



EMRC

ANNUAL REPORT 2011-2012

Protecting Perth's Eastern Region



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.



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About EMRC



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

Providing services in waste management, environmental management, regional development and resource recovery, EMRC is a model of successful collaboration that has initiated and led projects which deliver real benefits to the region.

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 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.

Our Values

The following qualities represent the values that govern EMRC:

- **Excellence**

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

- **Recognition**

Valuing staff in a supportive environment that focuses on their wellbeing.

- **Innovation**

Focus on innovative approaches in projects and service delivery.

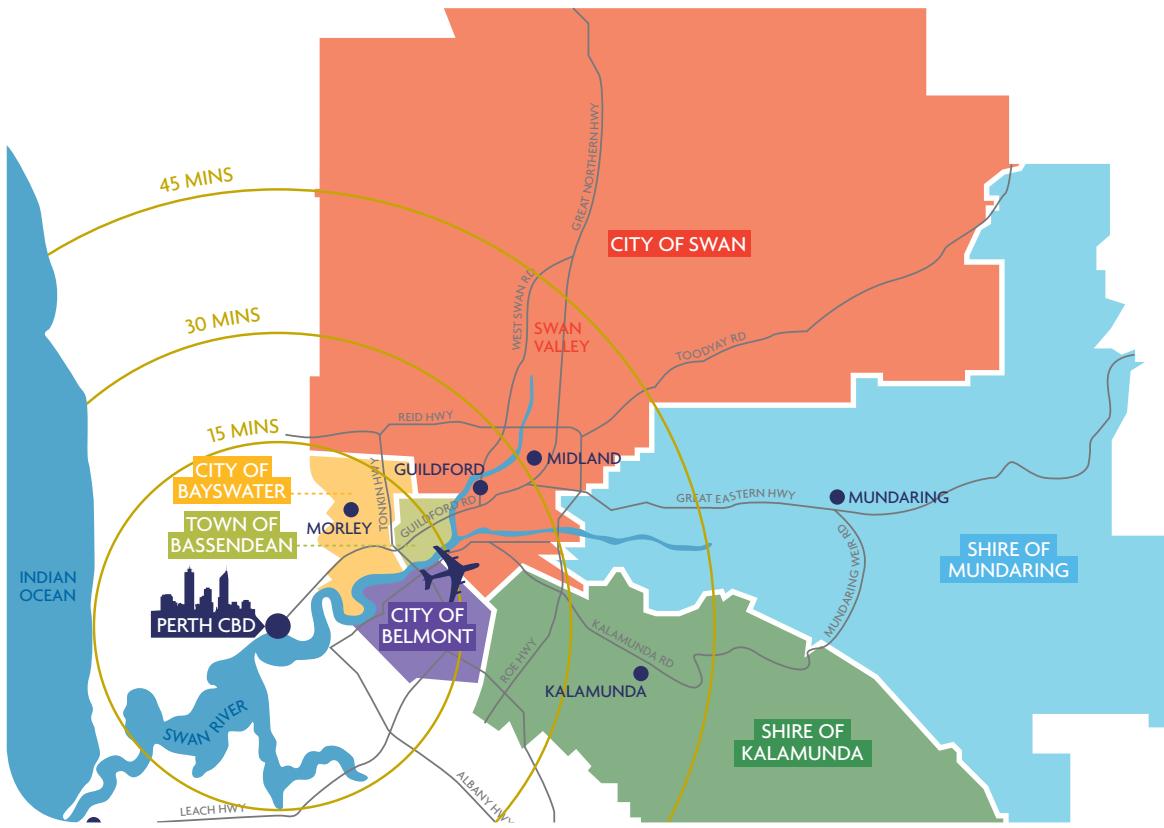
- **Responsiveness**

Dynamic and flexible service delivery.

- **Integrity**

Accountability and consistency in all that we do.

The organisation's values are created and sustained by establishing the council's strategic direction and providing an environment that encourages all staff to reach their potential in achieving the organisational outcomes.



Facts About Perth's Eastern Region

Perth's Eastern Region stretches from the edge of the Perth CBD, along the Swan River, and through both residential and industrial areas. It incorporates the Swan Valley's world class wine district, as well as forests and prime agricultural land in the Darling Ranges.

Home to approximately 326,000 people from diverse cultural backgrounds and constituting around one third of the metropolitan area, Perth's Eastern Region is one of the city's fastest growing areas. It encompasses about 2,100 square kilometres, including substantial parklands, river foreshore areas, national parks, state forests and water catchments.

The region is a major transport hub, accommodating the international and domestic airports, as well as major roads and rail infrastructure, linking Perth to regional centres in Western Australia and to the rest of Australia.

Together, EMRC and its six member councils form an economic, social and environmental force that has the strength to get things done and drive communities forward.

EMRC's Services

EMRC's **Waste Services** directorate operates the Red Hill Waste Management Facility and Hazelmere Recycling Centre, on behalf of its six member councils, and the Coppin Road and Mathieson Road Transfer Stations in the Shire of Mundaring, on behalf of the Shire of Mundaring. EMRC provides initiatives and activities to aid diversion of waste from landfill to more environmentally sustainable solutions. These undertakings include composting and mulch processing of greenwaste; timber and mattress recycling; and the provision of advice regarding contaminated sites.

The **Regional Services** directorate consists of Environmental Services and Regional Development.

The **Environmental Services** team provides a range of services and delivers on projects that focus on best practice land management and improving air and water quality across the region, as well as enhancing and protecting local biodiversity. Another key element is the provision of sustainability education that seeks to reduce the amount of energy and water that is consumed across the region. These objectives are achieved by developing strong partnerships and building effective working relationships with member councils and other stakeholders; in particular, community groups.

The core focus of the **Regional Development** team is to work with EMRC's six 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 for infrastructure; plan and advocate for alternative modes of transport (such as cycling, walking and public transport) and facilitate regional tourism, cultural and recreational activities.

The **Corporate Services** directorate provides administrative support, human resources, information technology, financial management, marketing and communications, risk management, council support and governance services to the organisation. It also ensures that the operations of the EMRC comply with the relevant statutory requirements.

The **CEO's Office** is comprised of organisational development and strategic planning services, as well as EMRC's Resource Recovery Project. The Resource Recovery Project aims to develop and implement resource recovery solutions which 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.

Chairman's Report



Firstly, I would like to say how pleased I am to be part of an innovative, sustainable and resourceful organisation such as EMRC. My election as chairman in November 2011 has provided me with both a greater level of understanding and appreciation of the work undertaken by this regional council. It has also provided me with the opportunity to become more involved in the various initiatives which deliver benefits to the residents of Perth's Eastern Region and beyond.

The delivery of such high performance outcomes would not be possible without the collaborative efforts of many people. EMRC has a pivotal role in ensuring the services it provides support the environmental, social and economic goals of its six member councils.

Waste Services

EMRC continues to manufacture a wide range of products made from recycled organics and materials diverted from landfill. This lessens the impact on limited landfill airspace and, in addition, having less waste decomposing in landfill means less greenhouse gas emissions.

A number of long-term contracts have been established that secure the future viability of these operations. Success in this area throughout 2011–2012, included the sale of 9,000 cubic metres of recycled wood chip product for use as animal bedding at Perth's largest stockyards. A contract was also secured for future supply to the WA Broiler Growers Association with a market of 45,554 cubic metres in the 2012–2013 financial year.

Resource Recovery

EMRC continues to promote initiatives and activities aimed at educating and changing behaviours towards reducing, reusing, recycling and recovering waste. Work towards the proposed Resource Recovery Facility continues. This is a collaborative project between EMRC and member councils, aimed at finding a sustainable and environmentally friendly solution to managing waste. The proposed facility will target the final 'R' in the four 'Rs' process: to 'recover' as many resources as possible from the waste stream.

In August 2011, EMRC Council endorsed a community partnership agreement which will ensure that the construction and ongoing operation of the proposed Resource Recovery Facility is undertaken in alignment with community expectations. EMRC Council also resolved to reduce the number of technology options under consideration for the proposed facility, from four to two. This decision was based on information received from acceptable tenderers, as well as during preparations for the environmental impact assessment and through community feedback. The health and well-being of the community and the environment is of the utmost importance, and as such EMRC is dedicated to only implementing proven technologies.

In December 2011, EMRC submitted a draft public environmental review (PER) to the Environmental Protection Authority (EPA). Once approved, it will be released for an eight-week public comment period, in July 2012. A final decision on the technology option to be used will be made after the tender process in late 2013.



EMRC has a pivotal role in ensuring the services it provides support the environmental, social and economic goals of its six member councils.



Corporate Services

In May 2012, EMRC prepared a submission on the draft findings issued by the WA Department of Local Government regarding the metropolitan local government review process. Information in the submission was based on the experience of providing projects and services over a 29-year period for the benefit of Perth's Eastern Region. The submission will help give direction to the reform process in the metropolitan area.

To comply with the updated *Local Government (Administration) Regulations 1996* which requires all local government bodies to have a 10-year strategic plan and a four-to-five-year corporate business plan by 30 June 2013, EMRC held a council workshop to identify a long-term vision. The outcomes will be used to develop a 10-year strategic plan with a view to its implementation in 2012–2013.

Regional Development

An EMRC delegation to Canberra in September 2011 met with members, senators and advisers from most political parties. These meetings provided the opportunity to discuss issues facing the region and raise EMRC's profile with politicians and key departments. Information from the meetings has been used to follow up specific actions to benefit the region and meet EMRC's strategic direction.

The 2012 annual Perth's Autumn Festival was once again a great success, with an estimated 18,000 people taking part in the seven community events held in Perth's Eastern Region between March and May this year. EMRC supported member councils by coordinating a regional marketing campaign and progressing sustainability initiatives through the development of a *Clean and Green Strategy*.

Environmental Services

EMRC continued its work within the Perth Solar City Program throughout 2011–2012. This included helping the Shire of Kalamunda complete the installation of an energy demand reduction management system at its administration centre, as well as installing several Solatube® high-performance day lighting systems in the Kalamunda library. Progress also included the Shire of Mundaring installing a 5-kilowatt (kW) photovoltaic (PV) system in the Swan View Youth Centre. The final of the 15 demonstration projects – the Perth Solar City demonstration project at the Hazelmere Recycling Facility – was installed in March 2012. The annual savings in energy costs to member councils is estimated to be \$152,826 (ex. GST).

The Eastern Hills Catchment Management Program is a partnership between EMRC, Shire of Kalamunda, Shire of Mundaring, City of Swan, Perth Region NRM and the Swan River Trust. The program supports a diverse range of environmental initiatives in the eastern hills area. EMRC works collaboratively with all members of the partnership to coordinate the production of the Greenpage newsletter, assist with the coordination of Bush Skills for the Hills Workshops, coordinating grant applications and award submissions, the provision of technical advice, project planning and much more. Discussions are continuing between EMRC and Murdoch University regarding a collaborative project focused on educating the community with regards to identification and trial treatment of marri canker. Research findings are likely to bring great benefits regarding the preservation of marri forests across the state.

These projects are just some of a range of innovative initiatives EMRC is undertaking. Having followed the development and evolution of these projects, I look forward to being part of their progress and seeing ongoing positive outcomes for our community and environment. Assistance from government, businesses and community leaders will help advance these projects for the benefit of the region.

I would like to take this opportunity to congratulate EMRC's Chief Executive Officer, Mr Peter Schneider; the Executive Management Team; and all EMRC staff for their commitment, vision and hard work in bringing councils together for positive regional outcomes. I would also like to thank state and federal politicians for their support during the past year. Finally, thanks goes to EMRC councillors for their ongoing commitment and hard work, as well as to member councils for their work towards ensuring a resourceful future for Perth's Eastern Region.

Cr Dr Alan Pilgrim
Chairman

Chief Executive Officer's Overview



The 2011–2012 year has been one of significant achievement and I am proud of the high quality outcomes that have been accomplished for our member councils and stakeholders.

With the appointment of a new council in November 2011, EMRC Council elected Cr Alan Pilgrim, from the Shire of Mundaring, as chairman, and Cr Janet Powell from the City of Belmont, as deputy chairman. I look forward to working with them in their new roles and progressing this great organisation under our collaborative leadership.

I would like to take this opportunity to thank EMRC's previous chairman, Cr Graham Pittaway OAM for his contribution and commitment as chairman throughout his term from 2009 to 2011. His efforts helped the organisation in its journey toward becoming the industry leader that it is in the areas of resource recovery, waste management, environmental management and regional development.

Throughout the year, EMRC successfully obtained \$1,112,620 in funding to assist with the implementation of various projects to support initiatives for the betterment of Perth's Eastern Region. More than \$640,000 of this was provided under the Commonwealth Government's Community Energy Efficiency Program, to assist with the execution of the Re-energising Perth's Eastern Region project. This is a collaborative project between EMRC, the Town of Bassendean, City of Bayswater and Shire of Mundaring that aims to improve the energy efficiency of facilities. These will include upgrades to street lighting in the Town of Bassendean; pool pump efficiency, internal lighting and air conditioning in the City of Bayswater; and solar pool water heating and pool pump efficiency in the Shire of Mundaring.

