accountable governance and management of the EMRC.
3.4 To continue to improve financial and asset management practices.

PURPOSE

To endorse accounting policies as part of the preparation of the Council's annual financial statements.

LEGISLATION

- Division 3 of the *Local Government Act 1995*
- Part 4 - Financial Reports of *Local Government (Financial Management) Regulations 1996*
- Australian Accounting Standards

POLICY STATEMENT

1. Reporting Entity

The reporting entity is the Eastern Metropolitan Regional Council.

2. Basis of Accounting

The financial statements shall be drawn up in accordance with the accounting standards and disclosure requirements of the Australian accounting bodies, the *Local Government Act 1995*, and the *Local Government (Financial Management) Regulations 1996*.

3. Asset Classification

The following classifications are to be utilised for recording assets:

Land, buildings, structures, plant, equipment, furniture and fittings.



4. Depreciation

Fixed Assets excluding freehold land and art works, are to be depreciated over their estimated useful lives on a straight line basis as follows:

• Buildings	0.48 <u>6.67</u> 0.20 - <u>32.00</u> % (based on components)
• Structures	
o General	1.10 <u>18.10</u> 0.56 - <u>18.10</u> % (based on components)
o Class III & IV Waste Cells	% of actual usage
• Plant	15.00 <u>40.00</u> 3.67 - <u>57.66</u> %
• Furniture and fittings	10.00 <u>40.00</u> 5.97 - <u>33.33</u> %
• Equipment	10.00 <u>40.00</u> 5.33 - <u>52.59</u> %

Assets are to be depreciated when completed and held ready for use.

5. Capitalisation Thresholds

As per Regulation 17A-(5) of the Local Government (Financial Management) Regulations 1996, capitalisation threshold for the EMRC's asset is \$5,000

Capitalisation thresholds shall be:

• Land	No limit
• Buildings	No limit
• Structures	No limit
• Plant	\$1,000
• Furniture and fittings	\$1,000
• Equipment	\$1,000

6. Rates

The Eastern Metropolitan Regional Council does not levy rates. Accordingly rating information as required under the *Local Government (Financial Management) Regulations 1996* (r39) is not required to be presented in the financial statements.

7. Revaluation Thresholds

Revaluation thresholds shall be:

• Land	No limit
• Buildings	\$5,000
• Road Infrastructure	No <u>limit \$5,000</u>
• Other Infrastructures	\$15,000 <u>\$45,000</u>
• Minor Plant and Equipment	\$15,000 <u>\$45,000</u>
• Major Plant and Equipment	\$5,000
• Furniture and fittings	\$15,000 <u>\$45,000</u>
• Art Works	No limit



8. Landfill Cells

There are three general components of cell construction:

- Cell excavation and development costs;
- Cell liner costs; and
- Cell capping costs.

All cell excavation and development costs and cell liner costs are capitalised and depreciated over the useful life of the cell based on the volumetric usage of the landfill cell air space during the year.

Cell capping costs are expensed as they occur as part of ongoing site rehabilitation.

FINANCIAL CONSIDERATIONS

Nil

Adopted/Reviewed by Council

1. 27 October 1994
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 19 June 2014
9. 18 September 2014
10. 17 September 2015
- ~~10, 11.~~ ~~20 September~~ ~~06 December~~ ~~2018~~

Next Review

Following the Ordinary Elections in ~~2017~~2021

Responsible ~~Unit~~Directorate

~~Governance and~~ Corporate Services



3.2 Grants for Community Groups in the Vicinity of Red Hill Waste Management Facility Policy

STRATEGIC PLAN OBJECTIVE

43.2-2 To manage partnerships and relationships with stakeholders.

PURPOSE

To provide a community grants program to benefit the community, in the vicinity of the Red Hill Waste Management Facility, specifically in the location/s of Gidgegannup, Hovea, Parkerville and ~~for~~ Stoneville.

LEGISLATION

Local Government Act 1995 s.5.16, s.5.17

POLICY STATEMENT

1. The Council's involvement as an active member of the community in Gidgegannup, Hovea, Parkerville and Stoneville be demonstrated by providing financial support to not-for-profit organisations that are undertaking activities that will potentially benefit the community.
2. That community groups, in the locations of Gidgegannup, Hovea, Parkerville and Stoneville, which can demonstrate that their activities benefit these communities, be eligible for Council's financial support under this policy.
3. Provision be made in the Council's annual budget for grants to community groups in Gidgegannup, Hovea, Parkerville and Stoneville in accordance with this policy.
4. That community groups are made aware of the availability of financial support through annual advertising, following adoption of the annual budget.
5. The duty of deciding the outcome of an application be delegated to the CEO after consultation with the Chairman and Deputy Chairman.

NOTE: Applicant guidelines apply. These are reviewed annually and made available on EMRC's website.



FINANCIAL CONSIDERATIONS

An amount will be provided in the annual budget to meet the anticipated cost of making a contribution to the community in the vicinity of Red Hill.

Adopted/Reviewed by Council

1. December 1997
2. 22 July 1999
3. 02 May 2002
4. 28 August 2003
5. 20 May 2004
6. 26 February 2006
7. 18 September 2008
8. 23 September 2010
9. 18 September 2014
- ~~9-10.~~ 06 December 2018

Next Review

Following the Ordinary Elections in 2017/2021

Responsible Unit Directorate

~~Governance and~~ Corporate Services

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[Review - Policy - 3.2 Grants for Community Groups in the Vicinity of Red Hill Waste Management Facility Policy - 28 05 2018.DOCX](#)

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~~EMRC 109667 – REVIEW – Policy – EMRC Policies – Grants for Community Groups in the vicinity of Red Hill Waste Disposal Facility and Review Policy – February 2010~~



3.3 Management of Investments Policy

STRATEGIC PLAN OBJECTIVE

43.4 To continue to improve financial and asset management practices.

Comment [AH1]: Updated 10 year Strategic Plan 2017-2027

PURPOSE

To provide for the investment of EMRC's surplus funds at the most favourable rate of return whilst ensuring prudent consideration of risk and security for the investment type and that liquidity requirements are being met.

To ensure that investments are managed with care, diligence and skill and that the management of the portfolio is carried out to safeguard the portfolio and not for speculative purposes.

Establish guidelines to ensure investments:

- Meet legislative requirements;
- Optimise investment income and returns within acceptable risk parameters;
- Ensure that investments match the liquidity needs of the EMRC; and
- Are invested at the most favourable rate of interest available to it at the time whilst having due consideration of risk and security for that investment type.

LEGISLATION

Local Government Act 1995 s.6.14

Local Government (Financial Management) Regulations 1996 – r. 19-19C, 28 & 49

[Local Government \(Financial Management\) Amendment Regulations 2017 s.19C\(2\)](#)

[Trustees Act 1962 - Part III Investments](#)

POLICY STATEMENT

1. Ethics and Conflicts of Interest

Officers shall refrain from personal activities that would conflict with the proper execution and management of EMRC's investment portfolio. This policy requires officers to disclose any conflict of interest to the CEO.

2. Delegation of Authority

Authority for implementation of the Management of Investments Policy is delegated by Council to the CEO in accordance with the *Local Government Act 1995*. The CEO may in turn delegate the day-to-day management of Council's investment portfolio to the Director, Corporate Services.

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3. Investment Ratings

Investments rating in this policy are based on those issued by Standard & Poor's.

In the event a proposed investment is not rated by Standard & Poor's but is rated by either Fitch Ratings or Moody's by a rating which is analogous to the ratings of Standard & Poor's, then the EMRC may make the investment relying on the Fitch Ratings or Moody's ratings.

In the event that the rating of an investment held by the EMRC falls below the ratings allowed under this policy for new investments, the affected investment is to be assessed and a recommendation made to the Investment Committee to decide as to whether:

- It is to be liquidated, where allowed under the terms of the investment; or
- It is to be held to maturity.

The recommendation to the Investment Committee may be made by electronic mail (email) to expedite the approval process by circular resolution.

4. Approved Investments

Approved investments are those investments permitted by s6.14(1) of the *Local Government Act 1995* as specified in the Trustees Act ~~1926-1962~~ Part III subject to the limitations expressed in Regulation 19C of the *Local Government (Financial Management) Regulations 1996*.

5. Prohibited Investments

This investment policy prohibits any investment which is not an Approved Investment.

6. Risk Management Guidelines

Investments obtained are to be considered in light of the following key criteria:

- Preservation of Capital – the requirement for preventing losses in an investment portfolio's total value;
- Diversification – the requirement to place investments in a broad range of products so as not to be over exposed to a particular sector of the investment market;
- Market Risk - the risk that the fair value or future cash flows of an investment will fluctuate due to changes in market prices;
- Liquidity Risk - the risk an investor is unable to redeem the investment at a fair price within a timely period;
- Maturity Risk - the risk relating to the length of term to maturity of the investment. The larger the term, the greater the length of exposure and risk to market volatilities; and
- Investments must be rated at not less than the Standard & Poor's ratings specified below.



Furthermore investments are to comply with three key criteria relating to:

a. Overall Portfolio Limits

To control the credit quality on the entire portfolio, the following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

S&P Long Term Rating	S&P Short Term Rating	Direct Investment Portfolio -Maximum %
AAA	A-1 +	100%
AA	A-1	100%

b. Single Entity Exposure

Exposure to an individual institution will be restricted by its credit rating so that single entity exposure is limited, as detailed in the table below:

S&P Long Term Rating	S&P Short Term Rating	Direct Investment Portfolio Maximum %
AAA	A-1+	45%
AA	A-1	35%

c. Term to Maturity Framework

Term	Minimum %	Maximum %
<u>Portfolio % ≤ 1 year</u>	40%	100%
<u>Portfolio % > 1 year ≤ 3 year</u>	0%	60%

~~Of the total amount invested from time to time, a minimum of 40% must be invested for a term not exceeding 12 months.~~

Standard & Poor's long term rating definitions:

AAA	An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
AA	An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.

Standard & Poor's short term rating definitions:

A-1	A short-term obligation rated 'A-1' is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.
-----	--

Source: <http://www.standardandpoors.com>

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7. Measurement

The investment return for the portfolio is to be regularly reviewed. The market value and investment maturities are to be assessed at least once a month to coincide with management reporting.

8. Procedures

Investments placed by Council's authorised advisor/s and managers must be appropriately documented at the time of placement.

Appropriate procedures and controls in regards to record keeping, reconciliation, authorisation forms and accounting for investments shall be prepared and maintained to give effect to this policy.

All investments must be authorised in writing by the Chief Executive Officer prior to the investments being made.

9. Reporting

An investment report is to be prepared each month detailing compliance with the criteria outlined in this policy.

The investment report is to be presented to Council at the next ordinary meeting of the Council following the end of the month to which the report relates. If the statement is not prepared in time to present it to that meeting it is to be presented at the next Ordinary Meeting of the Council following that meeting.

10. Investment Advisor

The CEO has delegated authority to appoint an investment adviser when considered appropriate.

The local government's investment advisor must be licensed by the Australian Securities and Investment Commission. The advisor must be an independent person who has no actual or potential conflict of interest in relation to investment products being recommended; and is free to choose the most appropriate product within the terms and conditions of the investment policy.

11. Investment Strategy

EMRC's investment strategy is to optimise investment income within its acceptable levels of risk whilst ensuring the security of these funds enabling the EMRC to meet its business objectives.

Key considerations in this regard include funding requirements identified in the Five Year Plan.

To implement the requirement for diversification, no more than 45% of the total investments will be invested in any one bank in short term investments rated A-1+ and no more than 39.5% of the total investments will be invested in any one bank in short term investments rated A-1.

The EMRC may invest all of the total investments in Commonwealth/State/Territory bonds.

A list of complying authorised deposit-taking institutions (ADI's) are reflected in the Appendix and may vary from time to time.

FINANCIAL CONSIDERATIONS

As indicated in this policy.

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~~REVIEW - Policy - 3.3 Management of Investments Policy.DOCX~~



Appendix: Indicative Sample List of Compliant Authorised Deposit-Taking Institutions (ADI's)

As at ~~June~~ August 2014~~2018~~:

ADI Name	Standard & Poor's Credit Rating (Long / Short)	EMRC Policy Limit per ADI based on short-term credit rating limits
ANZ Banking Group Ltd. <u>First tier:</u>	<u>AA- / A-1+</u>	<u>45%</u>
Bank of Western Australia Ltd. <u>ANZ Banking Group Ltd.</u>	<u>AA- / A-1+</u> AA- / A-1+	<u>45%</u> 45%
Commonwealth Bank of Australia <u>Bank of Western Australia Ltd.</u>	<u>AA- / A-1+</u> AA- / A-1+	<u>45%</u> 45%
National Australia Bank Ltd. <u>Commonwealth Bank of Australia</u>	<u>AA- / A-1+</u> AA- / A-1+	<u>45%</u> 45%
Westpac Banking Corp. <u>Rabobank Australia Ltd.</u>	<u>AA- / A-1+</u> AA- / A-1+	<u>45%</u> 45%
AMP Bank Ltd. <u>National Australia Bank Ltd.</u>	<u>A+ / A-1</u> AA- / A-1+	<u>35%</u> 45%
Suncorp Metway Ltd. <u>Westpac Banking Corp.</u>	<u>A+ / A-1</u> AA- / A-1+	<u>35%</u> 45%
ING Bank <u>AMP Bank Ltd.</u>	<u>A / A-1</u> A+ / A-1	<u>35%</u> 35%
Macquarie Bank Ltd. <u>HSBC Bank Australia Ltd.</u>	<u>A / A-1</u> A+ / A-1	<u>35%</u> 35%
Macquarie Bank Ltd.	<u>A / A-1</u>	<u>35%</u>
Suncorp Metway Ltd.	<u>A+ / A-1</u>	<u>35%</u>

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Adopted/Reviewed by Council	<ol style="list-style-type: none"> 1. 29 June 2000 2. 27 July 2000 3. 02 May 2002 4. 17 June 2004 5. 23 February 2006 6. 18 September 2008 (reported to Council and referred to Investment Committee) 7. 19 August 2010 8. 23 September 2010 9. 25 November 2010 10. 10 May 2012 11. 6 December 2012 <u>12.</u> 18 September 2014 12.<u>13.</u> <u>06 December 2018</u>
Next Review	Following the Ordinary Elections in 20 <u>17</u> 21
Responsible <u>Unit</u> Directorate	Governance and Corporate Services



3.4 Occasional Grants / Sponsorship Policy

STRATEGIC PLAN OBJECTIVE

ECONOMIC DEVELOPMENT

~~2.2 To facilitate and advocate for regional economic development activities.~~

~~SOCIAL OPPORTUNITIES~~

~~2.43 To facilitate regional cultural and recreational activities. s~~

~~2.4~~

~~———— To facilitate regional tourism development~~

~~2.2 ——— To facilitate cultural and recreational activities~~

~~ECONOMIC DEVELOPMENT OPPORTUNITIES~~

~~3.2 ——— To support the development of regional educational and training opportunities~~

~~3.3.2 ——— To facilitate regional economic development activities~~

GOOD GOVERNANCE

~~4.4 43.2~~ To manage partnerships and relationships with stakeholders.

LEGISLATION

Nil

PURPOSE

To provide once off non recurrent grant funding or sponsorship to support significant initiatives conducted in Perth's Eastern Region.

POLICY STATEMENT

1. The EMRC facilitates the development and implementation of regional strategies and the provision of services and initiatives for the benefit of Perth's Eastern Region.
2. The aim of EMRC's Occasional Grants and Sponsorship Policy is to support, through 'once-only' non recurrent grants and sponsorships, significant initiatives that contribute to the achievement of regional development objectives strategies as defined in the EMRC's Strategic Plan.

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~~Review - Policy - 3.4 Occasional Grants Sponsorship Policy - 28.05.2018.DOCXEMRC-121640- Policy - EMRC Policies - Occasional Grants & Sponsorship Policy - September 2010~~



3. This does not preclude consideration of funding initiatives other than regional development which may be provided for in the whole range of EMRC objectives and strategies.
4. Funding may be available ~~from the EMRC~~ to member Councils and regionally based not for profit organisations to support community-based proposals that aim to achieve the EMRC's strategic objectives, or, assist the EMRC to achieve its aims through increased profile and awareness in the community of its role, programmes and services.
- 4.5. All applications must be submitted on the EMRC Occasional Grants and Sponsorship Application Form (DMDOC/179030)
- ~~5.~~
6. All proposals will be assessed against the following assessment criteria which has been endorsed by Council and will be subject to review from time to time.-
- ~~6.7.~~ Proposals that meet the accepted benchmark will be referred to Council for consideration.

	High level	Moderate level	Medium level	Minimum level	Low level	Does not address
The proposal has the potential to benefit most of the region, or at least two thirds of the three member Councils.	5	4	3	2	1	0
The proposal will have a high positive impact or make a significant contribution to economic development and/or community development in the region.	5	4	3	2	1	0
The proposal has clearly defined sustainable and measurable outcomes.	5	4	3	2	1	0
The proposal is accessible by all sections of the community that it is targeting.	5	4	3	2	1	0
The proposal represents a new initiative and does not duplicate or adversely impact on existing services/facilities in the region.	5	4	3	2	1	0
The degree of support/contributions the proposal has received from groups/stakeholders in the region.	5	4	3	2	1	0
The proposal represents good 'value for money'.	5	4	3	2	1	0
The proposal has the potential to seed a new initiative <u>initiative</u> into the region.	5	4	3	2	1	0
The proposal will build and strengthen relationships amongst stakeholders in the region.	5	4	3	2	1	0

7. A proposal must receive a minimum benchmark level of 27 points in order to be referred to Council for consideration. Council will be advised of all proposals received that do not achieve the minimum benchmark through officer reports and/or information bulletins.



FINANCIAL CONSIDERATIONS

An amount will be provided on the annual budget to meet the anticipated cost of making a contribution.

Adopted/Reviewed by Council	<ol style="list-style-type: none"> 1. 25 October 2001 2. 02 May 2002 3. 20 May 2004 4. 22 February 2007 5. 18 September 2008 <u>6. 23 September 2010</u> <u>7. 18 September 2014</u> <u>6-8. 06 December 2018</u>
Next Review	Following the Ordinary Elections in 20 <u>13</u> <u>721</u>
Responsible Unit <u>Directorate</u>	Governance and Corporate Services



3.5 Purchasing Policy

STRATEGIC PLAN OBJECTIVE

43.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To ensure consistency and value for money outcomes for all purchasing activities for the supply of goods or services.

To maintain compliance with the *Local Government Act 1995* and the *Local Government (Functions and General) Regulations 1996*.

LEGISLATION

Local Government Act 1995 s.3.57

Local Government (Functions and General) Regulations 1996

POLICY STATEMENT

The purchasing thresholds below makes provision for the process to be followed by the EMRC where the value of goods or services (excluding GST) subject of the contract (inclusive of purchasing orders), over the full contract period (including options to extend) is, or is expected to be:-

Amount of Purchase	Form of Quotation (minimum requirements)
Up to \$5,000	Multiple quotations are not required when purchasing
\$5,001 - \$10,000	Obtain three (3) verbal quotes
\$10,000 - \$49,999	Obtain three (3) written quotes
\$50,000 - \$149,999	Obtain at least three (3) written quotes containing price and specification of goods or services



\$150,000 and above	Conduct public tender process.
---------------------	--------------------------------

In the following instances public tenders are not required (regardless of the value of expenditure):

- a) When the purchase or supply is obtained through the Council Purchasing Service of WALGA (Preferred Supplier Arrangements), or supplied by or obtained through the government of the State or the Commonwealth or any of its agencies, or by a local government or a regional local government.
- b) Where it can be demonstrated that there is good reason to believe that, because of the unique nature of the goods or services required or for any other reason, it is unlikely that there is more than one potential supplier.
- c) Where the goods or services are to be supplied by a person registered on the Aboriginal Business Directory WA published by the Small Business Development Corporation established under the Small Business Development Corporation Act 1983; and
 - (i) the consideration under the contract is \$250,000 or less, or worth \$250,000 or less; and
 - (ii) the local government is satisfied that the contract represents value for money.
- d) Where the goods or services are to be supplied by an Australian Disability enterprise as registered on www.ade.org.au. This is contingent on the demonstration of value for money.
- e) If the purchase is from a pre-qualified supplier under a Panel established by the Council.
- f) If any other exclusions under Regulation 11 of the Regulations apply.

Waiver of Quotation:

The Chief Executive Officer may at their discretion, waive the requirements to obtain quotes providing that written, justifiable reasons for such waiver are provided by the responsible officer, and file noted accordingly.

Anti-Avoidance

The EMRC shall not enter into two or more contracts or create multiple purchase order transactions of a similar nature for the purpose of "splitting" the value of the purchase or contract to take the value of the purchase below a particular purchasing threshold, particularly in relation to Tenders and to avoid the need to call a public Tender.

Panels of Pre-Qualified Suppliers

In accordance with Regulation 24AC of the Local Government (Functions and General) Regulations 1996, a Panel of Pre-qualified Suppliers ("Panel") may be created where most of the following factors apply:

- The EMRC determines that a range of similar goods and services are required to be purchased on a continuing and regular basis;
- There are numerous potential suppliers in the local and regional procurement-related market sector(s) that satisfy the test of 'value for money';
- The purchasing activity under the intended Panel is assessed as being of a low to medium risk;
- The Panel will streamline and will improve procurement processes; and
- The EMRC has the capability to establish, manage the risks and achieve the benefits expected of the proposed Panel.



The EMRC will endeavour to ensure that Panels will not be created unless most of the above factors are firmly and quantifiably established.

~~The EMRC shall establish a Management Guideline to instruct employees on the operation of the "Panel" and in line with the requirements of Regulation 24AC, develop a Policy Document outlining the operation of the "Panel" to be issued with Requests for Tender (RFT).~~



Sustainable Procurement:

The EMRC will consider the environmental impact in the procurement process when undertaking the purchase of goods and services and disposal of goods. The governing principle for goods and services procurement is the achievement of value for money. In determining value for money, whole of life costs will be considered inclusive of the environmental impact of the goods being purchased and their ultimate disposal.

Record Keeping:

Written notes supporting quotation details are to be noted in the purchase order.

All records associated with direct purchases or tender processes must be recorded and retained as follows:

- a) Direct purchasing records include:
 - Quotation documentation both verbal and written;
 - Internal documentation; and
 - Requisitions and purchase orders.

- b) Tender records include:
 - Tender documentation;
 - Internal documentation;
 - Evaluation documentation;
 - Enquiry and response documentation; and
 - Notification and award documentation.

Record retention shall be in accordance with the requirements of the State Records Act, and the EMRC Record Keeping Plan. All requisitions and purchase orders are recorded in the EMRC on-line financial system.

FINANCIAL CONSIDERATIONS

Nil

Adopted/Reviewed by Council

1. 29 March 2007
2. 18 September 2008
3. 23 September 2010
4. 18 September 2014
5. 03 December 2015
- ~~5-6.~~ 06 December 2018

Next Review

Following the Ordinary Elections in 2017/2021

Responsible ~~Unit~~Directorate

~~Governance and~~ Corporate Services



3.6 Asset Management Policy

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STRATEGIC PLAN OBJECTIVE

43.4 To continue to improve financial and asset management practices.

PURPOSE

To provide for the responsible management of EMRC controlled assets.

This policy covers all assets controlled by the EMRC and applies to all areas of EMRC that have responsibility to manage, maintain, operate or provide a service utilising EMRC's assets.

LEGISLATION

Local Government Act 1995 s 5.56
Local Government (Administration) Regulations 1996 r19C and 19 DA

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POLICY STATEMENT

EMRC recognises the role that efficient, sustainable and cost effective asset management has in underpinning the delivery of quality services, both in the present and in the future, to its member Councils.

EMRC is committed to an integrated and strategic approach to asset management that is underpinned by the following key principles:

- ensuring service delivery needs form the basis of asset management;
- informed decision-making, incorporating a life-cycle approach to asset management and risk management; and
- sustainability, providing for present needs while sustaining resources for future generations.

DEFINITION

An **asset** is a resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity – *Australian Accounting Standards Board*.



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POLICY OBJECTIVES

The objectives of this policy are to:

- Ensure that assets and service levels are maintained in an efficient, sustainable and cost effective manner through long term planning;
- Integrate asset management with other corporate planning to ensure that the impacts of changes in demands and service levels are taken into consideration;
- Assign accountability and responsibility for asset management; and
- Maintain accurate and reliable asset data to effectively inform decision-making.

It is intended that the policy objectives will be achieved through the following:

- The development of a 10 Year Strategic Asset Management Plan (SAMP) to support EMRC's corporate strategic and business planning;
- The development of a 5 Year Operational Asset Management Plan (OAMP) which provides detailed action plans on key initiatives to be delivered in the next 5 financial years to support the SAMP;
- Identification of existing and new asset requirements based on changes in demands and service levels as part of asset management planning;
- Establishment of clear roles and responsibilities for asset management; and
- Utilisation of an integrated asset management and financial management information system to maintain asset data.

ROLES AND RESPONSIBILITIES

Position	Roles and Responsibilities
Council	<ul style="list-style-type: none"> • Act as stewards for all assets owned by EMRC • Provides strategic direction for asset management • Endorses asset management policy and strategy • Endorses SAMP (as part of strategic planning) and OAMP (as part of budget process)
Chief Executive Officer	<ul style="list-style-type: none"> • Develops asset management policy and strategy for submission to Council • Develops SAMP for submission to Council • Develops OAMP • Develops business cases • Monitors and reports progress of SAMP and OAMP to Council as required

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<u>Position</u>	<u>Roles and Responsibilities</u>
Directors	<ul style="list-style-type: none"> • Contribute towards preparation of SAMP and OAMP • Authorise asset additions and disposals in accordance with the approved OAMP • Maintain oversight over assets under their control (including usage, safeguards, risk management and insurance)
Asset Officer	<ul style="list-style-type: none"> • Maintains Asset Register and asset related records • Updates General Ledger for asset related transactions (including depreciation, write off, acquisition and disposal) • Provides assistance to business unit as required
Staff	<ul style="list-style-type: none"> • Initiate acquisition or disposal requests • Utilise assets in a responsible manner

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FINANCIAL CONSIDERATIONS

The EMRC prepares its financial reports in accordance with Australian Accounting Standards as they apply to local governments, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

The EMRC reports on the classes of assets including:

- Land;
- Buildings;
- Structures;
- Plant;
- Equipment;
- Furniture; and
- Fittings.

Provisions will be included in financial plans and annual budgets.

Adopted/Reviewed by Council

1. 21 March 2013
2. 18 September 2014
- 2-3. 20 September 2018 06 December 2018

Next Review

Following the Ordinary Elections in 2021 2017

Responsible Unit Directorate

~~Governance and~~ Corporate Services

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[Review – Policy – 3.6 Asset Management Policy – 06-12-2018.docx](#)



3.7 Related Party Transaction And Disclosure Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To ensure that the Eastern Metropolitan Regional Council's (EMRC) Financial Statements contain disclosures necessary to comply with the Australian Accounting Standard AASB 124 Related Party Disclosures, which draws attention to the possibility that the EMRC's financial position and profit or loss may have been affected by the existence of transactions with a related party and outstanding balances and commitments with such parties.

LEGISLATION

Australian Accounting Standard AASB 124 Related Party Disclosures

POLICY STATEMENT

The Related Party Disclosure Policy aims to assist Council in complying with the disclosure requirements and the level of reporting within the Financial Statements as per AASB-124 Related Party Disclosures. It aims to define the parameters for related party transactions and the level of disclosure and reporting.

Scope:

The Policy is to be applied in:

- Identifying and recording related parties and related party relationships;
- Identifying and recording related party transactions and their terms and conditions;
- Assessing materiality and or significance of these transactions;
- Identifying the circumstances in which disclosure of points 1 and 2 is required;
- Determining the disclosures to be made about points 1 and 2; and
- Disclosing relevant information in the Financial Statements.



Definitions:

1 Related Party

A person or an entity that is related to the EMRC, referred to as the “reporting entity”.

Examples of related parties of the EMRC are:

- Council Subsidiaries;
- Key Management Personnel (KMP);
- Close family members of KMP; and
- Entities that are controlled or jointly controlled by KMP or their close family members.

2 Key Management Personnel (KMP)

A person or persons having authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly, including any director (executive or otherwise) of that entity. In the case of the EMRC, KMP will include, but is not limited to, Councillors, CEO and Directors.

3 Close members of the family

Those are family members who may be expected to influence or be influenced by those individuals’ dealings with the EMRC and include:

- Children and spouse or domestic partner;
- Children of that person’s spouse or domestic partner; and
- Dependents of that person or that persons spouse or domestic partner.

Under AASB 124, close members of the family could also include extended members of the family such as parents, siblings, grandparents, uncles/aunts or cousins if they could be expected to have influence or be influenced by the KMP in their dealings with the EMRC.

4 Related Party Transactions

These are a transfer of resources, services or obligations between the EMRC and a related party, regardless of whether there is a cost involved.

5 Ordinary Citizen Transaction

These are transactions that an ordinary citizen would undertake with the EMRC, which would be undertaken at arm’s length and in the ordinary course of carrying out the EMRC’s functions and activities. They would not be seen as material in nature.

Example of ordinary citizen transactions would be:

- The paying of disposal charges at EMRC facilities; and
- The purchase of saleable products from EMRC facilities.

6 Control

The power to govern the financial and operating policies of any entity to obtain benefits from its activities.



7 Significant Influence

The power to participate in the financial and operating policy decision of an entity but not to control those policies.

Responsibilities:

Key Management Personnel will include, but is not limited to, Councillors, CEO and Directors.

Recommended Practices:

From 1 July 2016, AASB 124 Related Party Disclosures applies to the EMRC. This means that the EMRC will be required to disclose information about related parties and the EMRC's transactions with those related parties in the 2016-2017 financial statements and onwards. In the context of transactions, this means cash and non-cash transactions.

As the disclosures will form part of the financial statements, they will be subject to audit by the external auditors.

KMP will be identified and the position they hold with the EMRC disclosed. They will be required to complete a disclosure notification, which at minimum will require details of the related party, (family members and/or entities) that may have existing transaction potential with the EMRC and the relationship to the KMP.

As per paragraph 17 AASB 124, the EMRC shall disclose compensation in total provided to KMP, and for each of the following categories:

- Short term employee benefits;
- Post-employment benefits;
- Other long-term benefits;
- Termination benefits; and
- Share based payments.

For disclosure requirements of AASB 124, the EMRC shall implement a process to capture related party transactions for reporting in the financial statements. The following will be collated and recorded throughout each year:

- Related parties to the KMP;
- Relationship to KMP;
- Transactions that are monetary and/or non-monetary;
- The value of the transaction if monetary;
- The benefit if non-monetary;
- The value of outstanding balances;
- Details of commitments and/or guarantees; and
- Recognition for the provision of doubtful debts related to outstanding balances of related parties.

KMP who no longer hold that role with the EMRC will still be subject to disclosure requirements up until their status as KMP is no longer applicable. The same will apply for KMP who acquire the role in that year.

Once the related party transactions have been identified, they will be assessed by the Manager Financial Services and a determination will be made regarding the materiality of the transaction. This will include assessment of Ordinary Citizen Transactions and whether the terms and conditions differ from normal practice, which would then exclude them from being Ordinary Citizen Transactions.



If a Councillor believes a transaction may constitute a related party transaction, they must notify the CEO who will discuss the matter with the Manager Financial Services to confirm whether the transaction falls within the scope of this policy.

If an Employee believes a transaction may constitute a related party transaction, they must notify their supervisor or manager who will discuss the matter with the Manager Financial Services to confirm whether the transaction falls within the scope of this policy.

The Finance Department will be responsible for the maintenance of a register that captures all related party transactions of KMP.

Privacy

The EMRC will endeavour to ensure that only those staff and the external auditors who are involved in the preparation of the related party disclosures will have access to the related party declarations and related party transactions.

Adopted/Reviewed by Council

1. 22 June 2017

2. ~~20 September~~ 06 December 2018

Next Review

September 2018

Following the Ordinary Elections in 2021

Responsible ~~Unit~~ Directorate

Corporate Services



4.1 Chief Executive Officer - Appointment and Performance Review Policy

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STRATEGIC PLAN OBJECTIVE

~~4.3.3.3~~ To provide responsible and accountable governance and management of the EMRC

~~4.5.3.5~~ To improve organisational culture, health, welfare and safety

PURPOSE

To ensure that the appointment and review of performance of the [Eastern Metropolitan Regional Council \(EMRC\) Chief Executive Officer \(CEO\) of the EMRC](#) is undertaken in accordance with the provisions of the [Local Government Act \(1995\)](#) and [Local Government \(Administration\) Regulations 1996](#) and [EMRC policies](#).

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LEGISLATION

~~s5.36, 5.38 – 5.44 of the Local Government Act (1995) Regulations 18A – 18G of the Local Government (Administration) Regulations 1996 Salaries and Allowances Tribunal Act 1975~~

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POLICY STATEMENT

1. The ~~Chief Executive Officer~~CEO shall be appointed under s5.36, ~~5.39, and 5.44~~ of the ~~Local Government Act (1995)~~ and ~~r18A, 18B, 18C, 18E, 18F and 18G of the Local Government (Administration) associated Rregulations, 1996~~.

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2. ~~The performance of the CEO will be reviewed annually by the Chief Executive Officer's Performance Review Committee (CEOPRC)~~

~~2. An annual review of the CEO's performance, contract terms and conditions shall be conducted by the Chief Executive Officer's Performance Review Committee (CEOPRC).~~

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3. The CEOPRC will comprise of an EMRC Councillor from each member Council inclusive of the Chairman of the Council.

~~3.4. The duties of the CEOPRC will be those as outlined within the Terms of Reference contained with Council Policy 2.1 Committees of Council~~

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~~4.5.~~ An external ~~facilitator consultant~~ agreed to by both the Council and the CEO will be appointed to assist with the ~~performance review~~ process.

6. The CEO's performance review is to be based on ~~agreed~~ performance objectives and measures to be set at the time of review for the following year ~~in agreement with the CEO~~.

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[2nd Review - Policy - 4.1 Chief Executive Officer - Appointment Performance Assessment and Review Policy - 28 05 2018.DOCX](#)~~REVIEW - Policy - 4.1 Chief Executive - Appointment Performance Assessment and Review Policy.DOCX~~



6. with the objectives being reported to the next EMRC Council meeting.

7. All matters dealt with by the CEOPRC are to be referred to Council for consideration and actioning.

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6-8. The item of Council business referred to in this policy is to be treated as confidential in accordance with s5.23(2) of the Local Government Act 1995, r14(2) of the Local Government (Administration) Regulations 1996, EMRC's Standing Orders Local Law 2013 Clause 5.2 and Council's Policy 1.5 related to dealing with confidential items.

FINANCIAL CONSIDERATIONS

An amount will be provided in the annual budget to meet estimated costs.

Adopted/Reviewed by Council

1. 20 October 1992
2. 09 December 1993
3. 22 July 1999
4. 02 May 2002
5. 20 May 2004
6. 23 February 2006
7. 31 May 2007
8. 18 September 2008
9. 23 September 2010
10. 18 September 2014
- ~~10-11.~~ [6 December 2018](#)

Next Review

Following the Ordinary Elections in [2017/2020](#)

Responsible ~~Unit~~ [Directorate](#)

~~Governance and~~ Corporate Services

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4.2 Superannuation Contribution Policy

STRATEGIC PLAN OBJECTIVE

[3.3 To provide responsible and accountable governance and management of the EMRC](#)

[3.5 To improve organisational culture, health, welfare and safety](#)

~~[4.5 To improve organisational culture, health, welfare and safety.](#)~~

PURPOSE

To detail the superannuation contribution entitlements for eligible staff members of the EMRC.

LEGISLATION

Local Government Act 1995 s 5.47

Superannuation Guarantee (Administration) Act 1992

[Superannuation Industry \(Supervision\) Act 1993](#)

POLICY STATEMENT

1. The contribution rate required by the *Superannuation Guarantee (Administration) Act 1992*, as amended from time to time, will be paid by Council for all eligible staff into a complying superannuation fund.
2. ~~Each s~~Staff members [\(with the expectation of casual staff\)](#) who contributes a minimum of 5% of their 'ordinary time earnings', as defined by the Act, to a complying superannuation fund will be entitled to an additional 5% contribution from Council above the *Superannuation Guarantee (Administration) Act 1992* contribution, such that the total contribution from Council (including the Superannuation Guarantee amount) is up to a maximum of 17% of the staff member's 'ordinary time earnings'.
3. All voluntary contributions made by staff are to be made by way of a fortnightly payroll deduction, 'before' or 'after' tax.

FINANCIAL CONSIDERATIONS

An amount is provided in the annual budget for the cost of providing superannuation contributions.

Adopted/Reviewed by Council

1. 29 April 1993
2. 22 July 1999
3. 22 February 2001
4. 02 May 2002
5. 20 May 2004

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6. 23 February 2006
7. 18 September 2008
8. 23 September 2010
9. 18 September 2014
- ~~9-10.~~ 6 December 2018

| Next Review

Following the Ordinary Elections in 2021 ~~2017~~

| Responsible ~~Unit~~Directorate

~~Governance and~~ Corporate Services



4.3 Gratuity Payments to Terminating Staff

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STRATEGIC PLAN OBJECTIVE

4.53.5 To improve organisational culture, health, welfare and safety.

PURPOSE

To establish a policy in relation to the approval of a gratuity payment to members of staff who retire or resign from employment with the EMRC.

DEFINITION

A 'gratuity payment' means any payment of monies in addition to any contractual or award entitlement, which is paid to a staff on termination of employment with the EMRC.

LEGISLATION

Local Government Act 1995 s 5.50
Local Government (Administration) Regulations 1996 r.19A

POLICY STATEMENT

1. Gratuity payment may be made to a staff member in recognition of their exemplary service or extensive term of service with the EMRC.
2. Gratuity payment may be made only when the staff member retires or resigns from employment with the EMRC.
3. The Chief Executive Officer will give consideration to whether a gratuity payment should be made to a member of staff, and the matter will be referred to the Council for consideration.
4. In the instance where the intended recipient of the gratuity is the CEO, the matter shall be considered by the Council.
5. The value of the payment made to the staff member will not ~~to~~ exceed any amount as ~~is~~ prescribed or provided for by r.19A of the Regulations.
6. Any taxation implications associated with the gratuity payment will be borne by the staff member.
7. In the event that a gratuity payment is made, the Council will give local public notice of its decision to make that payment in accordance with the provisions of s 5.50 of the *Local Government Act 1995*.

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~~Review - Policy - 4.3 Gratuity Payments to Terminating Staff Policy - 28 05 2018(2).DOCX~~ ~~Policy - 4.3 Payments to Terminating Staff in Addition to Contract or Award Policy - 18 09 2014.DOCX~~



FINANCIAL CONSIDERATIONS

Unbudgeted and to be referred to Council for funding.

Adopted/Reviewed by Council

1. 29 May 1997
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
- 8-9. ~~20 September~~ ~~06 December~~ 2018

Next Review

Following the Ordinary Elections in 2017~~2021~~

Responsible ~~Unit~~Directorate

~~Governance and~~ Corporate Services



4.4 Staff Service Recognition Policy

STRATEGIC PLAN OBJECTIVE

4.53.5 To improve organisational culture, health, welfare and safety.

PURPOSE

To ~~establish policy and guidelines for recognising~~recognise the tenure of long serving staff within the EMRC.

LEGISLATION

Nil

SCOPE

This policy applies to all EMRC staff, including part time and casual employees, who achieve aggregate hours of continuous employment equivalent to a minimum of five years service.

POLICY STATEMENT

The aim of the Staff Service Recognition policy is to formally recognise staff for their service and contribution to the EMRC.

- Recognition will be given after the completion of five years continuous service from the date of a staff member's most recent hire into a continuous employment position at the EMRC, and at five year intervals thereafter.
- Eligible staff must be in active service on their anniversary date in order to receive a Service Recognition Award.
- Staff on leave of absence will receive their Service Recognition Award upon return to active employment.

Service Awards

- After completing the relevant number of years' of continuous service with EMRC, the staff member will be presented with a Certificate of Appreciation signed by the Chairman and Chief Executive Officer and a gift to the value specified in the Schedule below, at a Service Recognition Ceremony.
- The Service Recognition Ceremony will be a Council funded event (e.g morning tea or sundowner) as determined by the Chief Executive Officer.
- Service Recognition presentations will be made by the Chief Executive Officer, or nominee, and the Chairman, or nominee, if practicable.