EMRC also successfully obtained \$250,500 from Lotterywest to help stage the 2011 Act-Belong-Commit Avon Descent Family Fun Days, as well as coordinating a regional marketing campaign for the events. The Family Fun Days comprise of a series of five free family-orientated events alongside the Act-Belong-Commit Avon Descent white-water race, held on the Avon and Swan rivers in August. Around 25,000 people attended the Family Fun Days and experienced fantastic entertainment and other activities on offer, as well as showed their support for the competitors in the race.

A grant of \$142,100 from the National Packaging Covenant Industry Association (NPCIA) will help EMRC progress its cardboard baling program by purchasing mobile cardboard baling infrastructure. This will allow cardboard collected at each of the transfer stations and at Red Hill Waste Management Facility to be baled for easier and cost-effective transportation to cardboard recycling facilities.

In alignment with the organisation's many other sustainability-based practices, EMRC successfully obtained funding of \$67,600 from the Department of Transport to engage a TravelSmart officer whose core focus will be to promote and enhance sustainable travel practices in Perth's Eastern Region.

EMRC is also grateful for a grant of \$5,000 from Keep Australia Beautiful which was used to redevelop one of the litter activities at the Red Hill Waste Management Facility education centre. The centre is mainly used by EMRC's Waste Education Team to hold waste tours which aim to educate students about acceptable disposal of waste – a fundamental link in shaping future attitudes and perceptions of the four 'Rs': reduce, reuse, recycle and recover.



Maintaining strong relationships with member councils, key government agencies, community groups and clients is essential to the success of EMRC.



I take this opportunity to personally thank the funding bodies for their support and commitment to EMRC and the many sustainability-focused projects and initiatives we undertake, in conjunction with, and on behalf of, the member councils for the improvement of Perth's Eastern Region.

During the past year, EMRC received a number of significant awards as recognition of the meticulous work completed by its staff. The City of Belmont presented EMRC with a 2011 Opportunity Award that recognised its promotion of the City of Belmont and for delivering real benefits to the region. EMRC also proudly accepted an award under the MobileMuster National Local Government Awards for its work with schools to collect and recycle mobile phones.

In 2011, EMRC's environmental consultants achieved waterwise auditor accreditations which allow EMRC to supply a professional water auditing service to interested local governments, residents and businesses. As a result of this service, EMRC received a Conservation and Efficiency Award in the WA Water Awards for its efforts in leading the way towards sustainable water use practices.

Fundraising events, supporting charities and increasing EMRC's involvement in sustainability-based events were held with staff throughout the year and included raising funds to adopt an endangered animal from the Kanyana Wildlife Rehabilitation Centre; fundraising for Breast Cancer Care WA; and supporting Pink Ribbon Day by selling merchandise at the Ascot Place administration office.

EMRC staff participated in Clean Up Australia Day by picking up abandoned litter around the Ascot Place administration office in Belmont. Staff from the administration office and the Red Hill Waste Management Facility also rehabilitated areas at the facility by replanting native vegetation on capped landfill cells.

Maintaining strong relationships with member councils, key government agencies, community groups and clients is essential to the success of EMRC. So too is celebrating significant milestones of the past, while building on relationships and acknowledging the importance of working together to ensure a sustainable and resourceful future for Perth's Eastern Region. This is something that would not be achievable without the relentless support from EMRC councillors, member councils and state and federal politicians. The diligent work of EMRC's Executive Management Team and all EMRC staff, working together with member council chief executive officers and staff, ensures that the organisation makes a valuable and innovative contribution to this great region. I thank all for their assistance in working towards this vision.

I trust that you will enjoy reading about EMRC's projects and achievements in the following report. I look forward to another year of working with the EMRC Council, the Executive Management Team and EMRC and member council staff to continue the organisation on its path to being a responsive and innovative leader in assisting Perth's Eastern Region to be a great place to live, work, play and do business.

Peter B. Schneider
Chief Executive Officer



Back Row: Cr Alan Radford, Cr Graham Pittaway ^{OAM},
Cr Gerry Pule, Cr Janet Powell (EMRC Deputy Chairman),
Cr Bob Emery, Cr Frank Lindsey and Cr Jennie Carter.

Front Row: Cr Glenys Godfrey, Cr David Färdig, Cr Dr Alan Pilgrim
(EMRC Chairman), Cr Tony Cuccaro and Cr Charlie Zannino.

Elected Representatives

EMRC's Establishment Agreement specifies that two councillors from each member council be appointed to EMRC's Council, while a third councillor is appointed to deputise in their absence. At 30 June 2012, the appointed council members were:

Councillors

- **Cr Dr Alan Pilgrim** – Shire of Mundaring – EMRC Chairman
- **Cr Janet Powell** – City of Belmont – EMRC Deputy Chairman
- **Cr Jennie Carter** – Town of Bassendean
- **Cr Gerry Pule** – Town of Bassendean
- **Cr Graham Pittaway** ^{OAM} – City of Bayswater
- **Cr Alan Radford** – City of Bayswater
- **Cr Glenys Godfrey** – City of Belmont
- **Cr Bob Emery** – Shire of Kalamunda
- **Cr Frank Lindsey** – Shire of Kalamunda
- **Cr Tony Cuccaro** – Shire of Mundaring
- **Cr David Färdig** – City of Swan
- **Cr Charlie Zannino** – City of Swan

Deputy Councillors

- **Cr John Gangell** – Town of Bassendean
- **Cr Barry McKenna** – City of Bayswater
- **Cr Phil Marks** – City of Belmont
- **Cr Margaret Thomas** – Shire of Kalamunda
- **Cr Stephen Fox** – Shire of Mundaring
- **Cr Kevin Bailey** – City of Swan

Councillor Attendance

Note: The total number of meetings held during 2011/2012, are shown in brackets next to the meeting name.

Councillors	Council	Ordinary Council (11)				Audit Committee (4)				Chief Executive Officer's Performance Review Committee (2)				Investment Committee (2)				Resource Recovery Committee (5)				
		✓	A	D	L	✓	A	D	L	✓	A	D	L	✓	A	D	L	✓	A	D	L	
Cr Jennie Carter 1& 7	Town of Bassendean	6			2														3			
Cr Gerry Pule 11	Town of Bassendean	11				4				2				2					2			
Cr Graham Pittaway ^{OAM} 4	City of Bayswater	11					2			1	1											
Cr Alan Radford 5	City of Bayswater	10		1	2		2							1			1	5				
Cr Janet Powell	City of Belmont	11				4				2												
Cr Glenys Godfrey	City of Belmont	9	2																5			
Cr Bob Emery 1, 6, 8 & 12	Shire of Kalamunda	8								1												
Cr Frank Lindsey 8	Shire of Kalamunda	8	2	1	2					1				2				1	2			
Cr Don McKechnie 2, 6 & 12	Shire of Kalamunda	2	1																			
Cr Alan Pilgrim 9	Shire of Mundaring	11				3	1			1				2					1			
Cr Tony Cuccaro 9	Shire of Mundaring	9			2					1								4		1		
Cr Charlie Zannino	City of Swan	11						1												1		
Cr David Färdig	City of Swan	9	1	1	3	1			2									3	2			
Deputy Councillors																						
Cr John Gangell 3 & 7	Town of Bassendean	1	2	2																		
Cr Lynda Butler 2	Town of Bassendean																					
Cr Barry McKenna	City of Bayswater				1																	
Cr Phil Marks	City of Belmont				1																	
Cr Margaret Thomas	Shire of Kalamunda																					
Cr Noreen Townsend 2	Shire of Kalamunda			1																		
Cr Stephen Fox 1	Shire of Mundaring				2																	
Cr Jenny Johnson 2	Shire of Mundaring																					
Cr Kevin Bailey	City of Swan			1	1																	

✓ = Attended Meeting

A = Apology

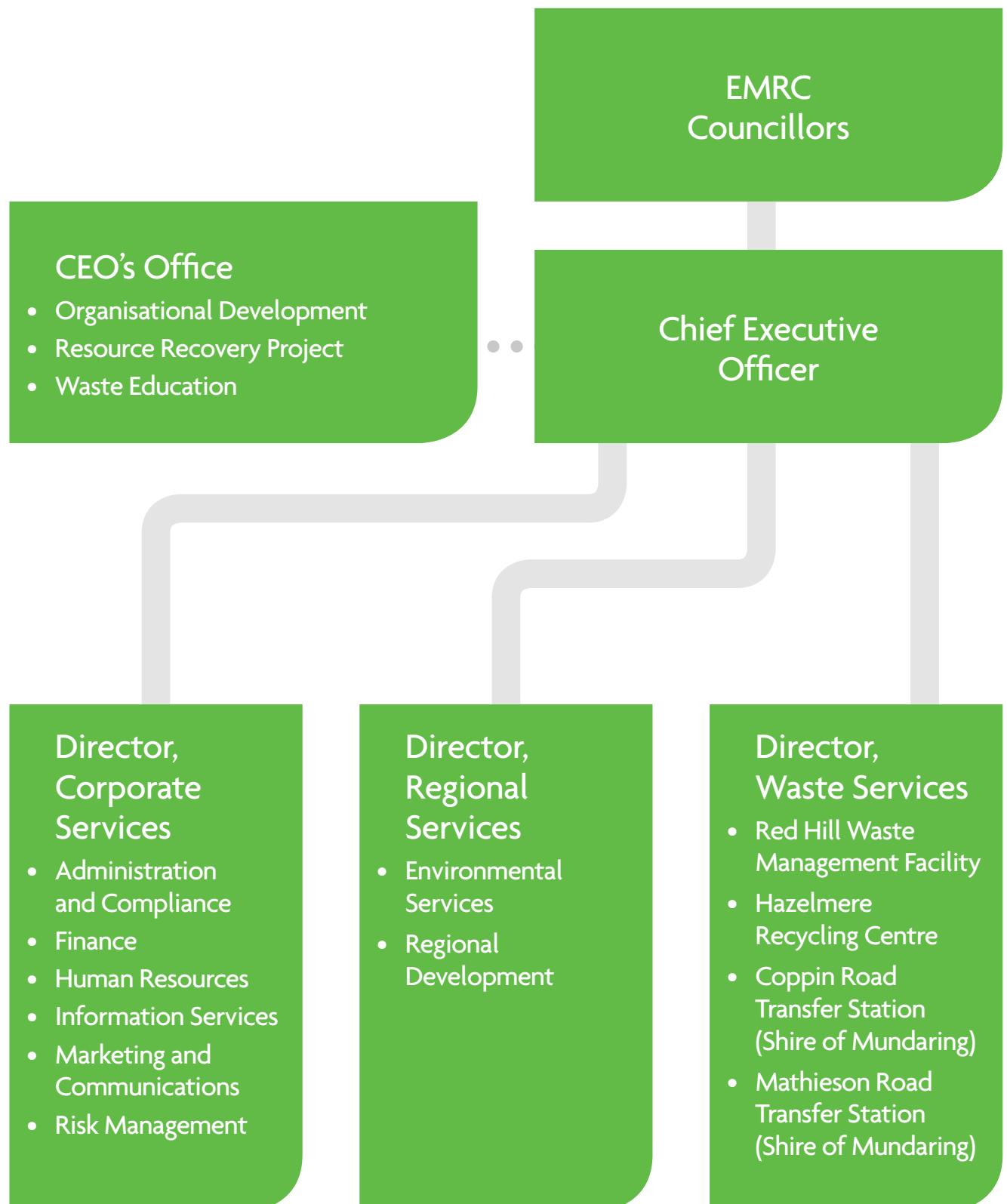
D = Deputised

L = Leave of Absence

NOTES

- Cr Jennie Carter, Cr Bob Emery and Cr Stephen Fox were appointed as members and deputies to EMRC council on 3 November 2011.
- Cr Don McKechnie, Cr Noreen Townsend, Cr Jenny Johnson and Cr Lynda Butler were replaced as members and deputies on EMRC Council on 3 November 2011.
- Cr John Gangell moved position from councillor to deputy on 3 November 2011.
- Cr Graham Pittaway ^{OAM} moved position from deputy on the Audit Committee to member on 3 November 2011.
- Cr Alan Radford moved position from member on the Audit Committee to deputy on 3 November 2011.
- Cr Bob Emery was appointed as deputy on the Audit Committee to replace Cr Don McKechnie on 3 November 2011.
- Cr Jennie Carter was appointed as deputy on the Audit Committee to replace Cr John Gangell on 3 November 2011.
- Cr Bob Emery was appointed as a member on the Chief Executive Officer's Performance Review Committee to replace Cr Frank Lindsey on 3 November 2011.
- Cr Alan Pilgrim was appointed as a member on the Chief Executive Officer's Performance Review Committee to replace Cr Tony Cuccaro on 3 November 2011.
- Cr Jennie Carter was appointed as a member on the Resource Recovery Committee to replace Cr Gerry Pule on 3 November 2011.
- Cr Gerry Pule moved position from member on the Resource Recovery Committee to deputy on 3 November 2011.
- Cr Bob Emery was appointed as a member on the Resource Recovery Committee to replace Cr Don McKechnie on 3 November 2011.