- Service Recognition Ceremonies will take place as near as possible to the staff member's anniversary date, having regard for such factors as the number of staff qualifying in any one year and the significance of the anniversary being celebrated.

-

Administration

- Human Resources will be responsible for providing to the Chief Executive Officer, relevant Director, and relevant Manager, a list of staff eligible for Service Recognition at least two (2) months prior to the event and will assist with the preparation and planning of the Service Recognition Ceremony.
- The Chief Executive Officer's office will be responsible for liaising with the CEO and Chairman in identifying a suitable date to hold the Service Recognition Ceremony.

SCHEDULE - Recognition of Years of Service

Number of Years of Continuous Service	Service Recognition Award*
5 Years of Service	Framed Certificate of Appreciation Gift to the value of \$100
10 Years of Service	Framed Certificate of Appreciation Gift to the value of \$150
15 Years of Service	Framed Certificate of Appreciation Gift to the value of \$200
20 Years of Service	Framed Certificate of Appreciation Gift to the value of \$400
After each period of 5 years thereafter	Framed Certificate of Appreciation Gift to the value of \$450

* Where possible the gift will be of the staff member's choice

FINANCIAL CONSIDERATIONS

An amount will be provided in the annual budget to meet estimated costs.

Adopted/Reviewed by Council

1. 06 September 2001
2. 02 May 2002
3. 20 May 2004
4. 23 February 2006
5. 18 September 2008
6. 23 September 2010
7. 18 September 2014
- 7-8. ~~20 September~~ 06 December 2018

Next Review

Following the Ordinary Elections in 20172021

Responsible UnitDirectorate

~~Governance and~~ Corporate Services





4.5 Gifts to Staff for Farewells and Special Circumstances Policy

STRATEGIC PLAN OBJECTIVE

4.53.5 To improve organisational culture, health, welfare and safety.

PURPOSE

To establish policy and guidelines relating to farewell and/or special circumstance gifts and farewell functions that may be conferred on a staff member for the following reasons:

1. Retirement, resignation or redundancy from their employment ~~with~~ with the EMRC through personal volition (non-disciplinary); and
2. Special circumstances such as the birth/adoption of a staff member's child, marriage of a staff member, bereavement in the affected staff member's immediate family, or long-term or serious illness of staff member.

LEGISLATION

Nil

SCOPE

This policy applies to all EMRC staff, including part time and casual employees. Eligibility is based primarily upon years of continuous service.

POLICY STATEMENT

The aim of this policy is to establish the circumstances for providing:

- an additional benefit to staff leaving the Council's employment voluntarily (and not under any disciplinary procedures)
- a gift to staff under special circumstances.



Retirement, Resignation or Redundancy Benefit

Individual staff members may receive a notional benefit in accordance with the following table:

Length of Service	Notional Benefit
< 5 years	<ul style="list-style-type: none"> ▪ No contribution towards a staff collection ▪ An exception may be made at the discretion of the Chief Executive Officer (CEO) in the event that it is deemed appropriate. ▪ Morning or afternoon tea or appropriate after hours staff function as determined by the Chief Executive Officer CEO.
5 years to < 10 years	<ul style="list-style-type: none"> ▪ \$100 contribution towards a staff collection; ▪ Letter of appreciation from the CEO; and ▪ Morning or afternoon tea or appropriate after hours staff function as determined by the Chief Executive Officer CEO.
10 to < 15 years	<ul style="list-style-type: none"> ▪ \$200 contribution towards a staff collection; ▪ Letter of appreciation from the CEO or Chairman; and ▪ Morning or afternoon tea or appropriate after hours staff function as determined by the Chief Executive Officer CEO in consultation with the Chairman.
15 to < 20 years	<ul style="list-style-type: none"> ▪ \$250 contribution towards a staff collection; ▪ Letter of appreciation from the CEO or Chairman; and ▪ Morning or afternoon tea or appropriate after hours staff function as determined by the Chief Executive Officer CEO in consultation with the Chairman.
20 years and over	<ul style="list-style-type: none"> ▪ \$300 contribution for a gift on behalf of Council; ▪ Letter of appreciation from the CEO or Chairman; ▪ Morning or afternoon tea or appropriate function as determined by the Chief Executive Officer CEO in consultation with the Chairman; and/or ▪ Luncheon with CEO and key personnel.

Special Circumstances Benefit

Where special circumstances exist, the [Chief Executive Officer](#) [CEO](#) has the discretionary authority to provide the [affected](#) ~~affected~~ staff member with an appropriate token benefit (flowers or equivalent gift) on behalf of [the](#) EMRC.

Responsibilities:

- The staff member's Director or nominee is responsible for planning the appropriate presentation, in consultation with the Chief Executive Officer.



- Human Resources is responsible for providing the Director or nominee the staff member's details relevant to this policy such as personal address, years of service etc.

FINANCIAL CONSIDERATIONS

| An amount will be provided in the annual budget to meet estimated costs.

Adopted/Reviewed by Council

1. 06 September 2001
2. 02 May 2002
3. 20 May 2004
4. 23 February 2006
5. 18 September 2008
6. 23 September 2010
7. 18 September 2014
- ~~7-8.~~ ~~20 September~~ ~~06 December~~ [2018](#)

| Next Review

Following the Ordinary Elections in [2017](#)~~2021~~

| Responsible ~~Unit~~[Directorate](#)

~~Governance and~~ Corporate Services



5.1 Red Hill Waste Management Facility and Hazelmere Resource Recovery Park Environmental Policy

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STRATEGIC PLAN OBJECTIVE

1.1 To provide sustainable waste disposal operations.

1.2 To improve regional waste management.

PURPOSE

To provide guiding principles of environmental management for the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park.

LEGISLATION

Environmental Protection Act 1986, Ministerial Statements:

- Statement 274 - that a proposal may be implemented for the Red Hill Waste Management Facility extension.
- Statement 462 - that a proposal may be implemented for Class IV Waste Disposal Cells, Red Hill Waste Disposal Facility, (21 November 1997) Conditions 4.1 & 4.2.
- Statement 976 - that a proposal may be implemented to construct and operate a resource recovery facility within the existing Red Hill Waste Management Facility.
- Statement 1028 - that a proposal may be implemented to construct and operate a Wood Waste to Energy Plant at the existing Hazelmere Recycling Centre.

Environmental Protection Amendment Regulations 2018

Contaminated Sites Act 2003

Environmental Protection Biodiversity Conservation Act 1999.

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POLICY STATEMENT

Commitment

The EMRC manages the Red Hill Waste Management Facility and the Hazelmere Resource Recovery Park on behalf of its six member Councils in the eastern region of the Perth metropolitan area. The EMRC is committed to minimising the environmental and social impacts of operations by working towards best practice management.

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Review - Policy - 5.1 Red Hill Environmental Policy - 28 05 2018.DOCX Policy - 5.1 Red Hill Environmental Policy - 18 09 2014.DOCX



To fulfil these commitments the EMRC will:

- Comply as a minimum with all applicable environmental legal obligations and internal EMRC standards;
- Openly and transparently report our environmental performance;
- Strive to meet community expectations through addressing concerns and providing avenues for them to liaise with EMRC staff and management;
- Strive for continual improvement by implementing and maintaining an Environmental Management System that is communicated and supported from management to operational staff and contractors (at all levels) to enhance environmental performance and achieve best practice management;
- —



- Continue to be innovative by supporting research into the understanding of the environment which will enable the use of sound data as the basis for all environmental and operational decisions;
- Encourage and support better waste management practices through education and waste diversion strategies;
- Prevent pollution and protect the environment by assessing the environmental implications of planning decisions associated with the design, construction and operation of the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park;
- Raise environmental awareness for staff and contractors to be aware of and accountable for their individual contributions to environmental performance and encourage every employee and contractor to demonstrate respect for the environment;
- Be committed to reducing greenhouse gas emissions through appropriate mitigation and adaptation strategies and evaluate the climate change implications of operational and strategic decisions; and
- Focus on meeting the needs of current and future generations by integrating environmental sustainability, social opportunities and economic development into the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park operations.

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Responsibilities

Each employee and contractor has a personal obligation to comply with the Red Hill and Hazelmere Environmental Policy.

Management is responsible for taking this policy into consideration when making any planning or operational decisions. Management is also responsible for ensuring the policy is communicated to and implemented by all staff, contractors, suppliers, local community and visitors.

The environmental program will be audited on a regular basis to confirm and improve performance against the requirements of this policy.

The EMRC publicly reports its environmental performance in its annual monitoring and compliance report.



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FINANCIAL CONSIDERATIONS

Funding for environmental management activities are included in the annual budgets related to the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park.

Adopted/Reviewed by Council

1. 23 April 1998
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 24 September 2009
8. 23 September 2010
9. 18 September 2014
10. 24 August 2017
- 10.11. 06 December 2018

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Next Review

Following the Ordinary Elections in 20172021

Responsible UnitDirectorate

Waste Services



6.1 Member Conference, Seminar and Study Tour Attendance Policy

STRATEGIC PLAN OBJECTIVE

43.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To establish a policy ~~and guidelines~~ for the attendance by appointed members at intrastate, interstate, or international conferences, seminars, and study tours in an official capacity.

LEGISLATION

Nil

POLICY STATEMENT

1. Council recognises that attendance at conferences, seminars, and study tours contributes to the personal and professional development of Councillors and is consistent with Council's objectives.
2. Attendance by an appointed member at a conference, seminar or study tour should be consistent with the current or future direction of the EMRC and must be related to a subject matter directly referred to in Council's approved and adopted publications (ie. Strategic Plan for the Future or annual budget) and identified as an organisational objective.
3. Attendance by appointed members at intrastate, interstate or international conferences, seminars and study tours will be authorised in advance by Council.
4. The amount available to individual appointed members for conference/seminar/study tour attendance shall be in accordance with the amount allocated specifically for this purpose in Council's annual budget. Expenditure in excess of the allocated sum for each appointed member will require Council approval prior to the expenditure occurring.
5. Any appointed member, who is offered sponsorship in the form of conference or seminar registration or other costs in an official capacity, wholly or partly by any government agency, external organisation or person, shall immediately make this known to the Chairman and Chief Executive Officer.
6. A written report shall be prepared for the information of Council by every appointed member who has travelled intrastate, interstate or overseas in an official capacity. The report shall provide comment on the value of the conference/seminar/study tour and related benefits to the EMRC, and provide recommendations for further action (if applicable). In the event that two or more appointed members attend the same conference, for the purposes of this policy, only one written report is required which may be a joint report.



FINANCIAL CONSIDERATIONS

An amount will be provided in the annual budget to meet estimated costs.

Adopted/Reviewed by Council

1. 24 February 1994
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
- ~~8-9.~~ 06 December 2018

Next Review

Following the Ordinary Elections in 2017/2021

Responsible Unit#Directorate

~~Governance and~~ Corporate Services



6.2 Reimbursement of Expenses – Appointed Members and Staff - Conferences, Seminars, and Other Events Policy

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STRATEGIC PLAN OBJECTIVE

43.3 To provide responsible and accountable governance and management of the EMRC

PURPOSE

To establish a policy governing the reimbursement of reasonable out of pocket expenses actually and necessarily incurred by appointed members of Council, EMRC staff, or a participant staff member, whilst attending approved conferences, seminars and other events that are considered to be in the course of their authorised EMRC duties.

POLICY STATEMENT

Where an appointed member, staff member, or a committee member is authorised to attend a conference, seminar or other event on behalf of the EMRC, expenses incurred will be reimbursed as follows:

Registration Costs

Actual cost of registration for the conference, seminar and/or other event being attended.

Travel and Accommodation Costs

Air Travel - Intrastate and Interstate

- Return economy class airfare to the airport nearest the venue.
- Individuals travelling have the option of upgrading to business class travel at their own expense with the difference between the applicable economy rate and business class rate being payable to the EMRC in advance. Personal frequent flyer credits may be used to upgrade travel class however no reimbursement will be made by EMRC in this case.

Where an appointed member and/or a staff member is required to spend the night away from their normal residence, the actual cost of reasonable hotel or motel accommodation including the night immediately prior to the event and the evening of the last day of the event will be reimbursed.

Air Travel - International Destinations

- Return economy class airfare to the airport nearest the venue.
- Individuals travelling have the option of upgrading to business class travel at their own expense with the difference between the applicable economy rate and business class rate

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~~REVIEW - Policy - 6.2 Reimbursement of Expenses - ~ Conferences Seminars and Other Events Policy.DOCX~~
~~Policy - 6.2 Reimbursement of Expenses - Appointed Members and Staff - Conferences Seminars and Other Events Policy - 28.05.2018.DOCX~~



being payable to EMRC in advance. Personal frequent flyer credits may be used to upgrade travel class however no reimbursement will be made by EMRC in this case.

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[REVIEW - Policy - 6.2 Reimbursement of Expenses - ~ Conferences Seminars and Other Events Policy.DOCX](#)
[Review - Policy - 6.2 Reimbursement of Expenses - Appointed Members and Staff - Conferences Seminars and Other Events Policy - 28.05.2018.DOCX](#)



Where an appointed member and/or a staff member is required to spend the night away from their normal residence, the actual cost of reasonable hotel or motel accommodation including up to two (2) nights immediately prior to the event and the evening of the last day of the event will be reimbursed, subject to the availability of flights.

Other Travel

- Travel to and from airports and other terminals at both ends of the journey.
- Train, bus and taxi fares to and from the venue.
- Car rental and associated petrol costs.
- Personal mileage for use of own vehicle.- Where a staff member is authorised to use their own vehicle for business related travel, an allowance shall be paid for the relevant kilometres travelled using the "cents per kilometre method" permissible under the Income Tax Assessment Act.

Accommodation Costs

Accommodation bookings should be made at a hotel, motel, and/or serviced apartment located in close proximity to the conference seminar or event. As a guide, accommodation standards will generally be of a 4-5 star rating with the most competitive rate available at the time of booking being selected.

Meals (including reasonable liquid refreshments served with meals)

The actual cost of the meal consumed with the production of a receipt, or the following rates if receipts are not retained:

- Breakfast \$30
- Lunch \$40
- Dinner \$70

Incidental Expenses - including dry cleaning, telephone calls (necessitated by attendance at the conference), parking, and internet access

Actual reasonable expenses incurred as included on the accommodation account or supported by receipts or credit card accounts.

Accompanying Person(s)

Appointed members and/or members of staff may travel with an accompanying person(s) provided:

- (i) the accompanying person(s) does not incur any costs at Council expense; and/or
- (ii) the presence of the accompanying person(s) does not interfere with the business requirements of the travel.

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The only exception to point (i) is the nominated cost for conference related social functions ie: dinner or cocktail function for the appointed member's and/or staff member's partner, which will be reimbursed.

Cash Advance

A cash advance of \$70 per day for the duration of the event will be made to an appointed member, staff member and/or participant staff member attending the event on behalf of the EMRC. An additional cash advance may be made, at the discretion of the CEO, when it is apparent that payments by cash will exceed \$70 per day.

Persons receiving cash advances are liable to reimburse EMRC for the difference where the advance exceeds the actual expenditure authorised in accordance with this policy.

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[Review - Policy - 6.2 Reimbursement of Expenses - Appointed Members and Staff - Conferences Seminars and Other Events Policy - 28.05.2018.DOCX](#)



Supporting Documentation

All claims for travel related expenses, including cash advance payments, must be supported by provision of the appropriate documentation including receipts, itemised accounts, and/or credit card records. A Statutory Declaration detailing the exact costs making up the claim is acceptable where a receipt is not able to be provided.

All supporting documentation should be provided and settled, including outstanding cash advances, within four (4) working weeks following return from the conference, seminar and other event.

Chief Executive Officer Approval

Any expenses incurred which are not related to official travel should be paid personally by the person attending the approved conference, seminar and other event.

The Chief Executive Officer has the discretion to approve other non-personal out-of-pocket expenses associated with attendance at approved conferences, seminars and other events that are considered to be in the course of authorised duties.

Certification

The officer for whom the expense was incurred, is where possible, to certify the account. Discretion is to be exercised to ensure that reasonable costs only are incurred.

FINANCIAL CONSIDERATIONS

An amount will be provided in the annual budget to meet estimated costs.

Adopted/Reviewed by Council

1. 22 July 1999
2. 02 May 2002
3. 20 May 2004
4. 08 December 2005
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
- 8-9. 06 December 2018

Next Review

Following the Ordinary Elections in 2017/2021

Responsible Unit Directorate

Governance and Corporate Services

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Review - Policy - 6.2 Reimbursement of Expenses - Appointed Members and Staff - Conferences Seminars and Other Events Policy - 28.05.2018.DOCX

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7.1 Risk Management Policy

STRATEGIC PLAN OBJECTIVE

~~43.3~~ To provide responsible and accountable governance and management of the EMRC

PURPOSE

~~This Policy To~~ sets out the objectives and corporate approach for managing business and workplace related risk in a systematic and formal manner.

LEGISLATION / STANDARDS

~~AS/NZS ISO 31000:2009~~ Australian/ New Zealand standard “Risk Management – Principles and Guidelines” ~~AS/NZS ISO 31000:2009~~.

POLICY STATEMENT

The EMRC is committed to the management of risk to continue to protect its:

- Employees, contractors and volunteers;
- Customers, clients and stakeholders;
- Natural and built environment;
- Quality of service;
- Assets and intellectual property;
- Contractual and statutory obligations; and
- Image and reputation.

Risk management is a continuous process demanding awareness and proactive action from all employees and outsourced service providers to reduce the likelihood and impact of accidents and losses, whether caused by the EMRC or a business partner.

Senior management seeks to improve the integration of formal risk management practices into the EMRC’s everyday business operations and those of its contractors and business partners. In this way the risk implications of decisions and actions will be better planned for and dealt with. The involvement of all staff is both encouraged and expected in order to meet the goals of this policy.

Risk management is viewed as a critical element of good governance and together with innovative and committed staff will continue to make the EMRC a leader in its field.



The risk management system, as supported by suitable standards and guidelines, will involve risk identification and risk evaluation linked to practical and cost-effective risk control measures commensurate with our business. The standards will also be flexible enough to consider the severity and consequences of new initiatives in a manner that does not stifle innovation.



The Risk Management Plan provides an operating framework that outlines:

- Goals of Risk Management at the EMRC;
- Key strategies;
- Overview of the EMRC 's risk management process;
- Risk management structure and responsibilities;
- Risk assessment methodology;
- Implementation, monitoring and review processes;
- Risk criteria to ensure the right focus;
- Summary of the EMRC 's key risks; and
- Detailed assessment of the EMRC's risks, together with risk treatment plans.

Responsibilities

The Audit Committee, in conjunction with the Chief Executive Officer (CEO), will have responsibility for monitoring the effectiveness of the EMRC's risk management function to ensure that the necessary resources and risk management processes are in place.

The primary responsibility for cascading risk standards and procedures and approval of the treatment of major risk exposures, as identified by all staff, ultimately rests with the Chief Executive Officer.

This risk management activities will have a strong emphasis toward the prevention of situations or incidents that may damage the EMRC as an entity or injure staff and relevant others. –The Chief Executive Officer/CEO in executing his duty will establish a Strategic Risk Management Steering Group (SRMSG) comprising the Executive team ~~and key managers~~ who will be responsible for:

- Initiating activities that are consistent with the Risk Management Policy and Plan.
- Ensuring that key risk management documentation is up to date.
- Ensuring the Corporate Risk Register is up to date and that Risk Treatment Plans are being implemented.
- Ensuring appropriate linkages to business and corporate planning processes, and where necessary, to budget processes.
- Analysing risk information and reporting to Council as required;

The systematic management of business and workplace risk is a core responsibility of all managers. Suitable risk management activities will be incorporated into business planning, operations and the management of contractors and service providers.

The scope of these activities will encompass:

- Education and training in risk management for staff;



- Identifying and supporting the development of risk management standards and procedures where applicable, that assist staff to understand and deal with risk; and
- Building a staff culture that identifies and eliminates risks in a consistent manner
- Helping to prioritise and schedule risk control improvements (risk treatment) in each of the EMRC's business units
- Reporting to the EMRC Executive and Council on risk improvement outcomes.