Organisational Structure





Left to right: Mr Peter Schneider - Chief Executive Officer;
Mr Brian Jones - Director, Waste Services;
Mrs Marilynn Horgan - Director, Regional Services and
Corporate Services.
Mr Hua Jer Liew - Director, Corporate Services.

Committees

In order to assist with its planning and decision making, council has appointed the following six committees:

- **Audit Committee (AC)**

The Audit Committee consists of one councillor from each member council and was established to guide and assist EMRC with audits and financial management.

- **Chief Executive Officers Advisory Committee (CEOAC)**

The Chief Executive Officers Advisory Committee was formed to consider matters that have an impact on the member councils and/or EMRC's business activities. Consisting of the 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 a 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 comprised of four EMRC councillors. The purpose of the committee is to deal with matters related to EMRC's management of investment 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 for the region.

- **Technical Advisory Committee (TAC)**

The Technical Advisory Committee consists of an officer from each member council, and EMRC's chief executive officer. The committee reviews and provides reports on technical matters and recommendations for council meetings.



Awards and Grants

Awards

EMRC continues to be recognised as an exemplary leader in environmentally sustainable waste management services, resource recovery, regional development and environmental services.

Over the past year, EMRC received an award under the City of Belmont's 2011 Opportunity Awards for helping to promote the city and deliver real benefits to the region.

EMRC also received a Conservation and Efficiency Award in the WA Water Awards for facilitating leadership in sustainable water use in relation to its water efficiency auditing service.

In the latter part of the year, EMRC received an award under the MobileMuster National Local Government Awards in the category of Working with Schools for working with schools to collect and recycle mobile phones.

EMRC was also listed as a finalist under the WA Water Awards in the category of Waterwise Specialist for demonstrating effective waterwise practices and displaying initiative in educating its staff and the community.

Together with these achievements, EMRC was listed as a finalist in the WA Tourism Awards in the local government category for its tourism activities undertaken between 1 July 2006 and 30 June 2011, and was also a finalist in the WA Environment Awards in the category of Local Government Leading by Example for its landfill rehabilitation program.

EMRC was also listed as a finalist for the national 2012 savewater! awards® in the category of government for its collaborative

approach to progressing the reduction of water use in local government through the Water Campaign™.

Grants

In 2011–2012, EMRC successfully applied for funding to implement projects on behalf of, or in collaboration with, its member councils.

A total of \$1,112,620 (ex. GST) was secured for projects that provide a significant range of benefits to Perth's Eastern Region and EMRC acknowledges and thanks these funding bodies for their assistance. Funding allocated or received during the year was:

- **\$647,420** – Implementing the Community Energy Efficiency Program – Re-energising Perth's Eastern Region (grant from Department of Climate Change and Energy Efficiency).
- **\$250,500** – Staging the 2011 Act-Belong-Commit Avon Descent Family Fun Days and implementing a regional marketing campaign (grant from Lotterywest).
- **\$142,100** – Implementing the Cardboard Baling Program (grant from the National Packaging Covenant Industry Association).
- **\$67,600** – Engaging a TravelSmart officer to promote and enhance sustainable travel practices in Perth's Eastern Region (grant from the Department of Transport).
- **\$5,000** – Redeveloping the Red Hill Waste Management Facility Education Centre litter activity (grant from Keep Australia Beautiful).



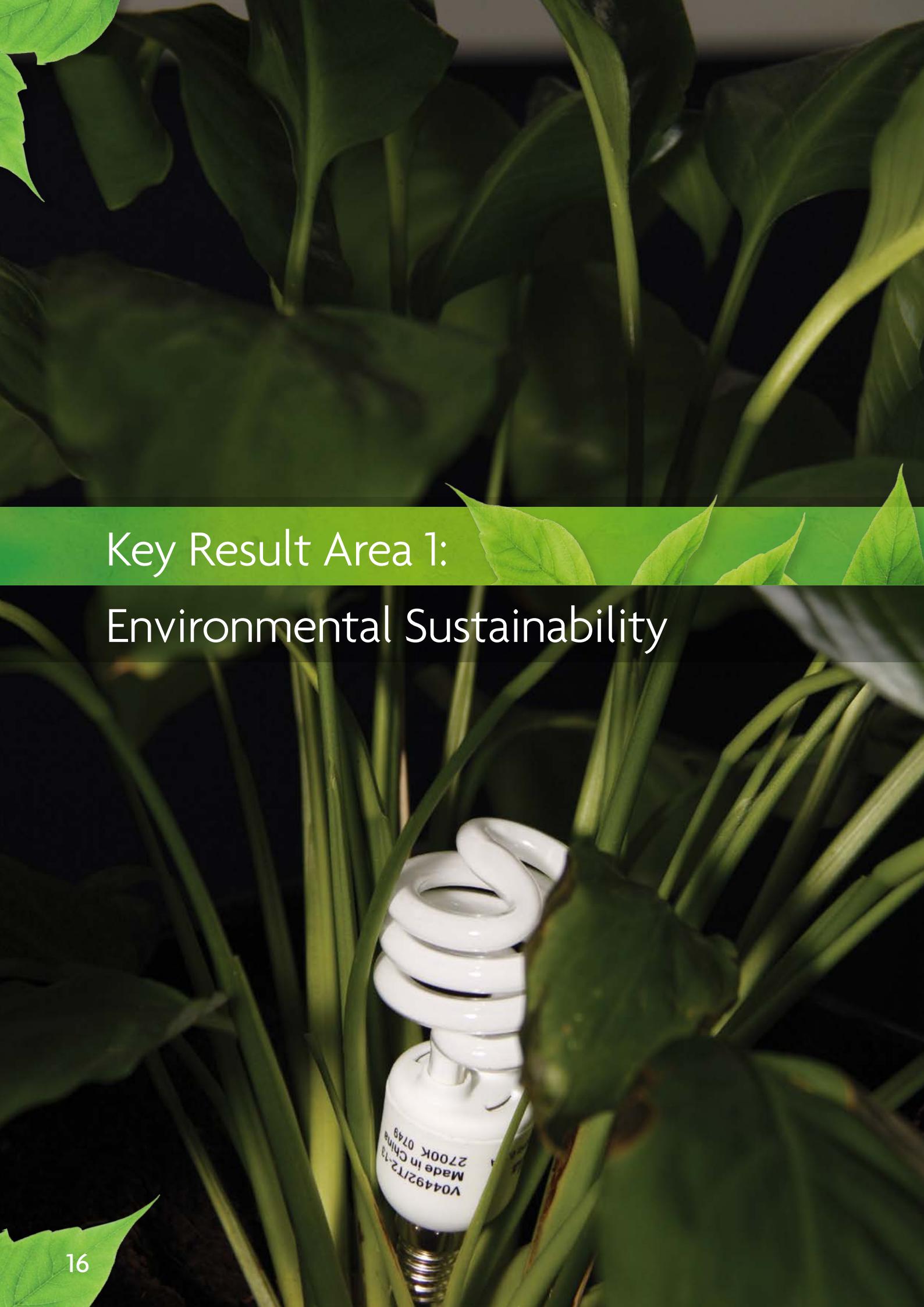
2011–2012 EMRC Community Grants Program recipients
with EMRC's CEO, Mr Peter Schneider (far right)

EMRC's Community Grants Program

EMRC's Community Grants Program was conducted again during 2011–2012, to support community groups in the vicinity of the Red Hill Waste Management Facility. A total of \$7,900 (ex. GST) was awarded to the following nine community groups:

- Darlington Parkerville Football Club
- Experience Gidgegannup
- Gidgegannup Basketball Club
- Gidgegannup Community Church
- Gidgegannup Junior Football Club
- Gidgegannup Netball Club
- Gidgegannup Playgroup
- Gidgegannup Recreation Club
- Parkerville Junior Cricket Club

This year's successful grant recipients were recognised with a cheque presentation ceremony held at the Red Hill Waste Management Facility.



Key Result Area 1: Environmental Sustainability





A draft project plan has been prepared for the proposed Hazelmere Resource Recovery Park.



To Provide Sustainable Waste Disposal Operations

In accordance with EMRC's licence to operate the Red Hill Waste Management Facility, the *Annual Monitoring and Compliance Report 2011* was submitted to the director general of the Department of Environment and Conservation (DEC) on 6 March 2012. The report addressed the measures and actions taken to prevent off site impacts and/or pollution from the facility over the previous calendar year. It also documented EMRC's compliance with the ministerial conditions, as well as the consolidated environmental commitments within an audit table that was provided by the DEC.

EMRC has continued to manage groundwater contamination caused by historical landfill operations at the facility. Although the extent of the contamination was not extensive and had not reached any residential areas or downstream natural surface water systems, EMRC continues to monitor it closely. EMRC has engaged expert groundwater consultants to both remediate the contamination and remove the contamination source, under the direction of the contaminated sites auditor appointed by the DEC.

A groundwater remediation system was designed and implemented during 2009 to remove the contaminated groundwater that had migrated beyond Lot 11. In February 2010, EMRC installed data loggers and probes in the boundary bores of Lot 11 to allow for semi-continuous monitoring of water levels and salinity. The extraction of contaminated groundwater is ongoing and the plume is receding.

Throughout the year, efforts were made by EMRC staff to investigate a number of resource recovery activities, such as a small waste-to-energy plant; commercial and industrial waste sorting; and a materials recovery facility, for the proposed Hazelmere Resource Recovery Park.

Since 2008, EMRC has been reporting carbon emissions and energy data to the Department of Climate Change and Energy Efficiency (DCCEE) under the *National Greenhouse and Energy Reporting Act 2007* (NGER Act). Previous reports accounted for the Red Hill Waste Management Facility only; however, as EMRC triggered new thresholds in 2010–2011, the report was compiled for all EMRC facilities. After the report was submitted in October 2011, the DCCEE requested EMRC's participation in a NGER audit of EMRC's reporting processes in early 2012 to test their audit program. The audit was conducted by Ernst and Young who made a finding of 'reasonable assurance'.

Technical design and planning is underway for the construction of new landfill cells, floating leachate pond covers to reduce the amount of leachate, a new water storage dam and siltation ponds at the Red Hill Waste Management Facility. The water storage dam and ponds are intended to prevent soil, clay and debris from washing from the site into any neighbouring properties during storm events; and to provide a source of much needed water for dust suppression and other work during the dry summer months.

The *National Pollutant Inventory (NPI) Report* for the Red Hill Waste Management Facility was completed and submitted to the DEC on 13 September 2011. Emissions of NPI-listed substances at the facility are similar to those of previous years, with the largest emissions being carbon monoxide and oxides of nitrogen. The report has been made publicly available and can be viewed on the NPI website <www.npi.gov.au>

Standard operating procedures have been reviewed and updated for the Red Hill Environmental Management System during the 2011–2012 financial year, including the following:

- Water monitoring – this document describes the procedures to be followed during the quarterly Red Hill water monitoring rounds, when undertaking discharge water sampling at the nutrient stripping pond and downloading water level and temperature/salinity data loggers.
- Rehabilitation program – describes how the areas to be rehabilitated are to be prepared; species to be ordered; methodology used to plant tubestock and sow the seeds; and post-rehabilitation monitoring.
- Management of asbestos – this document has been updated to reflect the latest procedures in accordance with the DEC's *Disposal of Materials Containing Asbestos* fact sheet.

Hazelmere Resource Recovery Park

A draft project plan has been prepared for the proposed Hazelmere Resource Recovery Park. The proposed park will meet the future waste processing requirements and handling of recyclable and reusable materials for member councils, residents and businesses of Perth's Eastern Region. It will also recover the valuable resources within certain waste.



EMRC's School Battery Recycling Program was developed to redirect batteries from household waste and ensure environmentally responsible disposal.

The draft project plan outlines the three key phases used to develop the proposed Resource Recovery Park:

- Phase 1 - The development of the Resource Recovery Park Concept Plan, identifying the proposed activities to be undertaken within the Resource Recovery Park.
- Phase 2 - The development of individual business plans for each proposed activity.
- Phase 3 - The development of implementation plans for those activities identified as meeting the social, environmental and financial requirements. An activity will be implemented only if the activity meets the criteria established in developing the concept plan and the business plans.

The business planning process will consist of a review, following consultation, on how each activity meets the overarching requirements on which the concept plan was developed and an estimate of each activity's revenue, cost, timeline, funding requirement and licensing/planning requirements to implement the activity.

As a result of a review of the fire service infrastructure, an upgrade of the site was required to cater for the proposed Resource Recovery Park. A design was developed with assistance from a consultant and a contract for the work was awarded.

Due to the changes in the proposed Lloyd Street extension/Lakes Road intersection, the main entrance into the proposed Resource Recovery Park has to be moved and the road layout for the proposed Resource Recovery Park modified.

The development of the business plans for each of the proposed resource recovery activities is ongoing. Although some activities planned for the proposed Resource Recovery Park have already been identified, discussions with other potential operators will start only once the development plan is closer to reaching finality.

To Improve Regional Waste Management

Endorsement and management of the Compact Fluorescent Lamp (CFL) Program continued with promotion during community education talks and professional development days for teachers. EMRC managed 20 drop-off locations at shopping centres, libraries and council offices, collecting over 600 kg of globes and tubes for recycling.

EMRC's School Battery Recycling Program was developed to redirect batteries from household waste and ensure environmentally responsible disposal. Over 60 schools in the region belong to the program. Each year new schools are encouraged to join the recycling program through mail-outs, advertising and the R-Gang website. EMRC staff provide new schools with an induction, involving attendance at school assemblies and providing educational and promotional resources. Household battery recycling bins can be found in 30 public locations across Perth's Eastern Region, including council administration offices, public libraries and selected shopping centres. In 2011, over 14 tonnes of household batteries were recycled.

The Waste Education Strategy was used for a number of programs including an update of the design and content within the R-Gang website to ensure waste information is easily accessible. There were waste reduction tours of the Red Hill Waste Management Facility for schools and community groups, with over 2,000 visitors taking the opportunity to attend in 2011-2012. EMRC's waste management practices were promoted through major national campaigns and events, such as International Composting Awareness Week, National Recycling Week, Garden Week and Clean Up Australia Days. EMRC staff also assisted in raising awareness of the Resource Recovery Project and were instrumental in the design and distribution of the *2011–2012 Waste and Recycling Guides* which were delivered to over 150,000 households in Perth's Eastern Region.

Delivery of the Earth Carers Training Program continued in 2011-2012 to teach residents how to live with less waste. In July 2011, 20 participants took part in the Earth Carers training course which included tours of recycling facilities and learning new skills, such as how to compost and start worm farms. The course provided useful tips on how to reduce waste. Feedback from the workshop was very positive with participants from the course volunteering their time to assist EMRC's Waste Education Team at local events.

EMRC's Waste Education Team continued to implement strategies to encourage responsible waste management in the community. As part of this, a Waste Education Strategy was developed for the Shire of Mundaring transfer stations to encourage residents to separate recycling from general waste, thereby reducing the amount being sent to landfill. Part of the strategy included the design and installation of new signage at the Mathieson Road and Coppin Road transfer stations.

To Provide Resource Recovery and Recycling Solutions in Partnership with Member Councils

In June 2011, a report was prepared and endorsed by EMRC Council on a review of contract ownership models for the proposed Resource Recovery Facility. Council confirmed that the 'design and construct' and 'design, build, operate and maintain' contract models were preferred over the 'build, own and operate' model, at this stage of the project. A final decision on the preferred contract model will be made prior to tender.

The implications of the state government's local government reform process on the Resource Recovery Project were considered in relation to the member council financial guarantee obligation. A financial model update for the impact of the federal government carbon legislation is in progress.

The environmental approval process has been proceeding with completion of the environmental scoping document and the development of a public environmental review (PER) report. The PER report includes a baseline monitoring study at the Red Hill Waste Management Facility for air quality, odour and noise, which was used as the basis for modelling the impacts of the proposed Resource Recovery Facility technology options. During the course of the year, and after consultation with the Environmental Protection Authority (EPA), EMRC Council resolved to reduce the number of technology options for the proposed Resource Recovery Facility to that of anaerobic digestion and gasification, with the final decision to be made following the tender process.

The draft PER was submitted to the EPA for comment in December 2011. Cardno, and other sub-consultants have been working since February 2012 to update the draft PER, including the completion of supplementary studies.

An initial study was completed into the feasibility of converting surplus wood chip, from the Hazelmere timber grinding operation, into renewable power and biochar (charcoal). A detailed engineering study has commenced to evaluate this further.

Greenwaste Operations

The Red Hill Waste Management Facility greenwaste operation processed 11,000 tonnes of green waste into quality accredited mulch products in 2012. The main markets were mine site rehabilitation, with one customer purchasing in excess of 2,000 tonnes. The facility will continue to process green waste and focus on creating higher value blended products designed to meet market needs, including use by the turf-growing industry in sporting ovals and parks for establishing and maintaining turf, as well as treating nematode-infected areas. Contracts for the supply of processed and unprocessed material to the broader composting industry will continue to be explored and developed. Market outlets for soil conditioner remained constant in 2012, predominantly being supplied to landscapers and garden centres.

Quality assurance accreditation under Australian Standard® AS 4454:2003 Composts, Soil Conditioners and Mulches has been maintained for over three years by the Red Hill Waste Management Facility greenwaste operation.

EMRC, as the only local government in Western Australia to obtain Australian Standard® accreditation for its mulch, recognises the need to divert green waste for beneficial reuse, while increasing industry standards and educating consumers as to the uses and effects of quality processed composted products. In addition, EMRC considers that quality and fit-for-purpose mulch products add much needed carbon and nutrients to Western Australia's sandy and nutrient-deficient soils.





Ferricrete

EMRC successfully applied to become a preferred supplier under the WA Local Government Association (WALGA) panel tender for the supply of roadbase materials. EMRC can now supply local governments with ferricrete crushed to Main Roads WA specification 501 for road and pathway construction.

Wood waste

EMRC undertook a number of strategies in 2012 to diversify markets and increase the supply of recycled wood products. These efforts resulted in almost 18,000 tonnes of wood waste, in the form of untreated softwood timbers, packaging, pallets, off-cuts and particleboard, being processed and supplied to industry for animal bedding, compost, landscaping and particleboard. Income from the sale of recycled wood products in 2012 was nearly \$400,000. The aim for the 2012–2013 year is to increase production by at least 30 per cent, predominantly supplying the animal bedding markets (members of Western Australian Broiler Growers Association and Western Australian Meat Industry Authority). Markets for renewable energy fuel sources and bagged ‘pet bedding’ products are also being explored.

Since its inception in 2008, the Hazelmere Recycling Centre’s timber processing plant has processed and sold almost 40,000 tonnes of recycled wood, which otherwise would have been destined for disposal to landfill. This achievement has been recognised by both the Department of Environment and Conservation and the WA Waste Authority with awards and support through funding to increase production capacity. Furthermore, the invitation to present to the Australian Timber Development Association and New South Wales Environmental Protection Authority underlined EMRC’s national standing as a leader in the beneficial reuse of waste wood resources.

Electronic Waste

Late in 2011, EMRC’s Waste Services Team undertook an extensive review of the recent *Product Stewardship Act 2011* (Cwlth) for computers and televisions. As a result, both the Red Hill Waste Management Facility and the Hazelmere Resource Recovery Park are being put forward as possible collection facilities for electronic waste under the Act. On behalf of

member councils, EMRC would enter into an accredited arrangement for the collection and storage of computers and televisions that would be recycled into component parts and processed into various end-market products or as feedstocks in a manufacturing process.

Mattresses

In 2011–2012, over 20,000 mattresses were diverted from landfill with the component parts recycled as:

- Springs – sold as scrap metal to recyclers
- Wood – processed into recycled products for animal bedding
- Foam – baled and sent to be made into underlay
- Cloth – for use as rags in the oil and gas industry.
(This market is currently being investigated).

Carpet Tiles

EMRC and carpet tile company InterfaceFLOR®, have jointly established Australia’s first carpet tile recycling depot. Carpet tile waste is delivered and consolidated at EMRC’s Hazelmere Recycling Centre before being shipped to the company in New South Wales for recycling.

InterfaceFLOR® has pioneered a successful carpet tile recycling program, known as ReEntry, using world-first technology which separates the backing and face cloth of reclaimed carpet tiles and recycles them into new carpet tiles. The volume of carpet tiles received and subsequently recycled has been increasing from establishment of the agreement in 2010, and has seen an increase in the company’s Perth market share. In 2011–2012, two full sea containers of carpet tiles were sent for recycling and this number is expected to at least double in 2012–2013.

To Investigate Leading Edge Waste Management Practices

During 2011–2012, research continued into leading edge waste management practices. To minimise the volumes of leachate that require management, a system of floating covers has been designed for the larger leachate ponds at the Red Hill Waste Management Facility. Tenders for their supply and installation will be called for early in the 2012–2013 financial year so that, in future years, there will be a significant reduction in leachate quantities needing to be managed.

To ensure there will be landfill capacity in the future, the design of the next cell progressed with the intention that consolidation can be undertaken in the summer of 2012–2013. In previous years, deep excavations to access kaolinitic clay for use as the compacted liners resulted in substantial quantities of surplus sandy/gravelly clay material which, in turn, rendered areas of the site sterile. The proposed design is such that a geosynthetic clay liner will reduce the need for kaolinitic clay.

This plan will also reduce the volume of excavated material, alleviating the need to stockpile large surplus quantities. Clearing permits and works approval for the new cells were also submitted to the DEC.

The Waste Services Environmental Management Team worked exceptionally hard throughout the year to submit numerous reports on behalf of the organisation, one of which included the *Annual Monitoring and Compliance Report* for the Red Hill Waste Management Facility operations which was submitted to the state government. Two additional reports were provided to the federal government: the *National Pollutants Inventory Report* and the *National Greenhouse Emission Report (NGER)*.

Clean Energy Act

The *Clean Energy Act 2011*, passed by the federal government in November 2011, will impact EMRC as the emissions from landfill operations exceed the thresholds.

While emissions from 'legacy' waste are not subject to the carbon price and can provide carbon credits to offset the liabilities from 'covered' waste, there will be liabilities incurred. The frequent changes in the default values to be used in the NGER solid waste calculator have involved ongoing changes in the calculations of future liabilities, and the actual liability is not yet known.

Since no carbon credits will need to be surrendered until 2013–2014, it is hoped that, as better information on the various types of waste being delivered to the Red Hill Waste Management

Facility and the composition of those waste types comes to hand, more accurate figures on gas capture and utilisation will be established so that the initial estimated liability of 105,000 units can be reduced.

To Contribute Towards Regional Biodiversity Conservation and Improved Air, Water and Land Quality

Regional Environment Strategy

The *Regional Environment Strategy 2011–2016* was finalised and approved by EMRC Council in November 2011. The vision is:

A region supporting healthy ecosystems and habitat for flora and fauna where the air, land and waterways are clean, there is green space, highly efficient buildings and transport systems, renewable energy and minimal waste and emissions.

In order to reach this vision, the strategy aims to ensure a sustainable approach for the future development, protection and management of Perth's Eastern Region. Major projects undertaken in 2011–2012 include the following:

- Continued implementation of the Swan and Helena Rivers Regional Recreational Path Development Plan. Path priorities were evaluated with member councils and funding streams were sought.





- Swan and Helena Rivers Foreshore Trail Interpretation Plan – stage one of the plan was completed.
- A sustainable landscaping project for the City of Bayswater.
- *A Best Practice Alternative Weed Management Manual* – EMRC commenced a collaborative partnership with Edith Cowan University.
- An energy audit of the EMRC Ascot Place administration building – conducted by EMRC staff, who completed training in auditing energy efficiency.
- Preliminary research and a letter of support was provided to WALGA, for a statewide local government funding application to assist with sustainable street lighting research.
- The release of a discussion paper, *Reuse of Greywater in WA* in July 2011.
- A review and development of a new Environmental Management Plan for the Shire of Mundaring.
- A review of the Town of Bassendean's Environmental Management Plan commenced, with completion anticipated in 2012–2013.
- Input was provided into a review of the City of Belmont's Environmental Plan.
- Comment on the City of Swan's *Sustainable Environment Strategy* was provided.
- Funding streams were sought for the Bush Skills for Our Kids/Youth project.
- EMRC commenced a collaborative partnership with Murdoch University to undertake research into the treatment of marri (red gum tree) canker.
- Aboriginal Cultural Awareness Training has been undertaken.

Eastern Hills Catchment Management Program

The Eastern Hills Catchment Management Program (EHCP) is a highly successful partnership between EMRC, the Shire of Kalamunda, the Shire of Mundaring, the City of Swan, Perth Region NRM and the Swan River Trust. Eastern Hills Natural Resource Management (NRM) officers work in partnership

to support a large, active and diverse community network. The network comprises over 130 'friends of groups' and four 'catchment groups' throughout the Shire of Kalamunda, Shire of Mundaring and the City of Swan.

The program won the Local Government Landcare Partnership Award category in the 2011 WA Landcare Awards. The EHCP was recognised for the support it provides to volunteers and for the initiatives that are delivered as part of the program, including the *Greenpage* newsletter and Bush Skills for the Hills workshops. The program is also a finalist in the 2012 Australian Landcare Awards. The Jane Brook Catchment Group, one of a number of community groups EHCP supports, were finalists in the Toshiba Community Group Award.

EMRC hosted the end-of-year volunteers celebration in December 2011 which was attended by more than 80 community members. Its purpose was to thank the volunteers for their contributions to the environment over the previous 12 months.

In 2011 the Strengthening our Streams Project, Eastern Tributaries Restoration Project and Watsonia Road Threatened Ecological Project secured funding.