FINANCIAL CONSIDERATIONS

Funding will be provided to properly resource risk management activities as identified through the annual ~~risk management planning and~~ budgeting process.

-

Adopted/Reviewed by Council

1. 31 October 2002
2. 20 May 2004
3. 23 February 2006
4. 18 September 2008
5. 23 September 2010
6. 18 September 2014
- ~~6-7.~~ 06 December 2018

Next Review

Following the Ordinary Elections in ~~2017~~2021

Responsible ~~Unit~~Directorate

~~Risk Management Service~~Corporate Services



7.2 — Occupational Health and Safety Policy

STRATEGIC PLAN OBJECTIVE

~~4.54.33.5~~ To improve organisation culture, health, welfare and safety.

PURPOSE

This policy states the commitment of the Eastern Metropolitan Regional Council to the safety and health of its employees, contractors and the general public who visit our workplaces or have the potential to be affected by our activities.

LEGISLATION

- Occupational Safety and Health Act 1984
- Occupational Safety and Health Regulations 1996
- Approved Codes of Practice

POLICY STATEMENT

The Eastern Metropolitan Regional Council recognises that health and safety is a key component in the management of all its business activities. The EMRC is wholly committed to safe working practices and providing safe places of work by placing the highest value on Occupational Health and Safety in its operations. Our goal is to be recognised as leaders in occupational health and safety practices through compliance, education, communication and innovation.

To achieve our goals EMRC is committed to:

- Complying with all relevant OSH Legislation and other requirements placed upon the organisation.
- Developing sustainable Safety Management Systems and Safety Management Plans for all workplaces.
- Promoting a culture of continuous improvement in workplace health, safety and wellbeing.
- Risk Management processes and ensuring consistency with the nature of our workplace activities and assessment of risk.



- Establishing measurable objectives and targets for occupational safety and health to ensure continuous improvement aimed at eliminating work-related injury and illness.
- Establishing and maintaining communication and consultation processes that ensure employees are included in decision-making processes that impact on health and safety in the workplace.
- Ensuring employees are trained and competent to carry out their roles in a safe manner and to provide training where required to develop employees where required.
- Implementing the provisions of this policy in all areas of our business activity and on all sites where our activities are undertaken.

The Chief Executive Officer, supported by the management team, has ultimate responsibility for providing a safe and healthy work environment which includes:

- Ensuring that there is close cooperation and consultation between management and staff regarding safety related matters. (A consultative process such as the Safety Advisory Committee and the involvement of Safety and Health Representatives is seen as an essential feature of the Program.)
- The ongoing recognition and control of all hazards through a hazard identification and control process.
- Ensuring formal training is conducted, (includes Safety Induction processes), to improve the health and safety related knowledge and skills of employees and contractors as relevant.
- Ensuring plant and equipment is safe and suitable for the job, via effective purchasing, inspection and maintenance systems.
- Providing an effective system for accident / incident reporting, investigation and recording.
- Ensuring systems are in place that minimise risk as low as reasonably practicable in the general work environment through elimination or the use of effective controls and where personal protective equipment and clothing is the last consideration for control.
- Ensuring that Emergency Response Procedures are developed and implemented to protect anyone on council premises in the event of an emergency.
- Providing health related information and encouraging activities that promote the health and well-being of staff, including the provision of an Employee Assistance Program and a Health Promotion Program.
- Ensuring EMRC develops and implements an effective and consistent injury management process in the event that staff may suffer a work related injury.
- Ensuring the EMRC Safety Management System complies with all relevant legislation.

EMRC Employees and Contractors are responsible for:

- Complying with EMRC policies and procedures
- Following all lawful instructions given by EMRC management.
- Committing to their own safety and the safety of others in the workplace or effected by work carried out in EMRC activities.
- Contributing to EMRC health and safety activities to ensure EMRC complies with its legislated requirements.
- Reporting all injuries, incidents and hazards that may occur at the workplace



FINANCIAL CONSIDERATIONS

The annual budget has adequate amounts allocated to provide safety related support services (consulting and training) to all EMRC managed operations.

Adopted/Reviewed by Council	<ol style="list-style-type: none"> 1. 22 September 2005 2. 23 February 2006 3. 18 September 2008 4. 23 September 2010 5. 18 September 2014 5-6. 20 September 06 December 2018
Next Review	Following the Ordinary Elections in 2017 2021
Responsible Unit Directorate	Human Resources



1.1 Election of MWAC Representatives Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To provide for representation on the Municipal Waste Advisory Council (MWAC). The Municipal Waste Advisory Council is a standing committee of the Western Australian Local Government Association (WALGA) with delegated authority on municipal waste issues.

LEGISLATION

Nil

POLICY STATEMENT

1. The Council will elect a member delegate and member deputy delegate to represent the EMRC on the MWAC.
2. If the member delegate is not present at a MWAC meeting the member deputy delegate will be eligible to vote on behalf of the EMRC.

FINANCIAL CONSIDERATIONS

Nil



Adopted/Reviewed by Council

1. 24 June 1993
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
9. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



1.3 Members' Chairman's and Deputy Chairman's Fees and Allowances Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

Payment of fees and allowances paid to the Chairman, Deputy Chairman, council members and deputy council members.

LEGISLATION

Local Government Act (1995) s5.98 - 5.99A

Local Government (Administration) Regulations 1996, Reg. 30, 33 – 34 AB.

POLICY STATEMENT

1. That payments be made as follows:
 - To members, other than the Chairman, an annual fee for attending meetings (s5.99);
 - To the Chairman, an annual fee for attending meetings (s5.99);
 - To the Chairman, an annual local government allowance (s5.98(5));
 - To the Deputy Chairman, an annual local government allowance of 25% of the amount payable to the Chairman (s5.98A);
 - To deputies of members when the deputy is deputising for a member at a Council or Committee meeting the prescribed maximum fee payable to a member for attending a meeting (s5.98(1)).
2. That the fees and allowances payable to the Chairman, Deputy Chairman, and members be the maximum payable in accordance with Section 5.98, 5.98A and 5.99 of the *Local Government Act 1995*, as determined by the Salaries and Allowances Tribunal.

FINANCIAL CONSIDERATIONS

Nil



Adopted/Reviewed by Council

1. 03 July 1997
2. 22 July 1999
3. 28 June 2001
4. 02 May 2002
5. 26 June 2003
6. 20 May 2004
7. 23 February 2006
8. 18 September 2008
9. 23 September 2010
10. 18 September 2014
11. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



1.4 Travelling Costs Incurred by Council Members Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To establish payment guidelines for members of Council for travelling on Council business.

LEGISLATION

Local Government Act (1995) s5.98 (2) – (4).

Local Government (Administration) Regulations 1996, Reg. 31, 32.

POLICY STATEMENT

1. Claims by members of Council for travelling costs:
 - a) because of the members attendance at a Council or committee meeting of which he or she is also a member of; or acting in the capacity as a Councillor of the EMRC;
 - b) associated with performing a function under the express authority of Council or in accordance with the Establishment Agreement of the Eastern Metropolitan Regional Council; be reimbursed on the basis detailed in clause 2 of this policy.
2.
 - a) Where the member is using a private vehicle, the rate of reimbursement shall be in accordance with the rates laid down for making motor vehicle claims under the “cents per kilometre method” permissible under the *Income Tax Assessment Act 1997*.
 - b) Where the member is using a taxi or public transport the reimbursement shall be the actual amount of the fare paid by the member. A member may alternatively request to be issued with a Cabcharge voucher by the Chief Executive Officer. In the case of the Chairman, he or she may request to be issued with a Cabcharge card.
3. Claims for travelling costs must be in writing, detailing the date and purposes of the travel, be signed by the Councillor and in the case of claims for use of a private vehicle, include the opening and closing reading of the vehicles odometer in relation to each trip being reimbursed.

FINANCIAL CONSIDERATIONS

A statutory provision which requires a budget allocation



Adopted/Reviewed by Council

1. 24 April 1997
2. 22 July 1999
3. 02 May 2002
4. 26 June 2003
5. 20 May 2004
6. 23 February 2006
7. 18 September 2008
8. 23 September 2010
9. 18 September 2014
10. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



1.5 Meeting Agenda / Minutes – Confidential Items Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To ensure that confidential items, appearing on the Council and/or Committee agendas are easily recognised so that they can be dealt with in accordance with their special nature.

LEGISLATION

Local Government Act 1995 s.5.23, s.5.25(1)(j), 5.94 and 5.95
Local Government (Administration) Regulations 1996 s.5.23, r14, 29 and 29A
Local Government (Rules of Conduct) Regulations 2007
Freedom of Information Act 1992 r.6 Schedule 1 Clause 4
 EMRC Standing Order Local Law 2013 clauses, 4.20 and 5.13

POLICY STATEMENT

1. That items which at the discretion of the Chief Executive Officer (CEO) are felt to require confidentiality be distributed separate from but accompanying the Council and or Committee agendas on paper of a colour not used elsewhere in the agenda.
2. That the agenda indicate that an item is to be treated as confidential while it is being considered by council/committee.
3. That the Council and/or Committee decision relating to a confidential item be included in the minutes of the meeting.
4. That copies of confidential agenda items be sent to members (and deputy members only when acting for a member) of the Council and others (in accordance with the protocol) dealing with a confidential item prior to the meeting, and be collected at the end of the meeting. Where a Council member or other person has been supplied with a confidential item and does not attend the relevant meeting, they will return the confidential item as soon as practicable to the office of the EMRC marked to the attention of the CEO.
5. Confidential items are not to be distributed by electronic media except at the discretion of the CEO in consultation with the Chairman.



6. That the power of the CEO, under section 5.25(1)(j) of the *Local Government Act 1995* be exercised so that the reports and other documents, relating to the confidential item and presentation at the meeting, not be available for inspection by the public.

The protocol for dealing with confidential information is:

1. Confidential information will be categorised by the CEO of the EMRC into information that will be disclosed only to the Council and information which may be disclosed to committees and member Council CEOs and officers.
2. Confidential information which will only be disclosed to the Council will include information which is the subject of legal professional privilege, information relating to employees and information which, if disclosed will or may cause economic harm to the EMRC.
3. Where confidential information is to be disclosed only to the Council, it will be considered behind closed doors with the result the recipients of the information will be limited to officers and employees of the EMRC and Council members. This confidential information will not be disclosed to any third party, inclusive of member Council CEOs and officers.
4. Confidential information which may be disclosed to committees and member Council CEOs and officers will be marked as being expressly subject to confidentiality and will also be considered behind closed doors.
5. Confidential information which is categorised by the CEO to be not disclosed to committees and member Council CEO's and officers may be referred to Council for review about whether it should be disclosed to committees and member Council CEOs and officers.
6. Application of the protocol will be made in a manner which will facilitate decision making by the EMRC and its Council and committees, prevent confidential information being accidentally disseminated, minimise the conflict of interest member Council CEOs and officers may have consequent upon the duty they owe to a participant and the legal and equitable duty of confidence they owe to the EMRC and avoid the need for litigation by the EMRC.

FINANCIAL CONSIDERATIONS

Nil

Adopted/Reviewed by Council

1. 18 September 1997
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
9. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



1.7 Legal Representation Costs Indemnification Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To protect the interests of Council members and employees (including past members and former employees) where they become involved in civil legal proceedings because of their official functions. In most situations the EMRC may assist the individual in meeting reasonable expenses and any liabilities incurred in relation to those proceedings.

In each case it will be necessary to determine whether assistance with legal costs and other liabilities is justified for the good government of the Region.

LEGISLATION

Local Government Act 1995 s9.56 – 9.57

Local Government (Functions and General) Regulations 1996 r35

POLICY STATEMENT

1. General Principles

- a) The EMRC may provide financial assistance to members and employees in connection with the performance of their duties provided that the member or employee has acted reasonably and has not acted illegally, dishonestly, against the interests of the EMRC or otherwise in bad faith.
- b) The EMRC may provide such assistance in the following types of legal proceedings:
 - i) Those brought by members and employees to enable them to carry out their EMRC functions (eg where a member or employee seeks a restraining order against a person using threatening behaviour);
 - ii) Those brought against members or employees [this could be in relation to a decision of Council or an employee which aggrieves another person or where the conduct of a member or employee in carrying out his or her functions is considered detrimental to the person (eg defending defamation actions)]; and
 - iii) Statutory or other inquiries where representation of members or employees is justified.



- c) The EMRC will not support any defamation actions seeking the payment of damages for individual members or employees in regard to comments or criticisms levelled at their conduct in their respective roles. Members or employees are not precluded, however, from taking their own private action. Further, the EMRC may seek its own advice on any aspect relating to such comments and criticisms of relevance to it.
- d) The legal services the subject of assistance under this policy will usually be provided by the EMRC's solicitors. Where this is not appropriate for practical reasons or because of a conflict of interest then the service may be provided by other solicitors approved by the EMRC.

2. Applications for Financial Assistance

- a) Subject to item (f), decisions as to financial assistance under this policy are to be made by Council.
- b) A member or employee requesting financial support for legal services under this policy is to make an application in writing, where possible in advance, to the Council providing full details of the circumstances of the matter and the legal services required. Such a request is to contain a declaration that the applicant has acted in good faith, and has not acted unlawfully or in anyway that constitutes improper conduct in relation to the matter to which the application relates.
- c) The application is to be accompanied by a written statement by the applicant that he or she:
 - i) has read, and understands, the terms of this policy;
 - ii) acknowledges that any approval of legal representation costs is conditional on the repayment provisions of clause 3 and any other conditions to which the approval is subject; and
 - iii) undertakes to repay to the EMRC any legal representation costs in accordance with the provisions of clause 3.
- d) An application to the Council is to be accompanied by an assessment of the request and with a recommendation, which has been prepared by, or on behalf of, the Chief Executive Officer (CEO) or where the CEO is the applicant by the Director Corporate Services.
- e) A member or employee requesting financial support for legal services, or any other person who might have a financial interest in the matter, should take care to ensure compliance with the financial interest provisions of the *Local Government Act 1995*.
- f) Where there is a need for the provision of urgent legal services before an application can be considered by Council, the CEO may give an authorisation to the value of \$5,000 provided that the power to make such an authorisation has been delegated to the CEO in writing under section 5.42 of the *Local Government Act 1995*. Council has delegated the authority to the CEO, up to \$5,000 per application, where the need arises for urgent legal services. (Delegation C7/2001).
- g) Where it is the CEO who is seeking urgent financial support for legal services the Director Corporate Services in consultation with the Chairman shall deal with the application.



3. Repayment of Assistance

- a) Any amount recovered by a member or employee in proceedings, whether for costs or damages, will be off set against any monies paid or payable by the EMRC.
- b) Assistance will be withdrawn where the Council determines, upon legal advice, that a person has acted unreasonably, illegally, dishonestly, against the interests of the EMRC or otherwise in bad faith; or where information from the person is shown to have been false or misleading.
- c) Where assistance is so withdrawn, the person who obtained financial support is to repay any moneys already provided. The EMRC may take action to recover any such moneys in a court of competent jurisdiction.

FINANCIAL CONSIDERATIONS

A contingent item that could materialise at any time and therefore requires a budget allocation.

Adopted/Reviewed by Council

1. 20 October 2000
2. 14 December 2000
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
9. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



1.8 Government Relations and Advocacy Policy

STRATEGIC PLAN OBJECTIVES

- 3.1 To provide advice and advocacy on issues affecting Perth's Eastern Region.
- 3.2 To manage partnerships and relationships with stakeholders.

PURPOSE

To provide policy support for the implementation of the Regional Advocacy Strategy and Council-approved recommendations on advocacy campaigns.

LEGISLATION

Nil

POLICY STATEMENT

Definitions:

For the purposes of this policy:

Government relations is the transparent, legally valid and ethically sound engagement with government employees and ministers to secure, for residents and Councils of Perth's Eastern Region, the highest quality of government services that they are entitled to expect.

Advocacy is the activity aimed at correcting and influencing the political, social, economic and environmental perceptions and opinions of government, non-government organisations and community leaders to align them with the EMRC and member Councils' views.

REGIONAL ADVOCACY STRATEGY

The Regional Advocacy Strategy is the guiding document for government relations and advocacy activities of the EMRC. The Strategy seeks to attract an increased share of investment in Perth's Eastern Region by implementation of a framework that facilitates consistent, professional and effective advocacy.



GOVERNMENT RELATIONS AND ADVOCACY OUTCOMES

Regional advocacy is undertaken for the benefit of the Region as a whole and requires activity across a range of issues and priorities of regional significance designed to create positive benefits and long term sustainability for Perth's Eastern Region.

An annual review of the regional advocacy actions will be undertaken and any revised actions will be presented to Council.

IMPLEMENTATION OF COUNCIL-ENDORSED GOVERNMENT RELATIONS AND ADVOCACY MEASURES

1. The Chief Executive Officer of the EMRC, in consultation with the Chairman of the EMRC when required, will sanction the implementation and related activities being pursued.
2. At the appropriate time, the Chief Executive Officer will propose, and the EMRC Council may endorse, additions to this policy to guide the implementation of the government relations and advocacy measures in specific areas such as, protocol, ceremonial and correspondence matters etc.

Notwithstanding Council Policies 6.1 and 6.2 where urgent interstate or other travel related expenses are required to pursue urgent government relations and advocacy issues, authority for approval is delegated to the Chief Executive Officer in consultation with the Chairman.

FINANCIAL CONSIDERATIONS

An amount will be provided in each annual budget to meet costs associated with pursuing government relations and advocacy initiatives.

Adopted/Reviewed by Council	<ol style="list-style-type: none"> 1. 20 July 2006 2. 18 September 2008 3. 23 September 2010 4. 18 September 2014 5. 06 December 2018
Next Review	Following the Ordinary Elections in 2021
Responsible Directorate	Regional Services



1.9 Recognition of Members of Council Policy

STRATEGIC PLAN OBJECTIVE

3.2 To manage partnerships and relationships with stakeholders.

PURPOSE

To establish a policy and provide guidelines for recognising the service that is given to the region by members of the Council.

LEGISLATION

Local Government Act 1995 s5.98(6)

POLICY STATEMENT

Council shall recognise the service of members of the Council who no longer hold office of the EMRC in accordance with clause 7.2(1) (b) and (c) of the Establishment Agreement of the Eastern Metropolitan Regional Council.

Recognition will be subject to the member not becoming disqualified from holding office of the EMRC or participant Council as a result of an offence under the Local Government Act 1995 or any other law.

The following awards shall be made to recognise such service:-

▪ During and on completing one 2-year term	A framed certificate of appreciation
▪ On completing two 2-year terms	A framed certificate of appreciation and a gift to the value of \$100
▪ On completing three 2-year terms	A framed certificate of appreciation and a gift to the value of \$200
▪ On completing four 2-year terms or more	A framed certificate of appreciation and a gift to the value of \$500

The certificate will specifically acknowledge any term spent as Chairman or Deputy Chairman in addition to the role of Councillor.

No gift will be given by way of a cash payout and the gift purchased, should be appropriate and may be suitable for keeping as a memento.

Such certificate of appreciation and gift will be presented at the next EMRC Biennial dinner or cocktail function.



FINANCIAL CONSIDERATIONS

Appropriate provision is to be included for consideration in Council's annual budget deliberations.

Adopted by Council:

1. 22 February 2007
2. 18 September 2008
3. 23 September 2010
4. 18 September 2014
5. 06 December 2018

Next review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



1.10 Disability Access & Inclusion Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To ensure that all members of the community have equal access to all EMRC services, information and facilities.

LEGISLATION

Disability Services Act 1993
Equal Opportunity Act 1984.

POLICY STATEMENT

The EMRC is committed to the following outcomes:

1. The EMRC Council will ensure that a Disability Access & Inclusion Policy and Implementation Plan are developed, implemented and reviewed regularly
2. People with disability have the same opportunities as other people to access the services of, and any events organised by, the EMRC.
3. People with disability have the same opportunities as other people to access the buildings and other facilities of the EMRC.
4. People with disability receive information from the EMRC in a format that will enable them to readily access the information other people are able to access.
5. People with disability receive the same level and quality of service from the staff and contractors of the EMRC.
6. People with disability have the same opportunities as other people to make complaints to the EMRC.
7. People with disability have the same opportunities as other people to participate in any public consultation by the EMRC.
8. People with disability have the same opportunities as other people to obtain and maintain employment with the EMRC.



FINANCIAL CONSIDERATIONS

Funding for projects will be provided for in the annual budget.

Adopted/Reviewed by Council

1. 19 August 2010
2. 18 September 2014
3. 23 August 2018
4. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



1.11 Public Interest Disclosure Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

This policy supports the aims and objectives of the *Public Interest Disclosure Act 2003*.

LEGISLATION

- *Public Interest Disclosure Act 2003*
- *Corruption, Crime and Misconduct Act 2003*
- *Local Government Act 1995*

POLICY STATEMENT

The EMRC does not tolerate corrupt or other improper conduct.

The EMRC is committed to the aims and objectives of the *Public Interest Disclosure Act 2003* (PID Act). The PID Act recognises the value and importance of reporting as a means to identify and address wrongdoing.

The EMRC strongly supports disclosures being made by employees about corrupt or other improper conduct and also strongly supports contractors and members of the community making disclosures about corrupt or improper conduct.

The EMRC does not tolerate any of its employees, contractors or subcontractors taking reprisal action against anyone who makes or proposes to make a public interest disclosure.

All reasonable steps will be taken to protect employees from any detrimental action in reprisal for the making of a public interest disclosure.

The persons responsible for receiving disclosures of public interest information designated under s.23(1)(a) of the PID Act will abide by the PID Code of Conduct and Integrity in performing their duties.

The EMRC is also committed to responding to the disclosure thoroughly and impartially and will treat all people in the disclosure process fairly, including those who may be the subject of a disclosure.



As much information as possible will be provided to people considering making a public interest disclosure. Internal procedures are accessible to all employees and contractors. Copies are available from the designated person appointed as the proper authority (Public Interest Disclosure (PID) Officer).

General information about public interest disclosures and how the EMRC will manage a disclosure, will be made available for external clients and members of the community on the website.

While this policy focuses on public interest disclosures, the EMRC is committed to dealing with all reports of suspected wrongdoing. People are encouraged to report if they witness any such behaviour. Each matter will be considered under the appropriate reporting pathway and every attempt will be made to protect staff members making reports from any reprisals.

FINANCIAL CONSIDERATIONS

Funding for appropriate investigations will be provided for in the annual budget.

Adopted/Reviewed by Council	24 August 2017 06 December 2018
Next Review	Following the Ordinary Elections in 2021
Responsible Directorate	Corporate Services



2.1 Committees of Council

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To maintain a Chief Executive Officers Advisory Committee (CEOAC), Technical Advisory Committee (TAC), Resource Recovery Committee (RRC), Chief Executive Officer Performance Review Committee (CEOPRC), Audit Committee (AC), Investment Committee (IC), and determine attendance of officers at council meetings of the EMRC.

LEGISLATION

Local Government Act 1995 s5.8-5.25, 7.1A, B, C
Local Government (Administration) Regulations 1996 r4 - 14B

POLICY STATEMENT

1. Council will maintain a Chief Executive Officers Advisory Committee (CEOAC), a Technical Advisory Committee (TAC), a Resource Recovery Committee (RRC), a Chief Executive Officer Performance Review Committee (CEOPRC); an Audit Committee (AC) and an Investment Committee (IC) (occasional committee) and determine Terms of Reference for each of these.
2. Membership of the CEOAC will comprise the CEO of the EMRC and the CEO of each participant local government; and the committee will have the Terms of Reference as detailed in [D2014/12021](#).
3. Membership of the TAC will comprise the CEO of the EMRC, or nominee, and a principal officer of each of the participant local governments nominated by the member council CEO; and the committee will have the Terms of Reference as detailed in [D2014/12022](#).
4. Membership of the RRC will comprise of the members of the TAC and one councillor from each of the participant Local Governments; and the committee will have the Terms of Reference as detailed in [D2014/12023](#).
5. Membership of the CEOPRC will comprise of Council members only and the committee will have the Terms of Reference as detailed in [D2014/12024](#).
6. Membership of the AC will comprise of one council member from each of the participant Local Governments and the committee will have the Terms of Reference as detailed in [D2014/12025](#).
7. Membership of the IC will comprise of Council members only and the Committee will have the Terms of Reference as detailed in [D2014/12026](#).



8. Through the following process a deputy member will be appointed by council for each committee member.
 - A deputy member for CEOAC and TAC may be nominated by the CEO of each participant local government.
 - The deputy members appointed for TAC will have the same role on the RRC.
 - Council will appoint deputy members to members of the Council on the RRC and the AC.
 - No deputy members are appointed to the CEOPRC as the continuity of members during the annual performance review is important in ensuring a fair and objective process is achieved.
 - No deputy members are appointed to the IC.
9. That a flexible approach be taken to those matters generally classified as commercial enterprises or investment and these matters be treated on a project basis with the CEO of the EMRC deciding whether to liaise with either of the committees where necessary. Working parties with specific terms of reference may be used in the future for these matters.
10. That meetings be generally face-to-face meetings. However, teleconferencing, videoconferencing and other electronic means will be used when appropriate.
11. The Chairman of the CEOAC & TAC may attend EMRC Council meetings as an advisor but that officer may not sit at the council table.
12. Where officers from Participants attend EMRC Council meetings, they are to have the status of observer.

FINANCIAL CONSIDERATIONS

Nil

Adopted/Reviewed by Council

1. 8 December 1994
2. 22 July 1999
3. 24 February 2000
4. 02 May 2002
5. 19 February 2004
6. 20 May 2004
7. 23 February 2006
8. 18 September 2008
9. 23 September 2010
10. 18 September 2014
11. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services

TERMS OF REFERENCE

CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE

1. OBJECTIVES OF COMMITTEE:

- 1.1 The Chief Executive Officers Advisory Committee (CEOAC) is a formally appointed committee of Council and is responsible to that body. It has been established to consider matters that have an impact on the member Councils and/or EMRC's business activities.

2. RESPONSIBILITIES:

The Committee's responsibility is to:

- (a) Ensure that the EMRC conducts its operations in accordance with its Establishment Agreement; and
- (b) Give consideration, advice and make recommendations to Council in relation to:
 - Regional strategic and policy development; and
 - Matters of regional relevance.

3. MEMBERSHIP:

- 3.1 The Chief Officers Advisory Committee comprises of each of EMRC's participant member Council's Chief Executive Officer and the Chief Executive Officer of the Eastern Metropolitan Regional Council or his nominee.
- 3.2 In the event of a vacancy due to the resignation of a Committee member, the person replacing the Chief Executive Officer will automatically fill their position on the Committee.
- 3.3 A deputy member may be appointed to the Committee by each member Council Chief Executive Officer

4. MEETINGS

- 4.1 The Committee shall hold regular meetings at such times and on such days as the Council may determine by resolution.
- 4.2 Additional meetings will be convened at the discretion of the Chairperson.
- 4.3 The Committee shall also hold regular informal meetings for the purpose of sharing information and discussing matters on any topic whether related to EMRC matters or not in a friendly cooperative and confidential environment.

5. OPERATING PROCEDURES

- 5.1 All meetings of the CEOAC are to be conducted in accordance with the Local Government Act 1995, associated Regulations and the *EMRC Standing Orders Local Law 1998*.
- 5.2 A quorum for a meeting of the Committee shall be at least 50% of the number of offices (whether vacant or not) of members of the Committee.
- 5.3 Voting
- (a) All decisions of the Committee shall be made on the basis of a simple majority decision of the members present or, if another kind of majority has been prescribed by regulations for the particular kind of decision, by that kind of majority.
 - (b) If the decision results in a tied vote, the person presiding is to cast a second vote.
 - (c) Persons other than Committee members are not entitled to cast a vote.
 - (d) All other aspects related to voting procedure shall be consistent with relevant sections of the EMRC Standing Orders Local Law 1998
- 5.4 Other EMRC staff or member Council staff may attend meetings, at the discretion of the Chief Executive Officer and/or the Committee Chairperson, to provide advice and information when required.
- 5.5 Where officers from member Councils attend the meeting, they are to have the status of 'observer'.

6. REPORTING

- 6.1 The Committee shall after every meeting forward the minutes of that meeting to the next Ordinary Meeting of Council, including a report explaining any specific recommendations and key outcomes.

7. DELEGATED POWER

- 7.1 The Chief Executive Officers Advisory Committee has no delegated powers and no authority to implement its recommendations.

Related Documentation:

Policy 2.1 Committees of Council

EMRC Standing Orders Local Law 2013

EMRC Code of Conduct

Administration:

Adopted / Reviewed by Council: 23 September 2010
18 September 2014
06 December 2018

Next Review: Following the Ordinary Elections in 2021

Responsible Directorate Office of the Chief Executive Officer

TERMS OF REFERENCE

TECHNICAL ADVISORY COMMITTEE

1. OBJECTIVES OF COMMITTEE:

The Technical Advisory Committee (TAC) is a formally appointed committee of Council and is responsible to that body. It has been established to review and provide reports on technical matters and recommendations to Council.

2. RESPONSIBILITIES:

Give consideration and prepare recommendations to Council in relation to:

- (a) Waste management;
- (b) Environment;
- (c) Risk management; and
- (d) Other technical matters referred to it from time to time.

3. MEMBERSHIP:

3.1. The Technical Advisory Committee will comprise of:

- (a) A Principal Officer of each of EMRC's participant member Councils nominated by the member Council Chief Executive Officer; and
- (b) The Chief Executive Officer of the Eastern Metropolitan Regional Council or nominee.

3.2. A deputy member may be appointed by each member Council Chief Executive Officer and will have the same role on the Resource Recovery Committee.

3.3. Members and Deputies will be appointed for a period of two years following each ordinary Council election.

4. MEETINGS

4.1. The Committee shall hold regular meetings at such times and on such days as the Council may determine by resolution.

4.2. Additional meetings will be convened at the discretion of the Chairperson.

5. OPERATING PROCEDURES

- 5.1. All meetings of the TAC are to be conducted in accordance with the Local Government Act 1995, associated Regulations and the *EMRC Standing Orders Local Law 1998*.
- 5.2. A quorum for a meeting of the Committee shall be at least 50% of the number of offices (whether vacant or not) of members of the Committee.
- 5.3. Voting
- (a) All decisions of the Committee shall be made on the basis of a simple majority decision of the members present or, if another kind of majority has been prescribed by regulations for the particular kind of decision, by that kind of majority.
 - (b) If the decision results in a tied vote, the person presiding is to cast a second vote.
 - (c) Persons other than Committee members are not entitled to cast a vote.
 - (d) All other aspects related to voting procedure shall be consistent with relevant sections of the *EMRC Standing Orders Local Law 1998*.
- 5.4. Other EMRC staff or member Council staff may attend meetings, at the discretion of the Chief Executive Officer and/or the Committee Chairperson, to provide advice and information when required.

6. REPORTING

- 6.1. The Committee shall after every meeting forward the minutes of that meeting to the next Ordinary Meeting of Council, including a report explaining any specific recommendations and key outcomes.

7. DELEGATED POWER

- 7.1. The Technical Advisory Committee has no delegated powers and no authority to implement its recommendations.

Related Documentation:

Policy 2.1 Committees of Council

EMRC Standing Orders Local Law 2013

EMRC Code of Conduct

Administration:

Adopted / Reviewed by Council: 23 September 2010
18 September 2014
06 December 2018

Next Review: Following the Ordinary Elections in 2021

Responsible Directorate Waste Services

TERMS OF REFERENCE
RESOURCE RECOVERY COMMITTEE

1. OBJECTIVES OF COMMITTEE

The Resource Recovery Committee (RRC) is a formally appointed committee of Council and is responsible to that body. It has been established to advise on Resource Recovery for the Eastern Metropolitan Regional Council.

2. RESPONSIBILITIES

To give consideration and prepare recommendations to Council in relation to:

- (a) Appropriate actions related to establishment of a Resource Recovery Facility;
- (b) Appropriate Community Waste Education/Engagement Initiatives;
- (c) Matters related to the activities of the Waste Management Community Reference Group; and
- (d) Other relevant matters referred to it from time to time.

3. MEMBERSHIP

3.1. The Resource Recovery Committee will comprise of:

- (a) One Councillor from each of the member Councils;
- (b) Members of the Technical Advisory Committee; and
- (c) Chief Executive Officer of the Eastern Metropolitan Regional Council.

3.2. The deputy members of the Technical Advisory Committee, as appointed by each member Council Chief Executive Officer, will be deputy members of the RRC.

3.3. Council will appoint deputy members to members of the Council on the RRC.

3.4. Members and Deputies will be appointed for a period of two years following each ordinary Council election.

4. MEETINGS

4.1. The RRC shall hold regular meetings at such times and on such days as the Council may determine by resolution.

4.2. Additional meetings will be convened at the discretion of the Chairperson.

5. OPERATING PROCEDURES

- 5.1. All meetings of the RRC are to be conducted in accordance with the Local Government Act 1995, associated Regulations and the *EMRC Standing Orders Local Law 1998*.
- 5.2. A quorum for a meeting of the Committee shall be at least 50% of the number of offices (whether vacant or not) of members of the Committee.
- 5.3. Voting
- (a) All decisions of the Committee shall be made on the basis of a simple majority decision of the members present or, if another kind of majority has been prescribed by regulations for the particular kind of decision, by that kind of majority.
 - (b) If the decision results in a tied vote, the person presiding is to cast a second vote.
 - (c) Persons other than Committee members are not entitled to cast a vote.
 - (d) All other aspects related to voting procedure shall be consistent with relevant sections of the *EMRC Standing Orders Local Law 1998*.
- 5.4. Other EMRC staff or member Council staff may attend meetings, at the discretion of the Chief Executive Officer and/or the Committee Chairperson, to provide advice and information when required.
- 5.5. The EMRC Chief Executive Officer may invite the attendance of any particular additional officer through the participant Chief Executive Officer.
- 5.6. The EMRC Chief Executive Officer may invite other additional persons, including consultants, to provide advice and information when required.

6. REPORTING:

- 6.1 The Committee shall after every meeting forward the minutes of that meeting to the next Ordinary Meeting of Council, including a report explaining any specific recommendations and key outcomes.

7. DELEGATED POWER

- 7.1 The Resource Recovery Committee has no delegated powers and no authority to implement its recommendations.

Related Documentation:

Policy 2.1 Committees of Council
 EMRC Standing Orders Local Law 2013
 EMRC Code of Conduct

Administration:

Adopted / Reviewed by Council:	23 September 2010 18 September 2014 06 December 2018
Next Review:	Following the Ordinary Elections in 2021
Responsible Directorate	Waste Services

TERMS OF REFERENCE

CHIEF EXECUTIVE OFFICERS PERFORMANCE REVIEW COMMITTEE

1. OBJECTIVES OF COMMITTEE

The Chief Executive Officers Performance Review Committee (CEOPRC) is a formally appointed committee of Council and is responsible to that body. It has been established to conduct an annual review of the Chief Executive Officer's (CEO) performance, remuneration, contract terms and conditions, with the assistance of an external facilitator.

2. RESPONSIBILITIES

To ensure that the review of performance of the Chief Executive Officer (CEO) for the EMRC is undertaken in accordance with the provisions of the *Local Government Act (1995)* and *Local Government (Administration) Regulations 1996* and EMRC's policies.

3. DUTIES

The duties of the Committee will include the following:

- (a) Review the Chief Executive Officer's (CEO) performance with the appropriate provisions contained within the CEO's Contract of Employment and agreed performance objectives;
- (b) Prepare and table the concluded Performance Review Report to the Council for consideration and actioning;
- (c) Review the CEO's performance on an on-going basis if the Council or the CEO perceives that there is a need to do so;
- (d) Determine the Performance Objectives to be met by the CEO for the following year and refer them to Council for consideration and actioning;
- (e) Review the CEO's remuneration package, in accordance with the appropriate provisions of the CEO's Contract of Employment and refer the recommendations to Council for consideration and actioning;
- (f) Review the CEO's Contract of Employment and make recommendations to council in relation to varying the contract as and when necessary; and
- (g) Appoint a consultant to assist it in its functions.

4. MEMBERSHIP

- 4.1. The Committee will comprise of six Councillors.
- 4.2. The Committee will have no deputy members.
- 4.3. Members will be appointed for a period of two years following each ordinary Council election.

5. MEETINGS

- 5.1. The Committee shall hold regular meetings at such times and on such days as the Council may determine by resolution.
- 5.2. Additional meetings will be convened at the discretion of the Chairperson.

6. OPERATING PROCEDURES

- 6.1. All meetings of the Committee are to be conducted in accordance with the Local Government Act 1995, associated Regulations and the *EMRC Standing Orders Local Law 1998*.
- 6.2. A quorum for a meeting of the Committee shall be at least 50% of the number of offices (whether vacant or not) of member of the Committee.
- 6.3. Voting
 - (a) All decisions of the Committee shall be made on the basis of a simple majority decision of the members present or, if another kind of majority has been prescribed by regulations for the particular kind of decision, by that kind of majority.
 - (b) If the decision results in a tied vote, the person presiding is to cast a second vote.
 - (c) Persons other than Committee members are not entitled to cast a vote.
 - (d) All other aspects related to voting procedure shall be consistent with relevant sections of the EMRC Standing Orders Local Law 1998.
- 6.4. Other EMRC staff may attend meetings, at the discretion of the Chief Executive Officer, to provide advice and information when required.

7. REPORTING

- 7.1. The Committee shall after every meeting forward the minutes of that meeting to the next Ordinary Meeting of Council, including a report explaining any specific recommendations and key outcomes.
- 7.2. The item of Council business referred to in relation to this is to be treated as confidential in accordance with s5.23(2) of the Local Government Act 1995, r14(2) of the Local Government (Administration) Regulations 1996, Standing Orders Bylaw 4.2 and Council's Policy for dealing with confidential items.

8. DELEGATED POWER

- 8.1. The Committee has no delegated powers and no authority to implement its recommendations.

TERMS OF REFERENCE

AUDIT COMMITTEE

1 OBJECTIVES OF COMMITTEE

The Audit Committee (AC) is a formally appointed committee of Council and is responsible to that body. It has been established to assist Council with:

- (a) The effective conduct of its responsibilities for financial reporting, management of risk and maintaining a reliable system of controls.
- (b) The co-ordination of relevant activities of management, compliance, internal audit, external audit and to facilitate achieving overall organisational objectives in an efficient and effective manner.
- (c) The facilitation of:
 - The enhancement of the credibility and objectivity of internal and external financial reporting;
 - Effective management of financial and other risks and the protection of Council assets;
 - Compliance with laws and regulations as well as use of best practice guidelines;
 - The provision of an effective means of communication between the external auditor, internal audit, management and the Council;
 - The allocation of the EMRC's finances and resources.

2 RESPONSIBILITIES

The duties of the Audit Committee include the following:

- 2.1 To review the scope of the internal audit plan and programme and the effectiveness of the function. This review should consider whether, over a period of years the internal audit plan systematically addresses:
 - (a) Internal controls over revenue, expenditure, assets and liability processes
 - (b) The efficiency, effectiveness and economy of significant EMRC programmes; and
 - (c) Compliance with regulations, policies, best practice guidelines, instructions and contractual arrangements.
- 2.2 Critically analyse and follow up any internal or external audit report that raises significant issues relating to risk management, internal control, financial reporting and other accountability or governance issues, and any other matters relevant under the Committee's terms of reference. Review management's response to, and actions taken as a result of the issues raised.
- 2.3 Monitor the risk exposure of Council by determining if management has appropriate risk management processes and adequate management information systems.

- 2.4 Monitor ethical standards and related party transactions by determining whether the systems of control are adequate.
- 2.5 Review Council's draft annual financial report, focusing on:
- (a) Accounting policies and practices;
 - (b) Changes to accounting policies and practices;
 - (c) The process used in making significant accounting estimates;
 - (d) Significant adjustments to the financial report (if any) arising from the audit process;
 - (e) Compliance with accounting standards and other reporting requirements; and
 - (f) Significant variances from prior years.
- 2.6 Recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the financial report is signed.
- 2.7 Discuss with the external auditor the scope of the audit and the planning of the audit.
- 2.8 Discuss with the external auditor issues arising from the audit, including any management letter issued by the auditor and the resolution of such matters. Identify and refer specific projects or investigations deemed necessary through the Chief Executive Officer, the internal auditor and the Council if appropriate.
- 2.9 Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference.