Strengthening our Streams Project

This project aims to re establish riparian vegetation to provide habitat for wildlife; buffer nutrients and fertilisers; reduce incidents of algal blooms; reduce erosion and sedimentation issues; and improve water quality in priority tributaries in the Shire of Kalamunda, Shire of Mundaring and the City of Swan. The two-hectare project sites had 11,000 native seedlings planted in 2012.

Eastern Tributaries Restoration Project

This project addresses the threats affecting the environmental values of the tributaries of the Swan River, such as declining or poor water quality and the disturbance of acid sulfate soils, or ecosystem disturbance, leading to habitat loss and biodiversity decline. The project is working to improve the quality of 20 hectares of riparian vegetation over a two-year period.

Watsonia Road Threatened Ecological Project

This project aims to improve the ecological integrity of priority reserves on Watsonia Road and Gooseberry Hill / Maida Vale, through weed control and dieback mapping. The sites are classed as 'bush forever' sites, which contain threatened ecological communities and declared rare flora.

The Eastern Catchment Management Plan was developed, along with individual catchment management plans for the catchment groups in Perth's Eastern Region. These documents provide an opportunity to evaluate and focus on achievements to date. They also identify opportunities

Helena River Environmental Flows Project

for brokering partnerships with key stakeholders (Shire of Kalamunda, Shire of Mundaring, City of Swan, Perth Region NRM, EMRC, East Reference Group, Swan River Trust and the community) to ensure effective integrated catchment management in the eastern catchment area. Implementation of the plans will commence in 2012–2013.

Marri Canker Collaborative Project

Discussions have continued with Murdoch University regarding a collaborative research project into marri (*Corymbia callophylla*) canker in Perth's Eastern Region. Marri canker is a disease which kills tens of thousands of marri trees and is caused by a select few species of fungi that are native to our forests. The disease prevents sap flowing in a tree, which eventually results in its death.

Initial research undertaken by Murdoch University showed a significant prevalence of cankers on larger, older trees and those with a reduced crown density. There is still little known about the factors driving this severe decline in marri trees and there is currently no solution on how to manage the disease.

This research project will help to educate the community in the recognition and trial treatment of marri canker, and also produce increased data on the impacts of the disease and treatment methods. Findings from this research will have benefits for the preservation of trees across Western Australia.

The *Helena River Environmental Flows Trials Project* began in February 2012, in partnership with the Swan River Trust. Aquatic fauna and water quality sampling of 10 pools (five upstream and five downstream of the Pipehead Dam) was undertaken by EMRC and Wetland Research and Management. This followed the fish survey research undertaken in 2011. Key recommendations resulting from the research included:

- Releasing environmental flows of water to flush the middle and lower reaches of the Helena River to improve water quality and help eliminate accumulated organic matter and nutrients, and increase the water volume in the pools.
- Collecting seasonal water quality data, including information on pollutants, such as pesticides, herbicides, heavy metals and hydrocarbons, to assess the causes of low fish numbers.
- Discouraging the release of yabbies and exotic fish in waterways.
- Restoring riparian vegetation buffer zones in reaches below the Pipehead Dam and reintroducing rush/sedge communities to restore habitat for aquatic fauna.

A freshwater fish pamphlet highlighting the findings of the 2011 survey was designed and distributed at a Bush Skills for the Hills Workshop on freshwater fish in 2011. Outcomes of the *Helena River Environmental Flows Trials Project* are anticipated in 2012–2013.





Swan and Helena Rivers

The *Swan and Helena Rivers Management Framework* is a strategic framework that identifies roles and responsibilities and allocates strategic actions to all stakeholders, to guide the ongoing sustainable management and development of the eastern reaches of the Swan River and its major tributary, the Helena River.

A number of key reports have emerged from the framework including the *Heritage Audit and Statement of Significance* and the *Regional Recreational Path Development Plan*. These reports identified the need to conduct further consultation with the Aboriginal community to ensure that any future infrastructure, including interpretation, trails and foreshore restoration works, were sensitive to Aboriginal heritage and cultural issues.

Member councils have been consulted to identify current path priorities and budgets for implementation of the *Swan and Helena Rivers Regional Recreational Path Development Plan*. These include priority areas in the Town of Bassendean – path construction – Sandy Beach Reserve to Ashfield Flats (connecting with existing path); City of Bayswater – path construction – Claughton Reserve; City of Belmont – path upgrades – Garvey Park; City of Swan – path construction – Max Hunt Reserve.

Stage one of the *Swan and Helena Rivers Foreshore Trail Interpretation Plan* was completed in consultation with member councils. Recommendations from the plan include four major interpretation nodes to be identified and developed; a range of interpretation methods to be investigated and developed; consultation to be undertaken with the community to identify stories; additional funding to be sourced for the delivery of the interpretation; and liaison with stakeholders outside of Perth's Eastern Region, to encourage the adoption of the same messages and a similar or complementary approach to interpreting the river. The plan identifies themes for interpretation, sites, methods and messages to be communicated.

EMRC continued to participate on the Swan River Trust Swan Canning Riverpark Iconic Trails Project Steering Group. Mapping of trails in the riverpark has been completed and

digitised and will be made available to member councils. The Swan Canning Riverpark Iconic Trails Master Plan has been progressed and aims to guide development of a trails network to increase the community benefit and amenity of the riverpark by a trail system that is linked through interpretative themes (Aboriginal, European and natural heritage) and signage.

A draft heritage audit of the riverpark has been completed by the National Heritage Trust (WA) for the riverpark area not covered in the *Swan and Helena Rivers Statement of Significance and Heritage Audit* (2009). The audit identifies the recorded heritage values within the riverpark under the themes of natural, Aboriginal and historical heritage.

Regional Aboriginal Consultation Guidelines

As part of the *Swan and Helena Rivers Management Framework*, draft Regional Aboriginal Consultation Guidelines have been developed, in consultation with member councils and key stakeholder groups, to enable more consultative and respectful Aboriginal engagement in relation to the planning and consultation processes through Section 18 applications under the *Aboriginal Heritage Act 1972*. The draft guidelines will be presented to EMRC Council for approval in late 2012.

Green Jobs Corp

EMRC entered into another six-month term with Green Jobs Corp, actively focusing on Indigenous youth in the program. The Green Jobs Corp team has worked in conjunction with the City of Swan, the Shire of Kalamunda and Shire of Mundaring, community groups and schools on approximately 25 sites over the past 18 months. Work included bushland maintenance in more than 10 hectares and also planting, weeding, erosion control, dieback treatment, habitat maintenance and putting up signs. The team's contribution to bushland restoration has been well regarded and received, especially by community catchment groups where the average age of members is over 65.

Feedback has indicated that members are grateful to have the heavy, labour-intensive work involved in Green Jobs Corp activities, as it allows them to focus on important tasks which may otherwise be overlooked. A ceremony for graduates of the program was held in April 2012. At the conclusion of the program, there were five graduates, four people entered further education or training, and 10 gained employment over the duration of the program. The majority of Green Jobs Corp participants have experienced barriers in the past when attempting to gain employment. In some cases, the barriers were severe and, therefore highlight the importance of such a program. There is often a turnaround period of up to six months for outcomes to be achieved following education, training and participation in the program. As a result, it is likely that there will be further positive outcomes from the program.

Water Campaign

The Water Campaign™ is a sustainability program developed by the International Council for Local Environmental Initiatives (ICLEI) and the Commonwealth Government. It is aimed at providing local governments with a framework and structured approach to actively assess and manage water resources. Key outcomes as a result of the progression of EMRC's Water Campaign™ milestone framework throughout the 2011–2012 period were:

- A draft Water Action Plan table was developed for the City of Swan, along with the drafting of the Milestone 2 and 3 Reports.
- The Town of Bassendean achieved Milestone 4 and an analysis was carried out of the corporate water consumption accounts and data.
- Corporate and community water consumption data analysis occurred for the City of Belmont, along with the review and reassessment of the water conservation goals and actions. New water goals have been set for the city and have been presented within the 2011–2012 Water Consumption/Re-inventory Report Card, along with the data analysis results indicating the city's water conservation progress.
- The Shire of Mundaring's corporate and community water consumption data analysis has been completed. The process of recording and quantifying the water actions undertaken or completed within the shire has started, along with the process of reviewing and reassessing the water quality priority areas, with both the corporate and the community sectors.
- The City of Bayswater achieved Milestone 2 and was recognised at an ICLEI recognition breakfast in August 2011. EMRC has commenced progression of Milestone 3 with the City of Bayswater.

Through the facilitation of member council progress through the Water Campaign™ milestone framework, EMRC has directly contributed towards significant reductions in scheme water use for the councils in Perth's Eastern Region. Within the 2010–2011 financial year it was estimated that around 38,727,000 litres of scheme water was saved collectively. This figure was estimated from the implemented actions, resulting in continuous water savings, and therefore referred to as savings of litres per year (continuous). Actions undertaken by the councils within the 2011–2012 financial year are in the process of being recorded to determine the total water savings for the region.

EMRC joined the Cities as Water Supply Catchments research program, a collaborative partnership led by Monash University, which is researching ways to better manage water in a water-sensitive city to overcome water shortages, reduce urban temperatures, improve the health of waterways and improve urban landscapes.

EMRC won the Conservation and Efficiency Award at the annual WA Water Awards in November 2011, which recognises excellence of new products, programs or services to improve and encourage water conservation. EMRC was recognised for providing accredited water efficiency audits, resulting in savings of both water and money to local governments and other organisations.





EMRC was also a finalist in the Waterwise Specialist Award for water industry professionals who have demonstrated effective waterwise practices and displayed initiative in educating staff and the community.

EMRC was a finalist in the national savewater! awards® in the government section which “Acknowledged achievement and a strong ongoing commitment by a local authority, state or federal government agency/department, to reducing its own or the community’s water use”

The savewater! awards® are Australia’s leading awards for water sustainability and recognise and reward excellence in water conservation and efficiency by business, government, schools, local communities and individuals. This year, the awards attracted over 1,000 applications from 40 countries.

To Address Climate Change Issues Within the Region

The Perth Solar City Program is a Commonwealth Government initiative that is delivered in partnership with local governments and industry. It received \$13.9 million of federal funding in 2008 to understand the barriers to energy efficiency, increase the uptake of solar technologies and to decrease carbon pollution and energy use. The program trials and demonstrates a range of solar technologies in homes largely across Perth’s Eastern Region.

In 2012, the Shire of Kalamunda completed their Energy Demand Reduction Management System at their administration centre and several high-performance day lighting systems were installed at Kalamunda Library. The Shire of Mundaring’s Swan View Youth Centre five-kilowatt (kW) photovoltaic (PV) system was installed in August 2011. The last of the 15 demonstration projects was the Perth Solar City

demonstration project at the Hazelmere Recycling Facility, which was completed in March 2012.

From the 15 demonstration projects implemented under the Perth Solar City Program within Perth’s Eastern Region, 79.48 kW of PV systems have been installed (in addition to solar heating for pools, a number of lighting retrofits, energy demand and management systems, as well as a Solatube® installation).

The annual savings to the member councils in energy costs is estimated to be \$152,826 (ex. GST). The estimated payback period for member councils is in the vicinity of six years (based on full costs – approximately three years based on equal investment from member councils and grant funding). The carbon savings to the environment are anticipated to be 610 tonnes of greenhouse gases (CO₂e) per year.

ACER

The Achieving Carbon Emissions Reduction (ACER) Program was developed in 2009 by EMRC, in collaboration with its member councils. It encourages and supports member councils within Perth’s Eastern Region to monitor, report and reduce their corporate carbon emissions. The program also provides information and education to the community and local businesses in the region on reducing energy consumption and other issues relating to sustainability and climate change.

A number of highlights and actions were achieved throughout 2011–2012 under the ACER Program. Carbon reduction strategies have been drafted for the Shire of Mundaring and the Town of Bassendean. The City of Bayswater’s Greenhouse Action Plan was revised and updated to support strategic objectives. The chapter dealing with climate change in the City of Belmont’s Environment Plan was also revised and updated, along with the drafting of prioritised actions for implementation.



EMRC developed an ACER Home Energy Audit Kit to assist residents to better understand climate change and ways in which they can reduce their carbon emissions.



EMRC developed an ACER Home Energy Audit Kit to assist residents to better understand climate change and ways in which they can reduce their carbon emissions. Kits were made available at libraries and member council offices in Perth's Eastern Region.

EMRC, along with the Town of Bassendean, City of Bayswater, City of Belmont and Shire of Mundaring have signed up to the WALGA Local Government Emissions Reporting Platform, hosted by Greensense. EMRC has assisted with the development of corporate structures and is entering account information into the software. Automatic uploading of data on electricity consumption has occurred for the City of Belmont, the Shire of Mundaring and EMRC. Data collection for manual input has also begun. Some initial emissions data from electricity consumption is available on these platforms, providing a starting point for producing a full carbon footprint for each organisation. Data will also be used to identify high-use facilities for energy-efficient retrofits and upgrades. Ongoing comparison of data will enable the calculation of energy and emissions reductions from action implementation.