3 MEMBERSHIP:

- 3.1 The Audit Committee will comprise of:
- (a) Six Councillors, one from each member Council; and
 - (b) Six Deputy Councillors, one from each member Council.
- 3.2 Members and Deputies will be appointed for a period of two years following each ordinary Council election.
- 3.3 The Chief Executive Officer and the Director Corporate Services will attend all meetings except when the Committee chooses to meet in camera.
- 3.4 An Internal Auditor (whether a member of staff or contractor) will attend meetings where internal audit reports are being considered by the committee

4 MEETINGS

- 4.1 The Audit Committee will meet as required at the discretion of the chairperson of the committee and at least three times per year to coincide with:
- (a) Approval of strategic and annual plans;
 - (b) The Compliance Audit Return;
 - (c) Approval of the annual budget; and
 - (d) The auditor's report on the annual financial report.
- 4.2 Additional meetings will be convened at the discretion of the Chairperson.

5 OPERATING PROCEDURES

- 5.1 All meetings of the AC are to be conducted in accordance with the *Local Government Act 1995*, associated Regulations and the *EMRC Standing Orders Local Law 2013*.
- 5.2 A quorum for a meeting of the Committee shall be at least four of the number of offices (whether vacant or not) of members of the Committee.
- 5.3 Voting
- (a) All decisions of the Committee shall be made on the basis of a simple majority decision of the members present or, if another kind of majority has been prescribed by regulations for the particular kind of decision, by that kind of majority;
 - (b) If the decision results in a tied vote, the person presiding is to cast a second vote;
 - (c) Persons other than Committee members are not entitled to cast a vote; and
 - (d) All other aspects related to voting procedure shall be consistent with relevant sections of the *EMRC Standing Orders Local Law 2013*.
- 5.4 Other EMRC staff or member Council staff may attend meetings, at the discretion of the Chief Executive Officer and/or the Committee Chairperson, to provide advice and information when required.
- 5.5 Representatives of the External Auditor will be invited to attend meetings at the discretion of the Committee but MUST attend meetings considering the draft annual financial report and results of the external audit.

6 REPORTING

- 6.1 The Committee shall after every meeting forward the minutes of that meeting to the next Ordinary Meeting of Council, including a report explaining any specific recommendations and key outcomes

7 DELEGATED POWER

- 7.1 The Committee does not have authority to implement actions in areas over which management has responsibility and does not have any delegated financial responsibility.

Related Documentation:

Policy 1.2 Meetings
Policy 2.1 Committees of Council
Policy 3.1 Annual Financial Reporting
Policy 7.1 Risk Management Policy

EMRC Standing Orders Local Law 2013

EMRC Code of Conduct

Administration:

Adopted / Reviewed by Council: 23 September 2010
18 September 2014
06 December 2018

Next Review: Following the Ordinary Elections in 2021

Responsible Directorate Corporate Services

TERMS OF REFERENCE
INVESTMENT COMMITTEE

1. OBJECTIVES OF COMMITTEE

The Investment Committee (IC) is a formally appointed committee of Council and is responsible to that body. It has been established to deal with matters related to EMRC's Management of Investment Policy.

1.1. The Committee's role is to:

- (a) Report to Council and provide appropriate advice and recommendations on matters relevant to its terms of reference in order to facilitate decision-making by Council in relation to the discharge of its responsibilities.
- (b) Carry out its functions and fulfil its responsibilities as required by the Local Government Act 1995 and associated regulations, guidelines and protocols of the Council which are relevant to the Committee.
- (c) The Committee will only have those executive powers as specifically delegated to it.

2. RESPONSIBILITIES

2.1 The Investment Committee shall have the following functions:

- (a) To consider amendment and revision of Policy 3.5 Management of Investment Policy;
- (b) To deal with matters referred to the committee, by the Chief Executive Officer (CEO), under Policy 3.5 Management of Investment Policy; and
- (c) To deal with legal and other matters associated with the Grange Securities Ltd / Lehman Investment Mandate Agreement (3 March 2005) as referred to the Committee by the CEO or Council.

3. MEMBERSHIP:

3.1 The Investment Committee will comprise of Council members only.

3.2 Deputy members of the Committee will not be appointed.

3.3 Members will be appointed for a period of two years following each ordinary Council election.

4. MEETINGS

- 4.1 The Committee shall meet as required, convened at the discretion of the Chairperson.

5. OPERATING PROCEDURES

- 5.1 All meetings of the IC are to be conducted in accordance with the Local Government Act 1995, associated Regulations and the *EMRC Standing Orders Local Law 1998*.
- 5.2 A quorum for a meeting of the Committee shall be at least 50% of the number of offices (whether vacant or not) of member of the Committee.
- 5.3 Voting
- (a) All decisions of the Committee shall be made on the basis of a simple majority decision of the members present or, if another kind of majority has been prescribed by regulations for the particular kind of decision, by that kind of majority.
 - (b) If the decision results in a tied vote, the person presiding is to cast a second vote.
 - (c) Persons other than Committee members are not entitled to cast a vote.
 - (d) All other aspects related to voting procedure shall be consistent with relevant sections of the *EMRC Standing Orders Local Law 1998*.
- 5.4 Other EMRC staff may attend meetings, at the discretion of the Chief Executive Officer to provide advice and information when required.

6. REPORTING

- 6.1 The Committee shall after every meeting forward the minutes of that meeting to the next Ordinary Meeting of Council, including a report explaining any specific recommendations and key outcomes.

7. DELEGATED POWER

- 7.1 The Investment Committee has only those delegated powers and duties of Council associated with the EMRC Investment Portfolio, that have not been delegated to the CEO inclusive of, but not limited to:
- (a) The acceptance of tenders for the provision of advice and services; and
 - (b) To deal with any legal proceedings that may need to be initiated.



3.1 Annual Financial Reporting Policy

STRATEGIC PLAN OBJECTIVE

- 3.3 To provide responsible and accountable governance and management of the EMRC.
- 3.4 To continue to improve financial and asset management practices.

PURPOSE

To endorse accounting policies as part of the preparation of the Council's annual financial statements.

LEGISLATION

- Division 3 of the *Local Government Act 1995*
- Part 4 - Financial Reports of *Local Government (Financial Management) Regulations 1996*
- Australian Accounting Standards

POLICY STATEMENT

1. Reporting Entity

The reporting entity is the Eastern Metropolitan Regional Council.

2. Basis of Accounting

The financial statements shall be drawn up in accordance with the accounting standards and disclosure requirements of the Australian accounting bodies, the *Local Government Act 1995*, and the *Local Government (Financial Management) Regulations 1996*.

3. Asset Classification

The following classifications are to be utilised for recording assets:

Land, buildings, structures, plant, equipment, furniture and fittings.



4. Depreciation

Fixed Assets excluding freehold land and art works are to be depreciated over their estimated useful lives on a straight line basis as follows:

- Buildings 0.20 - 32.00% (based on components)
- Structures
 - General 0.56 - 18.10%
 - Class III & IV Waste Cells % of actual usage
- Plant 3.67 - 57.66%
- Furniture and fittings 5.97 - 33.33%
- Equipment 5.33 - 52.59%

Assets are to be depreciated when completed and held ready for use.

5. Capitalisation Thresholds

As per Regulation 17A(5) of the *Local Government (Financial Management) Regulations 1996*, capitalisation threshold for the EMRC's asset is \$5,000

6. Rates

The Eastern Metropolitan Regional Council does not levy rates. Accordingly rating information as required under the *Local Government (Financial Management) Regulations 1996* (r39) is not required to be presented in the financial statements.

7. Revaluation Thresholds

Revaluation thresholds shall be:

- Land No limit
- Buildings \$5,000
- Road Infrastructure \$5,000
- Other Infrastructures \$5,000
- Minor Plant and Equipment \$5,000
- Major Plant and Equipment \$5,000
- Furniture and fittings \$5,000
- Art Works No limit

8. Landfill Cells

There are three general components of cell construction:

- Cell excavation and development costs;
- Cell liner costs; and
- Cell capping costs.

All cell excavation and development costs and cell liner costs are capitalised and depreciated over the useful life of the cell based on the volumetric usage of the landfill cell air space during the year.

Cell capping costs are expensed as they occur as part of ongoing site rehabilitation.



FINANCIAL CONSIDERATIONS

Nil

Adopted/Reviewed by Council

1. 27 October 1994
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 19 June 2014
9. 18 September 2014
10. 17 September 2015
11. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



3.2 Grants for Community Groups in the Vicinity of Red Hill Waste Management Facility Policy

STRATEGIC PLAN OBJECTIVE

3.2 To manage partnerships and relationships with stakeholders.

PURPOSE

To provide a community grants program to benefit the community, in the vicinity of the Red Hill Waste Management Facility, specifically in the locations of Gidgegannup, Hovea, Parkerville and Stoneville.

LEGISLATION

Local Government Act 1995 s.5.16, s.5.17

POLICY STATEMENT

1. The Council's involvement as an active member of the community in Gidgegannup, Hovea, Parkerville and Stoneville be demonstrated by providing financial support to not-for-profit organisations that are undertaking activities that will potentially benefit the community.
2. That community groups, in the locations of Gidgegannup, Hovea, Parkerville and Stoneville, which can demonstrate that their activities benefit these communities, be eligible for Council's financial support under this policy.
3. Provision be made in the Council's annual budget for grants to community groups in Gidgegannup, Hovea, Parkerville and Stoneville in accordance with this policy.
4. That community groups are made aware of the availability of financial support through annual advertising, following adoption of the annual budget.
5. The duty of deciding the outcome of an application be delegated to the CEO after consultation with the Chairman and Deputy Chairman.

NOTE: Applicant guidelines apply. These are reviewed annually and made available on EMRC's website.



FINANCIAL CONSIDERATIONS

An amount will be provided in the annual budget to meet the anticipated cost of making a contribution to the community in the vicinity of Red Hill.

Adopted/Reviewed by Council

1. December 1997
2. 22 July 1999
3. 02 May 2002
4. 28 August 2003
5. 20 May 2004
6. 26 February 2006
7. 18 September 2008
8. 23 September 2010
9. 18 September 2014
10. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



3.3 Management of Investments Policy

STRATEGIC PLAN OBJECTIVE

3.4 To continue to improve financial and asset management practices.

PURPOSE

To provide for the investment of EMRC's surplus funds at the most favourable rate of return whilst ensuring prudent consideration of risk and security for the investment type and that liquidity requirements are being met.

To ensure that investments are managed with care, diligence and skill and that the management of the portfolio is carried out to safeguard the portfolio and not for speculative purposes.

Establish guidelines to ensure investments:

- Meet legislative requirements;
- Optimise investment income and returns within acceptable risk parameters;
- Ensure that investments match the liquidity needs of the EMRC; and
- Are invested at the most favourable rate of interest available to it at the time whilst having due consideration of risk and security for that investment type.

LEGISLATION

Local Government Act 1995 s.6.14

Local Government (Financial Management) Regulations 1996 – r. 19-19C, 28 & 49

Local Government (Financial Management) Amendment Regulations 2017 s.19C(2)

Trustees Act 1962 - Part III Investments

POLICY STATEMENT

1. Ethics and Conflicts of Interest

Officers shall refrain from personal activities that would conflict with the proper execution and management of EMRC's investment portfolio. This policy requires officers to disclose any conflict of interest to the CEO.

2. Delegation of Authority

Authority for implementation of the Management of Investments Policy is delegated by Council to the CEO in accordance with the *Local Government Act 1995*. The CEO may in turn delegate the day-to-day management of Council's investment portfolio to the Director, Corporate Services.



3. Investment Ratings

Investments rating in this policy are based on those issued by Standard & Poor's.

In the event a proposed investment is not rated by Standard & Poor's but is rated by either Fitch Ratings or Moody's by a rating which is analogous to the ratings of Standard & Poor's, then the EMRC may make the investment relying on the Fitch Ratings or Moody's ratings.

In the event that the rating of an investment held by the EMRC falls below the ratings allowed under this policy for new investments, the affected investment is to be assessed and a recommendation made to the Investment Committee to decide as to whether:

- It is to be liquidated, where allowed under the terms of the investment; or
- It is to be held to maturity.

The recommendation to the Investment Committee may be made by electronic mail (email) to expedite the approval process by circular resolution.

4. Approved Investments

Approved investments are those investments permitted by s6.14(1) of the *Local Government Act 1995* as specified in the Trustees Act 1962 Part III subject to the limitations expressed in Regulation 19C of the *Local Government (Financial Management) Regulations 1996*.

5. Prohibited Investments

This investment policy prohibits any investment which is not an Approved Investment.

6. Risk Management Guidelines

Investments obtained are to be considered in light of the following key criteria:

- Preservation of Capital – the requirement for preventing losses in an investment portfolio's total value;
- Diversification – the requirement to place investments in a broad range of products so as not to be over exposed to a particular sector of the investment market;
- Market Risk - the risk that the fair value or future cash flows of an investment will fluctuate due to changes in market prices;
- Liquidity Risk - the risk an investor is unable to redeem the investment at a fair price within a timely period;
- Maturity Risk - the risk relating to the length of term to maturity of the investment. The larger the term, the greater the length of exposure and risk to market volatilities; and
- Investments must be rated at not less than the Standard & Poor's ratings specified below.



Furthermore investments are to comply with three key criteria relating to:

a. Overall Portfolio Limits

To control the credit quality on the entire portfolio, the following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

S&P Long Term Rating	S&P Short Term Rating	Portfolio Maximum %
AAA	A-1 +	100%
AA	A-1	100%

b. Single Entity Exposure

Exposure to an individual institution will be restricted by its credit rating so that single entity exposure is limited, as detailed in the table below:

S&P Long Term Rating	S&P Short Term Rating	Portfolio Maximum %
AAA	A-1+	45%
AA	A-1	35%

c. Term to Maturity Framework

Term	Minimum %	Maximum %
Portfolio % ≤1 year	40%	100%
Portfolio % >1 year ≤ 3 year	0%	60%

Standard & Poor's long term rating definitions:

AAA	An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
AA	An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.

Standard & Poor's short term rating definitions:

A-1	A short-term obligation rated 'A-1' is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.
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Source: <http://www.standardandpoors.com>



7. Measurement

The investment return for the portfolio is to be regularly reviewed. The market value and investment maturities are to be assessed at least once a month to coincide with management reporting.

8. Procedures

Investments placed by Council's authorised advisor/s and managers must be appropriately documented at the time of placement.

Appropriate procedures and controls in regards to record keeping, reconciliation, authorisation forms and accounting for investments shall be prepared and maintained to give effect to this policy.

All investments must be authorised in writing by the Chief Executive Officer prior to the investments being made.

9. Reporting

An investment report is to be prepared each month detailing compliance with the criteria outlined in this policy.

The investment report is to be presented to Council at the next ordinary meeting of the Council following the end of the month to which the report relates. If the statement is not prepared in time to present it to that meeting it is to be presented at the next Ordinary Meeting of the Council following that meeting.

10. Investment Advisor

The CEO has delegated authority to appoint an investment adviser when considered appropriate.

The local government's investment advisor must be licensed by the Australian Securities and Investment Commission. The advisor must be an independent person who has no actual or potential conflict of interest in relation to investment products being recommended; and is free to choose the most appropriate product within the terms and conditions of the investment policy.

11. Investment Strategy

EMRC's investment strategy is to optimise investment income within its acceptable levels of risk whilst ensuring the security of these funds enabling the EMRC to meet its business objectives.

Key considerations in this regard include funding requirements identified in the Five Year Plan.

To implement the requirement for diversification, no more than 45% of the total investments will be invested in any one bank in short term investments rated A-1+ and no more than 35% of the total investments will be invested in any one bank in short term investments rated A-1.

The EMRC may invest all of the total investments in Commonwealth/State/Territory bonds.

A list of complying authorised deposit-taking institutions (ADI's) are reflected in the Appendix and may vary from time to time

FINANCIAL CONSIDERATIONS

As indicated in this policy.



Appendix: Indicative Sample List of Compliant Authorised Deposit-Taking Institutions (ADI's)

As at August 2018:

ADI Name	Standard & Poor's Credit Rating (Long / Short)	EMRC Policy Limit per ADI based on short-term credit rating limits
ANZ Banking Group Ltd.	AA- / A-1+	45%
Bank of Western Australia Ltd.	AA- / A-1+	45%
Commonwealth Bank of Australia	AA- / A-1+	45%
National Australia Bank Ltd.	AA- / A-1+	45%
Westpac Banking Corp.	AA- / A-1+	45%
AMP Bank Ltd	A+ / A-1	35%
Suncorp Metway Ltd	A+ / A-1	35%
ING Bank	A / A-1	35%
Macquarie Bank Ltd	A / A-1	35%



Adopted/Reviewed by Council

1. 29 June 2000
2. 27 July 2000
3. 02 May 2002
4. 17 June 2004
5. 23 February 2006
6. 18 September 2008 (reported to Council and referred to Investment Committee)
7. 19 August 2010
8. 23 September 2010
9. 25 November 2010
10. 10 May 2012
11. 6 December 2012
12. 18 September 2014
13. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



3.4 Occasional Grants / Sponsorship Policy

STRATEGIC PLAN OBJECTIVE

ECONOMIC DEVELOPMENT

- 2.2 To facilitate and advocate for regional economic development activities.
- 2.3 To facilitate regional cultural and recreational activities.

GOOD GOVERNANCE

- 3.2 To manage partnerships and relationships with stakeholders.

LEGISLATION

Nil

PURPOSE

To provide once off non recurrent grant funding or sponsorship to support significant initiatives conducted in Perth's Eastern Region.

POLICY STATEMENT

1. The EMRC facilitates the development and implementation of regional strategies and the provision of services and initiatives for the benefit of Perth's Eastern Region.
2. The aim of EMRC's Occasional Grants and Sponsorship Policy is to support, through 'once only' non recurrent grants and sponsorships, significant initiatives that contribute to the achievement of regional development objectives as defined in the EMRC's Strategic Plan.
3. This does not preclude consideration of funding initiatives other than regional development which may be provided for in the whole range of EMRC objectives and strategies.
4. Funding may be available to member Councils and regionally based not for profit organisations to support community-based proposals that aim to achieve the EMRC's strategic objectives, or assist the EMRC to achieve its aims through increased profile and awareness in the community of its role, programmes and services.
5. All applications must be submitted on the EMRC Occasional Grants and Sponsorship Application Form (DMDOC/179030)



6. All proposals will be assessed against the following assessment criteria which has been endorsed by Council and will be subject to review from time to time.
7. Proposals that meet the accepted benchmark will be referred to Council for consideration.

	High level	Moderate level	Medium level	Minimum level	Low level	Does not address
The proposal has the potential to benefit most of the region.	5	4	3	2	1	0
The proposal will have a high positive impact or make a significant contribution to economic development and/or community development in the region.	5	4	3	2	1	0
The proposal has clearly defined sustainable and measurable outcomes.	5	4	3	2	1	0
The proposal is accessible by all sections of the community that it is targeting.	5	4	3	2	1	0
The proposal represents a new initiative and does not duplicate or adversely impact on existing services/facilities in the region.	5	4	3	2	1	0
The degree of support/contributions the proposal has received from groups/stakeholders in the region.	5	4	3	2	1	0
The proposal represents good 'value for money'.	5	4	3	2	1	0
The proposal has the potential to seed a new initiative into the region.	5	4	3	2	1	0
The proposal will build and strengthen relationships amongst stakeholders in the region.	5	4	3	2	1	0

- nb. A proposal must receive a minimum benchmark level of 27 points in order to be referred to Council for consideration. Council will be advised of all proposals received that do not achieve the minimum benchmark through officer reports and/or information bulletins.

FINANCIAL CONSIDERATIONS

An amount will be provided on the annual budget to meet the anticipated cost of making a contribution.

Adopted/Reviewed by Council

1. 25 October 2001
2. 02 May 2002
3. 20 May 2004
4. 22 February 2007
5. 18 September 2008
6. 23 September 2010
7. 18 September 2014
8. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



3.5 Purchasing Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To ensure consistency and value for money outcomes for all purchasing activities for the supply of goods or services.

To maintain compliance with the *Local Government Act 1995* and the *Local Government (Functions and General) Regulations 1996*.

LEGISLATION

Local Government Act 1995 s.3.57

Local Government (Functions and General) Regulations 1996

POLICY STATEMENT

The purchasing thresholds below makes provision for the process to be followed by the EMRC where the value of goods or services (excluding GST) subject of the contract (inclusive of purchasing orders), over the full contract period (including options to extend) is, or is expected to be:-

Amount of Purchase	Form of Quotation (minimum requirements)
Up to \$5,000	Multiple quotations are not required when purchasing
\$5,001 - \$10,000	Obtain three (3) verbal quotes
\$10,000 - \$49,999	Obtain three (3) written quotes
\$50,000 - \$149,999	Obtain at least three (3) written quotes containing price and specification of goods or services
\$150,000 and above	Conduct public tender process.



In the following instances public tenders are not required (regardless of the value of expenditure):

- a) When the purchase or supply is obtained through the Council Purchasing Service of WALGA (Preferred Supplier Arrangements), or supplied by or obtained through the government of the State or the Commonwealth or any of its agencies, or by a local government or a regional local government.
- b) Where it can be demonstrated that there is good reason to believe that, because of the unique nature of the goods or services required or for any other reason, it is unlikely that there is more than one potential supplier.
- c) Where the goods or services are to be supplied by a person registered on the Aboriginal Business Directory WA published by the Small Business Development Corporation established under the Small Business Development Corporation Act 1983; and
 - (i) the consideration under the contract is \$250,000 or less, or worth \$250,000 or less; and
 - (ii) the local government is satisfied that the contract represents value for money.
- d) Where the goods or services are to be supplied by an Australian Disability enterprise as registered on www.ade.org.au. This is contingent on the demonstration of value for money.
- e) If the purchase is from a pre-qualified supplier under a Panel established by the Council.
- f) If any other exclusions under Regulation 11 of the Regulations apply.

Waiver of Quotation:

The Chief Executive Officer may at their discretion, waive the requirements to obtain quotes providing that written, justifiable reasons for such waiver are provided by the responsible officer, and file noted accordingly.

Anti-Avoidance

The EMRC shall not enter into two or more contracts or create multiple purchase order transactions of a similar nature for the purpose of "splitting" the value of the purchase or contract to take the value of the purchase below a particular purchasing threshold, particularly in relation to Tenders and to avoid the need to call a public Tender.

Panels of Pre-Qualified Suppliers

In accordance with Regulation 24AC of the Local Government (Functions and General) Regulations 1996, a Panel of Pre-qualified Suppliers ("Panel") may be created where most of the following factors apply:

- The EMRC determines that a range of similar goods and services are required to be purchased on a continuing and regular basis;
- There are numerous potential suppliers in the local and regional procurement-related market sector(s) that satisfy the test of 'value for money';
- The purchasing activity under the intended Panel is assessed as being of a low to medium risk;
- The Panel will streamline and will improve procurement processes; and
- The EMRC has the capability to establish, manage the risks and achieve the benefits expected of the proposed Panel.

The EMRC will endeavour to ensure that Panels will not be created unless most of the above factors are firmly and quantifiably established.



Sustainable Procurement:

The EMRC will consider the environmental impact in the procurement process when undertaking the purchase of goods and services and disposal of goods. The governing principle for goods and services procurement is the achievement of value for money. In determining value for money, whole of life costs will be considered inclusive of the environmental impact of the goods being purchased and their ultimate disposal.

Record Keeping:

Written notes supporting quotation details are to be noted in the purchase order.

All records associated with direct purchases or tender processes must be recorded and retained as follows:

- a) Direct purchasing records include:
 - Quotation documentation both verbal and written;
 - Internal documentation; and
 - Requisitions and purchase orders.

- b) Tender records include:
 - Tender documentation;
 - Internal documentation;
 - Evaluation documentation;
 - Enquiry and response documentation; and
 - Notification and award documentation.

Record retention shall be in accordance with the requirements of the State Records Act, and the EMRC Record Keeping Plan. All requisitions and purchase orders are recorded in the EMRC on-line financial system.

FINANCIAL CONSIDERATIONS

Nil

Adopted/Reviewed by Council

1. 29 March 2007
2. 18 September 2008
3. 23 September 2010
4. 18 September 2014
5. 03 December 2015
6. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



3.6 Asset Management Policy

STRATEGIC PLAN OBJECTIVE

3.4 To continue to improve financial and asset management practices.

PURPOSE

To provide for the responsible management of EMRC controlled assets.

This policy covers all assets controlled by the EMRC and applies to all areas of EMRC that have responsibility to manage, maintain, operate or provide a service utilising EMRC's assets.

LEGISLATION

Local Government Act 1995 s 5.56

Local Government (Administration) Regulations 1996 r19C and 19 DA

POLICY STATEMENT

EMRC recognises the role that efficient, sustainable and cost effective asset management has in underpinning the delivery of quality services, both in the present and in the future, to its member Councils.

EMRC is committed to an integrated and strategic approach to asset management that is underpinned by the following key principles:

- ensuring service delivery needs form the basis of asset management;
- informed decision-making, incorporating a life-cycle approach to asset management and risk management; and
- sustainability, providing for present needs while sustaining resources for future generations.

DEFINITION

An **asset** is a resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity – *Australian Accounting Standards Board*.



POLICY OBJECTIVES

The objectives of this policy are to:

- Ensure that assets and service levels are maintained in an efficient, sustainable and cost effective manner through long term planning;
- Integrate asset management with other corporate planning to ensure that the impacts of changes in demands and service levels are taken into consideration;
- Assign accountability and responsibility for asset management; and
- Maintain accurate and reliable asset data to effectively inform decision-making.

It is intended that the policy objectives will be achieved through the following:

- The development of a 10 Year Strategic Asset Management Plan (SAMP) to support EMRC's corporate strategic and business planning;
- The development of a 5 Year Operational Asset Management Plan (OAMP) which provides detailed action plans on key initiatives to be delivered in the next 5 financial years to support the SAMP;
- Identification of existing and new asset requirements based on changes in demands and service levels as part of asset management planning;
- Establishment of clear roles and responsibilities for asset management; and
- Utilisation of an integrated asset management and financial management information system to maintain asset data.

ROLES AND RESPONSIBILITIES

Position	Roles and Responsibilities
Council	<ul style="list-style-type: none"> • Act as stewards for all assets owned by EMRC • Provides strategic direction for asset management • Endorses asset management policy and strategy • Endorses SAMP (as part of strategic planning) and OAMP (as part of budget process)
Chief Executive Officer	<ul style="list-style-type: none"> • Develops asset management policy and strategy for submission to Council • Develops SAMP for submission to Council • Develops OAMP • Develops business cases • Monitors and reports progress of SAMP and OAMP to Council as required



Position	Roles and Responsibilities
Directors	<ul style="list-style-type: none"> • Contribute towards preparation of SAMP and OAMP • Authorise asset additions and disposals in accordance with the approved OAMP • Maintain oversight over assets under their control (including usage, safeguards, risk management and insurance)
Asset Officer	<ul style="list-style-type: none"> • Maintains Asset Register and asset related records • Updates General Ledger for asset related transactions (including depreciation, write off, acquisition and disposal) • Provides assistance to business unit as required
Staff	<ul style="list-style-type: none"> • Initiate acquisition or disposal requests • Utilise assets in a responsible manner

FINANCIAL CONSIDERATIONS

The EMRC prepares its financial reports in accordance with Australian Accounting Standards as they apply to local governments, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

The EMRC reports on the classes of assets including:

- Land;
- Buildings;
- Structures;
- Plant;
- Equipment;
- Furniture; and
- Fittings.

Provisions will be included in financial plans and annual budgets.

Adopted/Reviewed by Council

1. 21 March 2013
2. 18 September 2014
3. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



3.7 Related Party Transaction And Disclosure Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To ensure that the Eastern Metropolitan Regional Council's (EMRC) Financial Statements contain disclosures necessary to comply with the Australian Accounting Standard AASB 124 Related Party Disclosures, which draws attention to the possibility that the EMRC's financial position and profit or loss may have been affected by the existence of transactions with a related party and outstanding balances and commitments with such parties.

LEGISLATION

Australian Accounting Standard AASB 124 Related Party Disclosures

POLICY STATEMENT

The Related Party Disclosure Policy aims to assist Council in complying with the disclosure requirements and the level of reporting within the Financial Statements as per AASB-124 Related Party Disclosures. It aims to define the parameters for related party transactions and the level of disclosure and reporting.

Scope:

The Policy is to be applied in:

- Identifying and recording related parties and related party relationships;
- Identifying and recording related party transactions and their terms and conditions;
- Assessing materiality and or significance of these transactions;
- Identifying the circumstances in which disclosure of points 1 and 2 is required;
- Determining the disclosures to be made about points 1 and 2; and
- Disclosing relevant information in the Financial Statements.



Definitions:

1 Related Party

A person or an entity that is related to the EMRC, referred to as the “reporting entity”.

Examples of related parties of the EMRC are:

- Council Subsidiaries;
- Key Management Personnel (KMP);
- Close family members of KMP; and
- Entities that are controlled or jointly controlled by KMP or their close family members.

2 Key Management Personnel (KMP)

A person or persons having authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly, including any director (executive or otherwise) of that entity. In the case of the EMRC, KMP will include, but is not limited to, Councillors, CEO and Directors.

3 Close members of the family

Those are family members who may be expected to influence or be influenced by those individuals’ dealings with the EMRC and include:

- Children and spouse or domestic partner;
- Children of that person’s spouse or domestic partner; and
- Dependents of that person or that persons spouse or domestic partner.

Under AASB 124, close members of the family could also include extended members of the family such as parents, siblings, grandparents, uncles/aunts or cousins if they could be expected to have influence or be influenced by the KMP in their dealings with the EMRC.

4 Related Party Transactions

These are a transfer of resources, services or obligations between the EMRC and a related party, regardless of whether there is a cost involved.

5 Ordinary Citizen Transaction

These are transactions that an ordinary citizen would undertake with the EMRC, which would be undertaken at arm’s length and in the ordinary course of carrying out the EMRC’s functions and activities. They would not be seen as material in nature.

Example of ordinary citizen transactions would be:

- The paying of disposal charges at EMRC facilities; and
- The purchase of saleable products from EMRC facilities.

6 Control

The power to govern the financial and operating policies of any entity to obtain benefits from its activities.



7 Significant Influence

The power to participate in the financial and operating policy decision of an entity but not to control those policies.

Responsibilities:

Key Management Personnel will include, but is not limited to, Councillors, CEO and Directors.

Recommended Practices:

From 1 July 2016, AASB 124 Related Party Disclosures applies to the EMRC. This means that the EMRC will be required to disclose information about related parties and the EMRC's transactions with those related parties in the 2016-2017 financial statements and onwards. In the context of transactions, this means cash and non-cash transactions.

As the disclosures will form part of the financial statements, they will be subject to audit by the external auditors.

KMP will be identified and the position they hold with the EMRC disclosed. They will be required to complete a disclosure notification, which at minimum will require details of the related party, (family members and/or entities) that may have existing transaction potential with the EMRC and the relationship to the KMP.

As per paragraph 17 AASB 124, the EMRC shall disclose compensation in total provided to KMP, and for each of the following categories:

- Short term employee benefits;
- Post-employment benefits;
- Other long-term benefits;
- Termination benefits; and
- Share based payments.

For disclosure requirements of AASB 124, the EMRC shall implement a process to capture related party transactions for reporting in the financial statements. The following will be collated and recorded throughout each year:

- Related parties to the KMP;
- Relationship to KMP;
- Transactions that are monetary and/or non-monetary;
- The value of the transaction if monetary;
- The benefit if non-monetary;
- The value of outstanding balances;
- Details of commitments and/or guarantees; and
- Recognition for the provision of doubtful debts related to outstanding balances of related parties.

KMP who no longer hold that role with the EMRC will still be subject to disclosure requirements up until their status as KMP is no longer applicable. The same will apply for KMP who acquire the role in that year.

Once the related party transactions have been identified, they will be assessed by the Manager Financial Services and a determination will be made regarding the materiality of the transaction. This will include assessment of Ordinary Citizen Transactions and whether the terms and conditions differ from normal practice, which would then exclude them from being Ordinary Citizen Transactions.



If a Councillor believes a transaction may constitute a related party transaction, they must notify the CEO who will discuss the matter with the Manager Financial Services to confirm whether the transaction falls within the scope of this policy.

If an Employee believes a transaction may constitute a related party transaction, they must notify their supervisor or manager who will discuss the matter with the Manager Financial Services to confirm whether the transaction falls within the scope of this policy.

The Finance Department will be responsible for the maintenance of a register that captures all related party transactions of KMP.

Privacy

The EMRC will endeavour to ensure that only those staff and the external auditors who are involved in the preparation of the related party disclosures will have access to the related party declarations and related party transactions.

Adopted/Reviewed by Council

1. 22 June 2017
2. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



4.1 Chief Executive Officer - Appointment and Performance Review Policy

STRATEGIC PLAN OBJECTIVE

- 3.3 To provide responsible and accountable governance and management of the EMRC
- 3.5 To improve organisational culture, health, welfare and safety

PURPOSE

To ensure that the appointment and review of performance of the Eastern Metropolitan Regional Council (EMRC) Chief Executive Officer (CEO) is undertaken in accordance with the provisions of the *Local Government Act (1995)* and *Local Government (Administration) Regulations 1996* and EMRC policies.

LEGISLATION

Local Government Act (1995)
Local Government (Administration) Regulations 1996
Salaries and Allowances Tribunal Act 1975

POLICY STATEMENT

1. The CEO shall be appointed under s5.36 of the *Local Government Act (1995)* and associated regulations..
2. The performance of the CEO will be reviewed annually by the Chief Executive Officer's Performance Review Committee (CEOPRC)
3. The CEOPRC will comprise of an EMRC Councillor from each member Council inclusive of the Chairman of the Council.
4. The duties of the CEOPRC will be those as outlined within the Terms of Reference contained with Council Policy 2.1 Committees of Council
5. An external consultant agreed to by both the Council and the CEO will be appointed to assist with the process.
6. The CEO's performance review is to be based on performance objectives and measures to be set at the time of review for the following year in agreement with the CEO.
7. All matters dealt with by the CEOPRC are to be referred to Council for consideration and actioning.



8. The item of Council business referred to in this policy is to be treated as confidential in accordance with s5.23(2) of the Local Government Act 1995, r14(2) of the Local Government (Administration) Regulations 1996, EMRC's Standing Orders Local Law 2013 Clause 5.2 and Council's Policy 1.5 related to dealing with confidential items.

FINANCIAL CONSIDERATIONS

An amount will be provided in the annual budget to meet estimated costs.

Adopted/Reviewed by Council

1. 20 October 1992
2. 09 December 1993
3. 22 July 1999
4. 02 May 2002
5. 20 May 2004
6. 23 February 2006
7. 31 May 2007
8. 18 September 2008
9. 23 September 2010
10. 18 September 2014
11. 6 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



4.2 Superannuation Contribution Policy

STRATEGIC PLAN OBJECTIVE

- 3.3 To provide responsible and accountable governance and management of the EMRC
- 3.5 To improve organisational culture, health, welfare and safety

PURPOSE

To detail the superannuation contribution entitlements for eligible staff members of the EMRC.

LEGISLATION

Local Government Act 1995 s 5.47
Superannuation Guarantee (Administration) Act 1992
Superannuation Industry (Supervision) Act 1993

POLICY STATEMENT

1. The contribution rate required by the *Superannuation Guarantee (Administration) Act 1992*, as amended from time to time, will be paid by Council for all eligible staff into a complying superannuation fund.
2. Staff members (with the expectation of casual staff) who contribute a minimum of 5% of their 'ordinary time earnings', as defined by the Act, to a complying superannuation fund will be entitled to an additional 5% contribution from Council above the *Superannuation Guarantee (Administration) Act 1992* contribution, such that the total contribution from Council (including the Superannuation Guarantee amount) is up to a maximum of 17% of the staff member's 'ordinary time earnings'.
3. All voluntary contributions made by staff are to be made by way of a fortnightly payroll deduction, 'before' or 'after' tax.

FINANCIAL CONSIDERATIONS

An amount is provided in the annual budget for the cost of providing superannuation contributions.



Adopted/Reviewed by Council

1. 29 April 1993
2. 22 July 1999
3. 22 February 2001
4. 02 May 2002
5. 20 May 2004
6. 23 February 2006
7. 18 September 2008
8. 23 September 2010
9. 18 September 2014
10. 6 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



4.3 Gratuity Payments to Terminating Staff

STRATEGIC PLAN OBJECTIVE

3.5 To improve organisational culture, health, welfare and safety.

PURPOSE

To establish a policy in relation to the approval of a gratuity payment to members of staff who retire or resign from employment with the EMRC.

DEFINITION

A 'gratuity payment' means any payment of monies in addition to any contractual or award entitlement, which is paid to a staff on termination of employment with the EMRC.

LEGISLATION

Local Government Act 1995 s 5.50
Local Government (Administration) Regulations 1996 r.19A

POLICY STATEMENT

1. Gratuity payment may be made to a staff member in recognition of their exemplary service or extensive term of service with the EMRC.
2. Gratuity payment may be made only when the staff member retires or resigns from employment with the EMRC.
3. The Chief Executive Officer will give consideration to whether a gratuity payment should be made to a member of staff, and the matter will be referred to the Council for consideration.
4. In the instance where the intended recipient of the gratuity is the CEO, the matter shall be considered by the Council.
5. The value of the payment made to the staff member will not exceed any amount as prescribed or provided for by r.19A of the Regulations.
6. Any taxation implications associated with the gratuity payment will be borne by the staff member.
7. In the event that a gratuity payment is made, the Council will give local public notice of its decision to make that payment in accordance with the provisions of s 5.50 of the *Local Government Act 1995*.



FINANCIAL CONSIDERATIONS

Unbudgeted and to be referred to Council for funding.

Adopted/Reviewed by Council

1. 29 May 1997
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
9. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



4.4 Staff Service Recognition Policy

STRATEGIC PLAN OBJECTIVE

3.5 To improve organisational culture, health, welfare and safety.

PURPOSE

To recognise the tenure of long serving staff within the EMRC.

LEGISLATION

Nil

SCOPE

This policy applies to all EMRC staff, including part time and casual employees, who achieve aggregate hours of continuous employment equivalent to a minimum of five years service.

POLICY STATEMENT

The aim of the Staff Service Recognition policy is to formally recognise staff for their service and contribution to the EMRC.

- Recognition will be given after the completion of five years continuous service from the date of a staff member's most recent hire into a continuous employment position at the EMRC, and at five year intervals thereafter.
- Eligible staff must be in active service on their anniversary date in order to receive a Service Recognition Award.
- Staff on leave of absence will receive their Service Recognition Award upon return to active employment.

Service Awards

- After completing the relevant number of years' of continuous service with EMRC, the staff member will be presented with a Certificate of Appreciation signed by the Chairman and Chief Executive Officer and a gift to the value specified in the Schedule below, at a Service Recognition Ceremony.
- The Service Recognition Ceremony will be a Council funded event (e.g morning tea or sundowner) as determined by the Chief Executive Officer.
- Service Recognition presentations will be made by the Chief Executive Officer, or nominee, and the Chairman, or nominee, if practicable.



- Service Recognition Ceremonies will take place as near as possible to the staff member's anniversary date, having regard for such factors as the number of staff qualifying in any one year and the significance of the anniversary being celebrated.

Administration

- Human Resources will be responsible for providing to the Chief Executive Officer, relevant Director, and relevant Manager, a list of staff eligible for Service Recognition at least two (2) months prior to the event and will assist with the preparation and planning of the Service Recognition Ceremony.
- The Chief Executive Officer's office will be responsible for liaising with the CEO and Chairman in identifying a suitable date to hold the Service Recognition Ceremony.

SCHEDULE - Recognition of Years of Service

Number of Years of Continuous Service	Service Recognition Award
5 Years of Service	Framed Certificate of Appreciation Gift to the value of \$100
10 Years of Service	Framed Certificate of Appreciation Gift to the value of \$150
15 Years of Service	Framed Certificate of Appreciation Gift to the value of \$200
20 Years of Service	Framed Certificate of Appreciation Gift to the value of \$400
After each period of 5 years thereafter	Framed Certificate of Appreciation Gift to the value of \$450

FINANCIAL CONSIDERATIONS

An amount will be provided in the annual budget to meet estimated costs.