Data has been collected within EMRC to calculate Ascot Place emissions for its corporate fleet and air travel, to continue the carbon offset program conducted by Carbon Neutral. By planting 756 trees through the Trees for Sequestration Program this year, 126 tonnes of carbon dioxide equivalent (CO_2e) were offset. From 2005 to 2012, EMRC has cumulatively contributed to 1,519 tonnes of carbon dioxide equivalent (CO_2e) being captured by carbon forest sinks.

Adding to its water auditing capabilities, EMRC is now providing an energy auditing service, with three trained auditors able to provide Level 2 audits to AS/NZS 3598:2000 energy audits standard for member councils and other clients. The audits provide an on-site assessment of fixtures, equipment and management practices to determine their efficiency, with recommendations for improvement and a range of practical and cost-effective measures for reducing consumption, thereby achieving and sustaining savings. With energy use and corporate social responsibility a high-profile issue, and ongoing increases in electricity costs anticipated over the next few years, energy conservation is now more important than ever.

Future Proofing

EMRC continued to partner with member councils to develop and implement Local Climate Change Adaptation Action Plans (LCCAAPs) through the *Future Proofing Perth's Eastern Region – Regional Climate Change Adaptation Action Plan 2009–2013*. The project has placed EMRC's member councils and Perth's Eastern Region as leaders in the area of adapting to climate change. EMRC also:

- worked in conjunction with the Shire of Kalamunda to finalise its LCCAAP which was approved in April 2012;
- continued working with the City of Belmont and the Town of Bassendean to implement the key actions from their LCCAAPs;
- continued to work with the City of Bayswater to finalise its LCCAAP; and
- participated with five member councils in the WALGA Climate Change Declaration signing ceremony, held in May 2012, demonstrating the organisation's commitment to action on climate change.





Key Result Area 2: Social Opportunities

To Facilitate Regional Tourism Development

<PerthTourism.com.au> is an online regional portal maintained by EMRC that provides information on events, trails and experiences in Perth's Eastern Region. The website provides a valuable source of free marketing for member councils and their communities to promote events within the region. It is designed to direct enquiries to the Swan Valley, Mundaring and Kalamunda visitor centres for detailed product information and bookings. It receives around 4,500 unique visitors each month and is the central source of information for regional events such as Perth's Autumn Festival and the Act-Belong-Commit Avon Descent Family Fun Days.

To Facilitate Regional Cultural and Recreational Activities

Act-Belong-Commit Avon Descent

The Act-Belong-Commit Avon Descent Family Fun Days are a series of five community-based events staged by participating councils along the foreshore of the Avon and Swan rivers. These events engage communities and attract spectators to the 124-kilometre white water race. EMRC has played a key role in coordinating this event since 2004.

In 2011, EMRC secured \$250,500 (ex. GST) from Lotterywest for a regional marketing campaign and delivery of the Family Fun Days held by the City of Bayswater, City of Belmont, Shire of Northam, City of Swan and Shire of Toodyay. EMRC works collaboratively with the Northam's Avon Descent Association (NADA) and participating councils to coordinate the annual regional marketing campaign for the Family Fun Days. The 2011 Family Fun Days were successfully held from 5 to 7 August 2011. Fine weather and ideal water conditions ensured a great environment for spectators and competitors alike. Approximately 25,000 people attended the five Family Fun Days, with several events reporting an increase in attendance from previous years. The 2012 Act-Belong-Commit Avon Descent will be the 40th anniversary of the white water race.

Perth's Autumn Festival

Perth's Autumn Festival is an annual six-week program of events that collaboratively promotes nominated tourism, community and cycling events held in Perth's Eastern Region. Now in its 12th year, Perth's Autumn Festival is gaining recognition as one of Perth's key community events and draws residents and visitors to appreciate the arts, culture, culinary delights and natural beauty of the Swan River, Perth Hills and Swan Valley.

The 2012 festival was a huge success, with around 15,000 people taking part in the following seven community events between March and May:

- A Vintage Weekend in the Swan Valley
- Autumn River Ramble by the Swan
- City of Bayswater's Autumn River Festival
- City of Belmont's Autumn River Festival
- Cycle the Trails of the Hills
- Bike in the Valley
- Bickley Harvest Festival

EMRC supports the festival through the provision of business planning assistance and coordination of a regional marketing and public relations campaign. In 2012, EMRC secured festival sponsorship from Perth Airport Pty Ltd to support marketing initiatives, which included festival brochures and newspaper advertising.

The festival is working to improve sustainability and become Clean and Green by 2013. In accordance with this vision, EMRC assisted member councils to develop a *Clean and Green Strategy*, including event action plans, to set initiatives for 2012 and 2013.



EMRC Deputy Chair, Cr Janet Powell and Member for East Metropolitan Region, Hon Donna Faragher with the Lotterywest cheque for the Act-Belong-Commit Avon Descent Family Fun Days.



Key Result Area 3:

Economic Development





To Facilitate Increased Investment in Regional Infrastructure

The *Regional Integrated Transport Strategy (RITS) 2010–2015* provides strategic direction and guidance for the integration of transport and land use planning in Perth's Eastern Region. The RITS guides regional advocacy and policy implementation through actions listed under the following five key focus areas:

- Integrated Transport and Land Use Planning
- Public Transport Service Provision
- Connectivity and Accessibility for Walking and Cycling
- Road and Freight Rail Infrastructure
- Community Engagement, Education and Behaviour Change Objectives.

A minor review of the *RITS Action Plan 2010–2013* was undertaken throughout 2011–2012 which included a thorough desktop analysis of EMRC resources and liaison with representatives from member councils, Main Roads WA, the Department of Planning, the Department of Transport, Perth Airport Pty Ltd, the Public Transport Authority and the WA Road Transport Association Inc.

EMRC facilitated a minor review workshop on 28 March 2012, as part of a meeting of the Implementation Advisory Group (IAG), who meet quarterly to report on progress towards the completion of the RITS. Findings from the desktop review were presented to the IAG which provided feedback and critical evaluation.

It was concluded that 100 per cent of the RITS actions had been progressed in some form and that eight per cent were completed in full. Updates for future versions of the strategy were noted to accommodate organisational changes and advancement on specific advocacy items. The key performance indicators were also discussed with new methods of measurement adopted.

The *Regional Cycle Network Master Plan* has been developed by the Australian Road Research Board (ARRB) Group in conjunction with EMRC, member councils and Curtin University's Department of Urban and Regional Planning. The plan outlines the quality of the existing cycle infrastructure and routes; the identification of new routes to provide linkages; and the identification of the types of infrastructure needed in various situations relating to land use.

An efficient and effective public transport network is vital to provide services that enable access to and from the region and links with both employment and residential areas. EMRC provided a submission to the Department of Transport's *Draft Public Transport Network Plan – Public Transport for Perth in 2031* in October 2011. The submission outlined EMRC's commitment to working with key stakeholders to create a transport network in Perth's Eastern Region that is efficient, safe and integrates all modes of transport, with particular emphasis on increased public transport. This integrated network will meet the needs of Perth's Eastern Region as a fast-growing, strategic and economic hub for the metropolitan area.

This position was further pursued in a submission to the Department of Planning in August 2011: *Capital City Planning Framework – Draft Capital City Planning Framework: A Vision for Central Perth*.



A *Transport Road Priority List Review* update was undertaken in November 2011 by the RITS IAG. Items have been combined to integrate potential project scope; updated to better reflect current advocacy goals and actions; and added to in order to incorporate new projects and council priorities.

Several priority items in relation to the upgrade of Tonkin Highway between Leach and Roe highways were combined to capture their merging under the Gateway WA project. The \$1 billion project is an extensive upgrade of the road network around Perth Airport and nearby industrial estates, which will receive a federal contribution of up to \$686.4 million and state government funding of \$317.5 million over the forward estimates to 2015–2016. Key transport road priorities were identified as:

- Perth–Adelaide Corridor: Advocate for a works staging plan and cost estimates of funding to be prepared for the new highway, between Roe Highway and the Shire of Northam.
- Great Eastern Highway: Advocate for funding for the identified road safety improvements between Bilgoman Road, Greenmount and Mann Street, Mundaring.
- Roe Highway Interchange: Review between Great Northern Highway and Great Eastern Highway bypass.

EMRC has received funding from the Department of Transport to employ a regional TravelSmart officer for three years, from July 2012. The TravelSmart initiative has been identified as a key regional project through the *RITS Action Plan 2010–2013*.

The aim of the TravelSmart initiative is to reduce reliance on private cars by encouraging people to walk, cycle and use public transport. The TravelSmart officer will achieve this by:

- Establishing a work plan for adoption by EMRC Council that is aimed at reducing the number of people who commute as single occupants in cars.
- Integrating TravelSmart (travel information and behavioural approaches) into the broad transport, land use planning and community development policies of EMRC Council.
- Developing local travel information and events-based opportunities for the local community.
- Developing a Workplace Travel Plan with the assistance of council employees.
- Promoting and assisting the local community to engage in TravelSmart initiatives such as TravelSmart to Schools, Walking School Bus™, and TravelSmart workplace programs.

To Support the Development of Regional Education and Training Opportunities

A *Regional Youth and Education Discussion Paper* was developed to establish the need and feasibility of developing a Regional Youth and Education Strategy for the region. The paper identified that the region has a wide range of agencies delivering services in the area of youth and education; and that member councils are actively involved in the delivery of a range of youth initiatives in their communities. The paper will be used to prioritise relevant youth projects for the region that complement activities already underway, or proposed, by member councils, the community sector and government. EMRC's role will be to facilitate agreed youth projects that support the direction, projects and initiatives outlined in the *Regional Economic Development Strategy*, the *Regional Environment Strategy* and *Regional Advocacy Strategy*.

To Facilitate Regional Economic Development Activities

The *Regional Economic Development Strategy (REDS)* sets in place a structured framework for the delivery of economic development activities for the period 2010–2015. Activities which will be implemented through the REDS include the development of a Regional Digital Strategy, research of regional industry trends; promotion of the region as an attractive investment destination; and investigations into industry capability and clustering initiatives. Developed in conjunction with the six member councils, it is designed to ensure that regional economic development activities delivered by EMRC, complement and support projects already underway, or proposed, by member councils, businesses or industries.



EMRC has received funding from the Department of Transport to employ a regional TravelSmart officer for three years, from July 2012.



EMRC facilitates meetings of the Economic Development Officers Group (EDOG) on a bi-monthly basis. The group consists of economic development officers from the six member councils, who share information on regional and local activities related to economic development. The group also identifies and progresses opportunities to collaborate on economic development issues of benefit to Perth's Eastern Region.

Support for small businesses through business networks leads to better information flows and opportunities for increased business transactions within Perth's Eastern Region.

EMRC's regional development staff actively engage with the chambers of commerce within Perth's Eastern Region, including the Swan Chamber of Commerce and Kalamunda Chamber of Commerce. Staff regularly attend events hosted by these chambers, providing networking opportunities with ministers of relevant portfolios, as well as developing relationships with businesses in the region.

Encouraging the growth of existing businesses and attracting new businesses to meet local industry needs will generate opportunities for a diverse economy that supports local employment and attracts investment to the region.

EMRC has been involved in the facilitation of the Engineering and Manufacturing Industry Cooperative Limited (EMICoL) industry clusters since 2006. The EMICoL is a group of industries made up of small to medium businesses in the manufacturing, engineering, mining and fabrication sectors. It acts as a conduit between the needs of industry and the capabilities of its members. EMICoL has prepared a capability register which captures the individual capabilities of each member organisation, sponsor or supplier and provides the end user with an opportunity to pursue a working relationship with a single EMICoL company, or group of EMICoL companies, to meet their needs.

Through regular feedback from members, as well as relationships with government and industry, EMICoL provides communications to its members to ascertain emerging trends, identify commercial opportunities and recognise market gaps in industries for training, resource pooling and employee upskilling.

EMRC has an online community profile for Perth's Eastern Region on its website, known as *profile.id*, which is a regional profiling tool enabling users to analyse local community characteristics. This profile is complemented by *atlas.id*, which is an online social atlas of thematic maps showing where specific groups of people live. The provision of

demographic data allows for easy access by the community and stakeholders to statistics which will inform decision-making for their activities and businesses.

EMRC purchases a regional economic analysis software package called REMPLAN™ which gives access to a dynamic economic modelling capability and detailed regional economic data for up to 111 different industry sectors. An additional dataset for the Perth metropolitan area allows for comparisons between Perth's Eastern Region, member councils and the broader Perth area. Access to REMPLAN™ for member councils is available at EMRC's office in Belmont and public access is available from <<http://www.emrc.org.au/useful-links.html>>

EMRC previously organised half-day field trips, known as the Industrial Famili tours, to familiarise EMRC and member council staff with industrial estates in the region. These tours have since evolved in nature to become the Showcase Series.

The showcases act on a broader scope to include local businesses, politicians and educational facilities. The first in the series was the digital media showcase, entitled The Future is Digital – How Your Business Can Prepare and was held in March 2012 at EMRC's administration office. The event provided local business owners, member councils, politicians and educational representatives with insights into the digital economy and encouraged people to think more broadly about opportunities to apply digital connectivity to improve business outcomes. The Showcase Series will continue and will feature topics of strategic interest to Perth's Eastern Region.