Adopted/Reviewed by Council

1. 06 September 2001
2. 02 May 2002
3. 20 May 2004
4. 23 February 2006
5. 18 September 2008
6. 23 September 2010
7. 18 September 2014
8. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



4.5 Gifts to Staff for Farewells and Special Circumstances Policy

STRATEGIC PLAN OBJECTIVE

3.5 To improve organisational culture, health, welfare and safety.

PURPOSE

To establish policy and guidelines relating to farewell and/or special circumstance gifts and farewell functions that may be conferred on a staff member for the following reasons:

1. Retirement, resignation or redundancy from their employment with the EMRC through personal volition (non-disciplinary); and
2. Special circumstances such as the birth/adoption of a staff member's child, marriage of a staff member, bereavement in the affected staff member's immediate family, or long-term or serious illness of staff member.

LEGISLATION

Nil

SCOPE

This policy applies to all EMRC staff, including part time and casual employees. Eligibility is based primarily upon years of continuous service.

POLICY STATEMENT

The aim of this policy is to establish the circumstances for providing:

- an additional benefit to staff leaving the Council's employment voluntarily (and not under any disciplinary procedures)
- a gift to staff under special circumstances.



Retirement, Resignation or Redundancy Benefit

Individual staff members may receive a notional benefit in accordance with the following table:

Length of Service	Notional Benefit
< 5 years	<ul style="list-style-type: none"> ▪ No contribution towards a staff collection ▪ An exception may be made at the discretion of the Chief Executive Officer (CEO) in the event that it is deemed appropriate. ▪ Morning or afternoon tea or appropriate after hours staff function as determined by the CEO.
5 years to < 10 years	<ul style="list-style-type: none"> ▪ \$100 contribution towards a staff collection; ▪ Letter of appreciation from the CEO; and ▪ Morning or afternoon tea or appropriate after hours staff function as determined by the CEO.
10 to < 15 years	<ul style="list-style-type: none"> ▪ \$200 contribution towards a staff collection; ▪ Letter of appreciation from the CEO or Chairman; and ▪ Morning or afternoon tea or appropriate after hours staff function as determined by the CEO in consultation with the Chairman.
15 to < 20 years	<ul style="list-style-type: none"> ▪ \$250 contribution towards a staff collection; ▪ Letter of appreciation from the CEO or Chairman; and ▪ Morning or afternoon tea or appropriate after hours staff function as determined by the CEO in consultation with the Chairman.
20 years and over	<ul style="list-style-type: none"> ▪ \$300 contribution for a gift on behalf of Council; ▪ Letter of appreciation from the CEO or Chairman; ▪ Morning or afternoon tea or appropriate function as determined by the CEO in consultation with the Chairman; and/or ▪ Luncheon with CEO and key personnel.

Special Circumstances Benefit

Where special circumstances exist, the CEO has the discretionary authority to provide the affected staff member with an appropriate token benefit (flowers or equivalent gift) on behalf of the EMRC.

Responsibilities:

- The staff member's Director or nominee is responsible for planning the appropriate presentation, in consultation with the Chief Executive Officer.
- Human Resources is responsible for providing the Director or nominee the staff member's details relevant to this policy such as personal address, years of service etc.



FINANCIAL CONSIDERATIONS

An amount will be provided in the annual budget to meet estimated costs.

Adopted/Reviewed by Council

1. 06 September 2001
2. 02 May 2002
3. 20 May 2004
4. 23 February 2006
5. 18 September 2008
6. 23 September 2010
7. 18 September 2014
8. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



5.1 Red Hill Waste Management Facility and Hazelmere Resource Recovery Park Environmental Policy

STRATEGIC PLAN OBJECTIVE

- 1.1 To provide sustainable waste disposal operations.
- 1.2 To improve regional waste management.

PURPOSE

To provide guiding principles of environmental management for the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park.

LEGISLATION

Environmental Protection Act 1986:

- Statement 274 - that a proposal may be implemented for the Red Hill Waste Management Facility extension.
- Statement 462 - that a proposal may be implemented for Class IV Waste Disposal Cells, Red Hill Waste Disposal Facility.
- Statement 976 - that a proposal may be implemented to construct and operate a resource recovery facility within the existing Red Hill Waste Management Facility.
- Statement 1028 – that a proposal may be implemented to construct and operate a Wood Waste to Energy Plant at the existing Hazelmere Recycling Centre.

POLICY STATEMENT

Commitment

The EMRC manages the Red Hill Waste Management Facility and the Hazelmere Resource Recovery Park on behalf of its six member Councils in the eastern region of the Perth metropolitan area. The EMRC is committed to minimising the environmental and social impacts of operations by working towards best practice management.



To fulfil these commitments the EMRC will:

- Comply as a minimum with all applicable environmental legal obligations and internal EMRC standards;
- Openly and transparently report our environmental performance;
- Strive to meet community expectations through addressing concerns and providing avenues for them to liaise with EMRC staff and management;
- Strive for continual improvement by implementing and maintaining an Environmental Management System that is communicated and supported from management to operational staff and contractors (at all levels) to enhance environmental performance and achieve best practice management;
- Continue to be innovative by supporting research into the understanding of the environment which will enable the use of sound data as the basis for all environmental and operational decisions;
- Encourage and support better waste management practices through education and waste diversion strategies;
- Prevent pollution and protect the environment by assessing the environmental implications of planning decisions associated with the design, construction and operation of the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park;
- Raise environmental awareness for staff and contractors to be aware of and accountable for their individual contributions to environmental performance and encourage every employee and contractor to demonstrate respect for the environment;
- Be committed to reducing greenhouse gas emissions through appropriate mitigation and adaptation strategies and evaluate the climate change implications of operational and strategic decisions; and
- Focus on meeting the needs of current and future generations by integrating environmental sustainability, social opportunities and economic development into the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park operations.

Responsibilities

Each employee and contractor has a personal obligation to comply with the Red Hill and Hazelmere Environmental Policy.

Management is responsible for taking this policy into consideration when making any planning or operational decisions. Management is also responsible for ensuring the policy is communicated to and implemented by all staff, contractors, suppliers, local community and visitors.

The environmental program will be audited on a regular basis to confirm and improve performance against the requirements of this policy.

The EMRC publicly reports its environmental performance in its annual monitoring and compliance report.



FINANCIAL CONSIDERATIONS

Funding for environmental management activities are included in the annual budgets related to the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park.

Adopted/Reviewed by Council

1. 23 April 1998
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 24 September 2009
8. 23 September 2010
9. 18 September 2014
10. 24 August 2017
11. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Waste Services



6.1 Member Conference, Seminar and Study Tour Attendance Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC.

PURPOSE

To establish a policy for the attendance by appointed members at intrastate, interstate, or international conferences, seminars, and study tours in an official capacity.

LEGISLATION

Nil

POLICY STATEMENT

1. Council recognises that attendance at conferences, seminars, and study tours contributes to the personal and professional development of Councillors and is consistent with Council's objectives.
2. Attendance by an appointed member at a conference, seminar or study tour should be consistent with the current or future direction of the EMRC and must be related to a subject matter directly referred to in Council's approved and adopted publications (ie. Strategic Plan for the Future or annual budget) and identified as an organisational objective.
3. Attendance by appointed members at intrastate, interstate or international conferences, seminars and study tours will be authorised in advance by Council.
4. The amount available to individual appointed members for conference/seminar/study tour attendance shall be in accordance with the amount allocated specifically for this purpose in Council's annual budget. Expenditure in excess of the allocated sum for each appointed member will require Council approval prior to the expenditure occurring.
5. Any appointed member, who is offered sponsorship in the form of conference or seminar registration or other costs in an official capacity, wholly or partly by any government agency, external organisation or person, shall immediately make this known to the Chairman and Chief Executive Officer.
6. A written report shall be prepared for the information of Council by every appointed member who has travelled intrastate, interstate or overseas in an official capacity. The report shall provide comment on the value of the conference/seminar/study tour and related benefits to the EMRC, and provide recommendations for further action (if applicable). In the event that two or more appointed members attend the same conference, for the purposes of this policy, only one written report is required which may be a joint report.



FINANCIAL CONSIDERATIONS

An amount will be provided in the annual budget to meet estimated costs.

Adopted/Reviewed by Council

1. 24 February 1994
2. 22 July 1999
3. 02 May 2002
4. 20 May 2004
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
9. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



6.2 Reimbursement of Expenses – Appointed Members and Staff - Conferences, Seminars, and Other Events Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC

PURPOSE

To establish a policy governing the reimbursement of reasonable out of pocket expenses actually and necessarily incurred by appointed members of Council, EMRC staff, or a participant staff member, whilst attending approved conferences, seminars and other events that are considered to be in the course of their authorised EMRC duties.

POLICY STATEMENT

Where an appointed member, staff member, or a committee member is authorised to attend a conference, seminar or other event on behalf of the EMRC, expenses incurred will be reimbursed as follows:

Registration Costs

Actual cost of registration for the conference, seminar and/or other event being attended.

Travel and Accommodation Costs

Air Travel - Intrastate and Interstate

- Return economy class airfare to the airport nearest the venue.
- Individuals travelling have the option of upgrading to business class travel at their own expense with the difference between the applicable economy rate and business class rate being payable to the EMRC in advance. Personal frequent flyer credits may be used to upgrade travel class however no reimbursement will be made by EMRC in this case.

Where an appointed member and/or a staff member is required to spend the night away from their normal residence, the actual cost of reasonable hotel or motel accommodation including the night immediately prior to the event and the evening of the last day of the event will be reimbursed.

Air Travel - International Destinations

- Return economy class airfare to the airport nearest the venue.
- Individuals travelling have the option of upgrading to business class travel at their own expense with the difference between the applicable economy rate and business class rate being payable to EMRC in advance. Personal frequent flyer credits may be used to upgrade travel class however no reimbursement will be made by EMRC in this case.



Where an appointed member and/or a staff member is required to spend the night away from their normal residence, the actual cost of reasonable hotel or motel accommodation including up to two (2) nights immediately prior to the event and the evening of the last day of the event will be reimbursed, subject to the availability of flights.

Other Travel

- Travel to and from airports and other terminals at both ends of the journey.
- Train, bus and taxi fares to and from the venue.
- Car rental and associated petrol costs.
- Personal mileage for use of own vehicle. Where a staff member is authorised to use their own vehicle for business related travel, an allowance shall be paid for the relevant kilometres travelled using the “cents per kilometre method” permissible under the Income Tax Assessment Act.

Accommodation Costs

Accommodation bookings should be made at a hotel, motel, and/or serviced apartment located in close proximity to the conference seminar or event. As a guide, accommodation standards will generally be of a 4/5 star rating with the most competitive rate available at the time of booking being selected.

Meals (including reasonable liquid refreshments served with meals)

The actual cost of the meal consumed with the production of a receipt, or the following rates if receipts are not retained:

- Breakfast \$30
- Lunch \$40
- Dinner \$70

Incidental Expenses - including dry cleaning, telephone calls (necessitated by attendance at the conference), parking, and internet access

Actual reasonable expenses incurred as included on the accommodation account or supported by receipts or credit card accounts.

Accompanying Person(s)

Appointed members and/or members of staff may travel with an accompanying person(s) provided:

- (i) the accompanying person(s) does not incur any costs at Council expense; and/or
- (ii) the presence of the accompanying person(s) does not interfere with the business requirements of the travel.

The only exception to point (i) is the nominated cost for conference related social functions ie: dinner or cocktail function for the appointed member’s and/or staff member’s partner, which will be reimbursed.

Cash Advance

A cash advance of \$70 per day for the duration of the event will be made to an appointed member, staff member and/or participant staff member attending the event on behalf of the EMRC. An additional cash advance may be made, at the discretion of the CEO, when it is apparent that payments by cash will exceed \$70 per day.

Persons receiving cash advances are liable to reimburse EMRC for the difference where the advance exceeds the actual expenditure authorised in accordance with this policy.



Supporting Documentation

All claims for travel related expenses, including cash advance payments, must be supported by provision of the appropriate documentation including receipts, itemised accounts, and/or credit card records. A Statutory Declaration detailing the exact costs making up the claim is acceptable where a receipt is not able to be provided.

All supporting documentation should be provided and settled, including outstanding cash advances, within four (4) working weeks following return from the conference, seminar and other event.

Chief Executive Officer Approval

Any expenses incurred which are not related to official travel should be paid personally by the person attending the approved conference, seminar and other event.

The Chief Executive Officer has the discretion to approve other non-personal out-of-pocket expenses associated with attendance at approved conferences, seminars and other events that are considered to be in the course of authorised duties.

Certification

The officer for whom the expense was incurred, is where possible, to certify the account. Discretion is to be exercised to ensure that reasonable costs only are incurred.

FINANCIAL CONSIDERATIONS

An amount will be provided in the annual budget to meet estimated costs.

Adopted/Reviewed by Council

1. 22 July 1999
2. 02 May 2002
3. 20 May 2004
4. 08 December 2005
5. 23 February 2006
6. 18 September 2008
7. 23 September 2010
8. 18 September 2014
9. 06 December 2018

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Following the Ordinary Elections in 2021

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7.1 Risk Management Policy

STRATEGIC PLAN OBJECTIVE

3.3 To provide responsible and accountable governance and management of the EMRC

PURPOSE

To set out the objectives and corporate approach for managing business and workplace related risk in a systematic and formal manner.

LEGISLATION / STANDARDS

AS/NZS ISO 31000:2009 Australian/ New Zealand standard “Risk Management – Principles and Guidelines”.

POLICY STATEMENT

The EMRC is committed to the management of risk to continue to protect its:

- Employees, contractors and volunteers;
- Customers, clients and stakeholders;
- Natural and built environment;
- Quality of service;
- Assets and intellectual property;
- Contractual and statutory obligations; and
- Image and reputation.

Risk management is a continuous process demanding awareness and proactive action from all employees and outsourced service providers to reduce the likelihood and impact of accidents and losses, whether caused by the EMRC or a business partner.

Senior management seeks to improve the integration of formal risk management practices into the EMRC’s everyday business operations and those of its contractors and business partners. In this way the risk implications of decisions and actions will be better planned for and dealt with. The involvement of all staff is both encouraged and expected in order to meet the goals of this policy.

Risk management is viewed as a critical element of good governance and together with innovative and committed staff will continue to make the EMRC a leader in its field.

The risk management system, as supported by suitable standards and guidelines, will involve risk identification and risk evaluation linked to practical and cost-effective risk control measures commensurate with our business. The standards will also be flexible enough to consider the severity and consequences of new initiatives in a manner that does not stifle innovation.



The Risk Management Plan provides an operating framework that outlines:

- Goals of Risk Management at the EMRC;
- Key strategies;
- Overview of the EMRC 's risk management process;
- Risk management structure and responsibilities;
- Risk assessment methodology;
- Implementation, monitoring and review processes;
- Risk criteria to ensure the right focus;
- Summary of the EMRC 's key risks; and
- Detailed assessment of the EMRC's risks, together with risk treatment plans.

Responsibilities

The Audit Committee, in conjunction with the Chief Executive Officer (CEO), will have responsibility for monitoring the effectiveness of the EMRC's risk management function to ensure that the necessary resources and risk management processes are in place.

The primary responsibility for cascading risk standards and procedures and approval of the treatment of major risk exposures, as identified by all staff, ultimately rests with the Chief Executive Officer.

This risk management activities will have a strong emphasis toward the prevention of situations or incidents that may damage the EMRC as an entity or injure staff and relevant others. The CEO in executing his duty will establish a Strategic Risk Management Steering Group (SRMSG) comprising the Executive team who will be responsible for:

- Initiating activities that are consistent with the Risk Management Policy and Plan.
- Ensuring that key risk management documentation is up to date.
- Ensuring the Corporate Risk Register is up to date and that Risk Treatment Plans are being implemented.
- Ensuring appropriate linkages to business and corporate planning processes, and where necessary, to budget processes.
- Analysing risk information and reporting to Council as required.

The systematic management of business and workplace risk is a core responsibility of all managers. Suitable risk management activities will be incorporated into business planning, operations and the management of contractors and service providers.

The scope of these activities will encompass:

- Education and training in risk management for staff;
- Identifying and supporting the development of risk management standards and procedures where applicable, that assist staff to understand and deal with risk; and
- Building a staff culture that identifies and eliminates risks in a consistent manner
- Helping to prioritise and schedule risk control improvements (risk treatment) in each of the EMRC's business units
- Reporting to the EMRC Executive and Council on risk improvement outcomes.



FINANCIAL CONSIDERATIONS

Funding will be provided to properly resource risk management activities as identified through the annual budgeting process.

Adopted/Reviewed by Council

1. 31 October 2002
2. 20 May 2004
3. 23 February 2006
4. 18 September 2008
5. 23 September 2010
6. 18 September 2014
7. 06 December 2018

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Following the Ordinary Elections in 2021

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7.2 Occupational Health and Safety Policy

STRATEGIC PLAN OBJECTIVE

3.5 To improve organisation culture, health, welfare and safety.

PURPOSE

This policy states the commitment of the Eastern Metropolitan Regional Council to the safety and health of its employees, contractors and the general public who visit our workplaces or have the potential to be affected by our activities.

LEGISLATION

- Occupational Safety and Health Act 1984
- Occupational Safety and Health Regulations 1996
- Approved Codes of Practice

POLICY STATEMENT

The Eastern Metropolitan Regional Council recognises that health and safety is a key component in the management of all its business activities. The EMRC is wholly committed to safe working practices and providing safe places of work by placing the highest value on Occupational Health and Safety in its operations. Our goal is to be recognised as leaders in occupational health and safety practices through compliance, education, communication and innovation.

To achieve our goals EMRC is committed to:

- Complying with all relevant OSH Legislation and other requirements placed upon the organisation.
- Developing sustainable Safety Management Systems and Safety Management Plans for all workplaces.
- Promoting a culture of continuous improvement in workplace health, safety and wellbeing.
- Risk Management processes and ensuring consistency with the nature of our workplace activities and assessment of risk.
- Establishing measureable objectives and targets for occupational safety and health to ensure continuous improvement aimed at eliminating work-related injury and illness.
- Establishing and maintaining communication and consultation processes that ensure employees are included in decision –making processes that impact on health and safety in the workplace.



- Ensuring employees are trained and competent to carry out their roles in a safe manner and to provide training where required to develop employees where required.
- Implementing the provisions of this policy in all areas of our business activity and on all sites where our activities are undertaken.

The Chief Executive Officer, supported by the management team, has ultimate responsibility for providing a safe and healthy work environment which includes:

- Ensuring that there is close cooperation and consultation between management and staff regarding safety related matters. (A consultative process such as the Safety Advisory Committee and the involvement of Safety and Health Representatives is seen as an essential feature of the Program.)
- The ongoing recognition and control of all hazards through a hazard identification and control process.
- Ensuring formal training is conducted, (includes Safety Induction processes), to improve the health and safety related knowledge and skills of employees and contractors as relevant.
- Ensuring plant and equipment is safe and suitable for the job, via effective purchasing, inspection and maintenance systems.
- Providing an effective system for accident / incident reporting, investigation and recording.
- Ensuring systems are in place that minimise risk as low as reasonably practicable in the general work environment through elimination or the use of effective controls and where personal protective equipment and clothing is the last consideration for control.,
- Ensuring that Emergency Response Procedures are developed and implemented to protect anyone on council premises in the event of an emergency.
- Providing health related information and encouraging activities that promote the health and well-being of staff, including the provision of an Employee Assistance Program and a Health Promotion Program.
- Ensuring EMRC develops and implements an effective and consistent injury management process in the event that staff may suffer a work related injury.
- Ensuring the EMRC Safety Management System complies with all relevant legislation.

EMRC Employees and Contractors are responsible for:

- Complying with EMRC policies and procedures
- Following all lawful instructions given by EMRC management.
- Committing to their own safety and the safety of others in the workplace or effected by work carried out in EMRC activities.
- Contributing to EMRC health and safety activities to ensure EMRC complies with its legislated requirements.
- Reporting all injuries, incidents and hazards that may occur at the workplace



FINANCIAL CONSIDERATIONS

The annual budget has adequate amounts allocated to provide safety related support services (consulting and training) to all EMRC managed operations.

Adopted/Reviewed by Council

1. 22 September 2005
2. 23 February 2006
3. 18 September 2008
4. 23 September 2010
5. 18 September 2014
6. 06 December 2018

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