Regional Business Advisory Group

In January 2012, EMRC facilitated a meeting with representations from business owners and member councils to discuss the potential for establishing a regional business advisory group. Within Perth's Eastern Region, almost every council has a business advisory group and there are also several membership-based, business-focused organisations. There was general support for a group to work at a regional level and act as a central point for sharing information and reaching a broader audience.

The benefit of such a group is that it can provide opportunities for all groups to interact at a single point, rather than attending different meetings and liaising with several councils. Information about major investments in other local governments that may have implications for all local governments can also be discussed. The group can also act as a single point for organisations looking to locate or relocate within the region, as well as provide a hub for lobbying on major issues and a conduit for regional chambers of commerce. Common issues that can be addressed include:

- apprenticeships and traineeships (such as the EMICoL LEAP program)
- transport – roads, traffic flow, safety, freight and light rail
- telecommunications/technology
- skills shortages
- energy – power, water and gas
- complementary planning along council boundaries
- supply of industrial and commercial land
- a local job network to source employees.

The Regional Business Advisory Group has now been constituted and its terms of reference have been adopted.

Regional Digital Strategy

In 2009, the National Broadband Network Company Limited was established to build and operate a National Broadband Network (NBN). In June 2009, the Chief Executive Officers Advisory Committee (CEOAC) recommended to EMRC that broadband infrastructure be included as a priority for regional advocacy, with the aim of maximising opportunities that will arise with the rollout of the NBN for Perth's Eastern Region.

EMRC will facilitate the development of a Regional Digital Strategy in consultation with member councils through the Economic Development Officers Group (EDOG), business and industry in 2012–2013. This strategy will guide EMRC in the delivery of agreed regional broadband activities and ensure they complement member councils' existing communications and digital technology strategies.

Maximising Economic Development Opportunities

A working group has been formed in Midland to investigate and identify ways of maximising economic development opportunities for the region from the major developments being proposed in the area. The group comprises the City of Swan, Swan Chamber of Commerce, the Metropolitan Redevelopment Authority and EMRC.

The Health in Perth's Eastern Region (HIPER) research project is aimed at supporting the region to maximise economic opportunities from the Midland Health Campus and Midland GP Super Clinic investments. The HIPER report identified key actions to be considered and these are grouped into the following areas:

- education and training initiatives
- health and safety initiatives
- governance initiatives
- Indigenous and immigrant health initiatives, including mental health
- infrastructure initiatives
- local business initiatives
- place making
- other health-related initiatives.

All actions have an impact on economic development within Perth's Eastern Region.

Following the announcement from the state government regarding St John of God being the preferred supplier for the Midland Health Campus, the working group is now focusing on the development of activities that will promote the area as a key health precinct and capitalise on the investment in the region's health infrastructure.

EMRC regional development representatives met with member council planning staff in early 2012 to discuss the potential for providing regional planning support and identifying opportunities and constraints. The gaps and needs of member councils were identified, and information sharing relationships were facilitated and developed in response. Dialogue between member council staff is continuing. Regional development staff are conducting ongoing monitoring of progress in this area, responding to enquiries and providing support when necessary.

A photograph of two men in business attire. On the left, a man with short brown hair and a slight smile is wearing a dark pinstripe suit, a white button-down shirt, and a light-colored striped tie. He is holding an open black three-ring binder with both hands, looking down at it. On the right, another man with dark hair and a beard is wearing a dark grey suit, a light blue button-down shirt, and a patterned tie. He is also looking down at the same binder. They appear to be outdoors, with a large green plant and a building visible in the background.

Key Result Area 4: Good Governance



To Provide Advice and Advocacy on Issues Affecting Perth's Eastern Region

The *Regional Advocacy Strategy 2010–2015* provides a framework for guiding the delivery of advocacy and government relations activities for Perth's Eastern Region.

The focus of regional advocacy during 2011–2012 was on a range of strategic issues raised by member councils and EMRC strategies, such as the *Regional Integrated Transport Strategy*, the *Regional Environmental Strategy* and the *Regional Climate Change Adaptation Action Plan*. Other topics raised at meetings with politicians, both locally and in Canberra, included issues facing the Swan and Helena River systems; the impact of the carbon pricing legislation for local governments; rollout of the National Broadband Network; strategic transport and road infrastructure; the need for a university presence in the region; and the eligibility of EMRC for certain federal government funding programs.

A delegation went to Canberra for two days in September 2011 and attended 14 appointments with members, senators and advisers from most political parties. The meetings were productive and provided the opportunity to raise the profile of Perth's Eastern Region and discuss issues facing the region with politicians and key departments. Information from the meetings has been used to follow up specific actions to benefit the region and meet EMRC's strategic direction.

EMRC has consolidated its image as a credible partner for regional projects and is supported by an accumulated body of research, capable of backing regional advocacy and government relations efforts. The following submissions were lodged in response to various strategic direction documents:

- Public Transport for Perth in 2031
- Capital City Planning Framework – A Vision for Central Perth
- Metropolitan Local Government Review Panel
- Priority Plan for Investment in the Swan Canning Catchment
- Swan River Trust Draft River Protection Strategy
- State Coastal Planning Policy
- Western Australian Bicycle Network Plan.

EMRC provides representation for the region on numerous peak bodies and committees including:

- Gateway WA Steering Committee and Environmental Reference Group
- City East Alliance
- Perth Region NRM Local Government Reference Group
- The Swan Canning Policy Forum, Swan Canning Riverpark Iconic Trails Steering Group
- Swan River Trust Committees
- WALGA Greensense Emissions Reporting Platform and Climate Change
- Cities as Water Supply Catchments
- Forum of Regional Councils
- Municipal Waste Advisory Council and committees – Officers Advisory Group, Household Hazardous Waste Committee, Contaminated Sites Committee



EMRC Community Grants Program was conducted to support community groups in the vicinity of the Red Hill Waste Management Facility.



- Australian Landfill Owners Association
- Waste Management Association of Australia
- Perth Solar City – Consortium.

A review has been undertaken of the key regional issues of priority and their alignment with the current strategic priorities as well as the direction of member councils and state and federal governments. Demonstrating an alignment between regional strategic direction, and that being identified at state and national level, will ensure that a whole-of-government approach is progressed and that the best leverage is made of opportunities and resources.

The sustainable growth of Perth's Eastern Region will be largely dependent on the strength and ability of the region to assemble its resources to capitalise on future funding opportunities to support regional-scale projects and activities.

To Manage Partnerships and Relationships with Stakeholders

Member council consultation on the Resource Recovery Project occurred predominantly through the medium of the Resource Recovery Committee and EMRC Council, as well as other committees, such as the Waste Education Steering Group. In November 2011, the Resource Recovery Committee was briefed on the outcomes of the environmental impact assessment for the proposed Resource Recovery Facility at the Red Hill Waste Management Facility.

A community partnership agreement (CPA) was completed in August 2011, after a period for public comments, and endorsed by EMRC Council on 18 August 2011. The CPA sets goals and objectives for the construction and operation of the proposed Resource Recovery Facility, together with possible indicators for each of the objectives.

The Waste Management Community Reference Group and the Red Hill Community Liaison Group continued to meet throughout the year and were involved in, and informed about, EMRC's waste management initiatives and the Resource Recovery Project, including the results of the draft public environmental review (PER).

The annual EMRC Community Grants Program was conducted to support community groups in the vicinity of the Red Hill Waste Management Facility. The program has assisted numerous groups to develop a wide range of projects since its inception in 1997. This year's successful grant recipients were presented with a cheque at a special ceremony held

at the Red Hill Waste Management Facility. Under the 2011–2012 program, a total of \$7,900 was awarded to nine community groups.

To Improve Marketing and Communications

EMRC's Marketing and Communications Team supports the organisation to develop and maintain strong communication with internal and external stakeholders to uphold the integrity of EMRC's brand.

Implementation of EMRC's Marketing and Communications Plan continued throughout the year, guiding day to day marketing support for the organisation's strategic objectives and directorates, and outlining key projects and activities to strengthen the organisation's corporate communications.

An external consultancy was engaged by the Waste Education Team to conduct a series of focus groups and surveys of residents to investigate people's knowledge, attitudes and perceptions of waste. The findings from the research, along with consultation with member councils, will help to form a new two-year waste education strategy for the region.

To Provide Responsible and Accountable Governance and Management of EMRC

It is a requirement of Section 5.18 of the *Local Government Act 1995* that the delegations made by the council to committees are reviewed at least once in every financial year. It is also a requirement of Section 5.46 of the Act that the delegations made by the council to the chief executive officer are reviewed at least once in every financial year.

Delegations of Authority were reviewed and council reaffirmed the delegated powers and duties at the EMRC Council meeting held in April 2012.

The *Local Government (Administration) Regulations 1996* have recently been amended and, in accordance, all local government authorities must develop a 10-year strategic plan and a 4-5 year Corporate Business Plan. Compliance is required by 30 June 2013 and, in preparation for this, a council workshop was held on 24 March 2012 to identify the long-term vision for Perth's Eastern Region. The outcomes of the workshop will be used to prepare a 10-year plan, with a view to commencing its implementation in 2012–2013. The plan will be used to develop the Corporate Business Plan and this will detail the services, operations and projects that EMRC will deliver over the 4-5 year period.

To Continue to Improve Financial and Asset Management

The annual stocktake of facilities and assets, and a survey of stockpiles, at the Hazelmere Recycling Centre were completed throughout 2011–2012.

An increase in the number of administration staff at the Red Hill Waste Management Facility site over the years called for a new administration building to cater for current and future requirements. On 14 March 2012, staff moved into the new building which includes room for the computer server, a store room, a meeting room and basic kitchen facilities.

To Continue to Improve Information Management Practices

The Information Technology (IT) Disaster Recovery Plan has been reviewed and EMRC's finance system was restored to a test server as part of the process of upgrading the finance server to a virtual machine. The IT Disaster Recovery Plan will be renewed in the 2012–2013 financial year to incorporate improved back-up of key servers by deploying a new fibre-optic link to the Red Hill Waste Management Facility.

Inter-site communications

The fibre-optic communications link between the Red Hill Waste Management Facility and EMRC's administration building in Belmont was completed and commissioned in May 2012. The link will enable reliable and secure communications between the sites and will allow for future expansion. It is also planned to use the link for remote server back-ups.

The mobile broadband network to the Hazelmere Recycling Centre was replaced with a wireless service. The link is stable and performing well with improved link speeds.

Asset replacement

Workstations and laptops were replaced in 2011–2012 as part of the Asset Replacement Program. In addition, servers due for replacement, were replaced with virtual servers, including the email server, finance system, external web server and the remote log-in server.

To Improve Organisational Culture, Health, Welfare and Safety

Development of a High-Performing Team

EMRC continued its focus on delivering efficient and effective services to stakeholders and the community within Perth's Eastern Region throughout 2011–2012. The main priority during the previous year was to commence an organisational transformation process. The culture change project was named Our Journey Towards Success. With the assistance of an internal culture improvement team, the following projects were rolled out:

- A second staff survey was conducted in September 2011 and showed significant improvement, as a result of two new programs that were launched in the previous year – the Employee Suggestion Program and the Rewards and Recognition Program.
- EMRC's inaugural Employee of the Year was awarded in December 2011.
- A number of initiatives to encourage the working relationship amongst the staff across the multi-site environment were held, including:
 - ◊ The Annual Planting Day at the Red Hill Waste Management Facility – this event is in its third year and is now part of the staff calendar of events. Ascot Place staff go to the Red Hill Waste Management Facility and, with their operations colleagues, rehabilitate areas identified at the site.
 - ◊ Participation in Clean Up Australia Day – EMRC staff members volunteered to help clean up abandoned rubbish.
- The FUNtastic Five are five staff members who develop fun activities for staff at EMRC. A number of activities were organised for staff throughout the year, including an Easter Hunt, Word Scramble Game, production of an EMRC Cookbook and a Guess the Pet competition to raise funds to adopt an endangered animal. Themed Easter and Valentine's Day games and activities were also organised for the enjoyment of staff.
- The improved health and wellbeing of staff continued through EMRC's Health Program and included initiatives such as flu vaccinations, pool vouchers and educational presentations.

Reviews were carried out for the staff training program at the Red Hill Waste Management Facility, Hazelmere Recycling Centre and at the Coppin Road and Mathieson Road transfer stations. These reviews are conducted on a yearly basis to ensure a safe working environment is provided for staff and to reduce any possible risk exposure to site visitors.



Statutory Reports

Statutory Compliance Return

The Statutory Compliance Return for the period 1 January 2011 to 31 December 2011 was completed and lodged as required. EMRC Council was able to advise that it achieved a high level of compliance with all matters applicable to EMRC's operations.

National Competition Policy

The Competition Principles Agreement (CPA) is a contractual agreement between the federal government and all state and territory governments. As a result, local government is committed to the CPA.

The CPA aims to ensure that all public enterprises operate in a transparent manner and in the best interests of the public. Under the CPA, public enterprises are required to review their operations to ensure that they have no competitive advantage, or disadvantage, in comparison to the private sector.

EMRC supports the CPA concept. 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, occupational health and safety services, and environmental services – should be subject to competitive neutrality principles.

Furthermore, 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 EMRC.

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*, to be reported annually.

There have been no registered complaints against EMRC Council members during the 2011-2012 financial year.

Payments to Employees

The *Local Government (Administration) Regulations 1996* prescribes under r19B that for the purposes of s.5.53(2)(g) of the *Local Government Act 1995*, the annual report of a local government must contain the following information.

a) The number of EMRC employees entitled to an annual salary of \$100,000 or more	Five staff members			
	\$120,000 to \$129,999	\$130,000 to \$139,999	\$160,000 to \$169,999	\$180,000 to \$189,999
b) The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000	Two staff members	One staff member	One staff member	One staff member

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 of the district, made in accordance with s.5.56, including major initiatives that are proposed to commence, or to continue, in the next financial year.

The *Local Government (Administration) Regulations 1996* r19C(9) Planning for the Future – s.5.56, states that a local government is to ensure that a plan for the future made in accordance with this regulation applies in respect of each financial year after the financial year ending 30 June 2006. Therefore, EMRC's five-year financial plan is detailed to outline the operating income and expenditure for the period from 2010–2011 to 2015–2016.

Five-Year Financial Plan

The five-year financial plan outlines EMRC's operating income and expenditure.

Financial Summary	Budget	Forecast			
	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Operating Income	(\$41,363,378)	(\$44,019,492)	(\$46,637,463)	(\$49,713,761)	(\$52,929,774)
Operating Expenditure	\$37,839,907	\$37,741,957	\$37,654,007	\$38,895,257	\$41,338,935
Normal Operating Result	(\$3,523,471)	(\$6,277,535)	(\$8,983,456)	(\$10,818,504)	(\$11,590,839)
Other Income	(\$10,664,052)	(\$10,630,296)	(\$8,848,184)	(\$8,262,369)	(\$7,976,057)
Other Expenditure	\$1,990,306	\$1,529,830	\$1,295,531	\$1,082,898	\$1,173,853
Changes in net assets from operations	(\$12,197,217)	(\$15,378,000)	(\$16,536,109)	(\$17,997,975)	(\$18,393,042)
Capital Expenditure	\$24,090,652	\$18,397,318	\$31,639,215	\$63,023,746	\$14,639,758
Net Operating and Capital Expenditure	(\$11,893,435)	\$3,019,318	\$15,103,105	\$45,025,771	(\$3,753,285)

*Current as at the adoption of the 2012/2013 Budget on 19 July 2012.

Public Interest Disclosures Act 1998

During the 2011-2012 period, EMRC received no public interest disclosure applications.

State Records Act 2000

The administration and compliance team provided record-keeping in accordance with its record-keeping plan. EMRC received feedback on the plan and all updated information was sent to the State Records Commission with approval given, acknowledging that the plan indicates a strong commitment to address matters within specific time frames. The next review is due in December 2013.

EMRC's primary electronic document management system, Document Manager, has had 160,325 documents saved to its two repositories by staff since its implementation in July 2003.

Records management training was updated and new staff members were provided with a records induction to inform them of their responsibilities in regard to corporate record-keeping. The records officer also provided a help-desk for Document Manager users and ongoing training to all staff.

Freedom of Information

During the 2011-2012 period, EMRC received no freedom of information enquiries.

Disability Services Act 1993

EMRC's Disability Access and Inclusion Plan (DAIP) 2010–2012 has been developed to ensure that 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. Actions implemented during 2011-2012 included:

- A variety of media including newspaper, website, radio and SMS was used to advertise events (e.g. Act-Belong-Commit Avon Descent Family Fun Days)
- New staff members were provided with copies of EMRC's DAIP Policy and Plan
- The Staff Manual was reviewed
- The new administration building at the Red Hill Waste Management Facility was constructed with a wheelchair accessible ramp and accessible toilets.

A report outlining the EMRC's DAIP implementation progress for the 2011-2012 period will be presented to the Disability Services Commission by 31 July 2012.

Statement by Chief Executive Officer

EASTERN METROPOLITAN REGIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012

LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT)
REGULATIONS 1996

STATEMENT BY CHIEF EXECUTIVE OFFICER

As the Chief Executive Officer of the Eastern Metropolitan Regional Council, I declare that the accompanying concise financial report for the financial year ended 30 June 2012:

- complies with Accounting Standard AASB 1039: Concise Financial Reports; and
- is an extract from the full financial report for the year ended 30 June 2012 and has been derived from and is consistent with the full financial report of the Eastern Metropolitan Regional Council.

Signed on the 23rd day of August 2012



PETER B. SCHNEIDER
Chief Executive Officer

Independent Audit Report



Certified Practising Accountants

PARTNERS
Anthony Macri FCPA
Domenic Macri CPA
Connie De Felice CA

INDEPENDENT AUDITOR'S REPORT

TO: MEMBERS OF EASTERN METROPOLITAN REGIONAL COUNCIL

Report on the Concise Financial Report

The accompanying concise financial report of Eastern Metropolitan Regional Council comprises the Statement of Financial Position as at 30 June 2012, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and related notes derived from the audited financial report of Eastern Metropolitan Regional Council for the year ended 30 June 2012 and the discussion and analysis. The concise financial report does not contain all the disclosures required by Australian Accounting Standards.

Council's Responsibility for the Concise Financial Report

The Council is responsible for the preparation and fair presentation of the concise financial report in accordance with Accounting Standard AASB 1039: *Concise Financial Reports*, the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the full financial report of Eastern Metropolitan Regional Council for the year ended 30 June 2012. Our auditor's report on the financial report for the year was signed on 27 August 2012 and was not subject to any modification. Australian Auditing Standards require that we comply with the relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion, and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in AASB 1039: *Concise Financial Reports*.

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

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Independent Audit Report (Cont.)

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the concise financial report (including the discussion and analysis) of the Eastern Metropolitan Regional Council for the year ended 30 June 2012 complies with Accounting Standard AASB 1039: *Concise Financial Reports*.

Matters Relating to the Electronic Publication of the Concise Financial Report

This auditor's report relates to the concise financial report of Eastern Metropolitan Regional Council for the year ended 30 June 2012 included on Eastern Metropolitan Regional Council's website. The Council is responsible for the integrity of Eastern Metropolitan Regional Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. 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 concise financial report to confirm the information contained in this website version of the concise financial report.



MACRI PARTNERS
CERTIFIED PRACTISING ACCOUNTANTS
SUITE 2, 137 BURSWOOD ROAD
BURSWOOD WA 6100



A MACRI
PARTNER

PERTH
DATED THIS 27TH DAY OF AUGUST 2012.

Statement of Comprehensive Income

(By Program) for the year ended 30 June 2012

	Actual 2011/2012 \$	Budget 2011/2012 \$	Actual 2010/2011 \$
REVENUE			
Governance	57,406	334,598	32,540
General Purpose Funding	2,575,309	2,302,976	1,982,934
Community Amenities	36,954,974	35,740,715	29,832,049
Other Property and Services	1,363,632	1,307,869	2,207,105
TOTAL REVENUE	40,951,321	39,686,159	34,054,627
EXPENSES			
Governance	40,293	1,572,021	586,492
Community Amenities	23,019,671	24,986,286	20,641,120
Other Property and Services	4,469,098	4,393,893	4,185,502
TOTAL EXPENSES	27,529,062	30,952,200	25,413,114
INCREASE/(DECREASE)	13,422,259	8,733,959	8,641,514
DISPOSAL OF ASSETS			
Profit on Sale	805,991	411,207	38,136
Loss on Sale	(5,908)	0	(1,062)
PROFIT/(LOSS) ON DISPOSALS	800,083	411,207	37,074
REALISED/UNREALISED GAIN/(LOSS) FROM CHANGE IN FAIR VALUE OF INVESTMENTS			
General Purpose Funding	336,965	0	1,035,940
GAIN/(LOSS)	336,965	0	1,035,940
Other Comprehensive Income	0	0	0
TOTAL COMPREHENSIVE INCOME	14,559,307	9,145,166	9,714,528

THE ACCOMPANYING NOTES FORM PART OF THE CONCISE FINANCIAL REPORT

Statement of Comprehensive Income

(By Nature and Type) for the year ended 30 June 2012

	Actual 2011/2012 \$	Budget 2011/2012 \$	Actual 2010/2011 \$
REVENUE			
Fees and Charges	35,119,314	34,231,057	27,821,888
Contributions	1,306,068	1,204,865	1,321,313
Operating Grants	643,550	698,695	1,714,015
Interest Earnings	2,575,309	2,302,976	1,982,934
Other Revenue	1,307,080	1,248,565	1,214,476
TOTAL REVENUE	40,951,321	39,686,159	34,054,627
EXPENSES			
Employee Costs	7,759,113	8,024,620	7,034,119
Materials and Contracts	5,731,700	7,102,736	6,296,307
Utility Expenses	232,023	190,559	147,303
Insurance Expenses	226,205	219,043	195,144
Finance Fees and Interest Expenses	16,159	14,800	15,838
Other Expenditure	10,587,500	10,667,725	8,855,901
Depreciation Expenses	2,976,362	4,732,717	2,868,502
TOTAL EXPENSES	27,529,062	30,952,200	25,413,114
INCREASE/(DECREASE)	13,422,259	8,733,959	8,641,514
DISPOSAL OF ASSETS			
Profit on Sale	805,991	411,207	38,136
Loss on Sale	(5,908)	0	(1,062)
PROFIT/(LOSS) ON DISPOSALS	800,083	411,207	37,074
REALISED/UNREALISED GAIN/(LOSS) FROM CHANGE IN FAIR VALUE OF INVESTMENTS			
Realised Gain/(Loss)	336,965	0	973,550
Unrealised Gain/(Loss)	0	0	62,390
GAIN/(LOSS)	336,965	0	1,035,940
Other Comprehensive Income	0	0	0
TOTAL COMPREHENSIVE INCOME	14,559,307	9,145,166	9,714,528

THE ACCOMPANYING NOTES FORM PART OF THE CONCISE FINANCIAL REPORT

Statement of Financial Position

As at 30 June 2012

	Actual 2011/2012 \$	Actual 2010/2011 \$
CURRENT ASSETS		
Cash and Cash Equivalents	47,125,607	34,239,251
Investments	29,348	2,567,115
Trade and Other Receivables	3,534,293	3,018,273
Inventories	44,528	46,105
Other Assets	108,495	105,194
TOTAL CURRENT ASSETS	50,842,271	39,975,938
NON CURRENT ASSETS		
Property, Plant and Equipment	32,985,461	29,868,109
Work in Progress	412,861	272,020
TOTAL NON CURRENT ASSETS	33,398,321	30,140,129
TOTAL ASSETS	84,240,592	70,116,067
CURRENT LIABILITIES		
Trade and Other Payables	4,251,981	4,970,223
Provisions	1,190,512	1,046,241
TOTAL CURRENT LIABILITIES	5,442,493	6,016,464
NON CURRENT LIABILITIES		
Provisions	1,654,786	1,515,597
TOTAL NON CURRENT LIABILITIES	1,654,786	1,515,597
TOTAL LIABILITIES	7,097,279	7,532,061
NET ASSETS	77,143,313	62,584,006
EQUITY		
Retained Surplus	32,442,815	31,530,289
Reserves	44,700,498	31,053,717
TOTAL EQUITY	77,143,313	62,584,006

THE ACCOMPANYING NOTES FORM PART OF THE CONCISE FINANCIAL REPORT

Statement of Changes in Equity

for the year ended 30 June 2012

	Retained Surplus \$	Reserves \$	Total Equity \$
Balance as at 30 June 2010	27,631,123	25,238,355	52,869,478
Net Result	9,714,528	0	9,714,528
Total Other Comprehensive Income	0	0	0
Transfer (from) / to	(5,815,362)	5,815,362	0
BALANCE AS AT 30 JUNE 2011	31,530,289	31,053,717	62,584,006
Net Result	14,559,307	0	14,559,307
Total Other Comprehensive Income	0	0	0
Transfer (from) / to	(13,646,781)	13,646,781	0
BALANCE AS AT 30 JUNE 2012	32,442,815	44,700,498	77,143,313

THE ACCOMPANYING NOTES FORM PART OF THE CONCISE FINANCIAL REPORT

Statement of Cash Flows

for the year ended 30 June 2012

	Actual 2011/2012 \$	Budget 2011/2012 \$	Actual 2010/2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Flows from Normal Operating Activities			
Cash receipts in the course of normal operations	36,762,232	32,297,040	30,505,109
Cash payments in the course of normal operations	(27,912,065)	(24,847,960)	(24,223,131)
Interest receipts - Municipal Cash	768,648	391,786	589,455
NET CASH PROVIDED BY NORMAL OPERATING ACTIVITIES	9,618,815	7,840,866	6,871,433
CASH FLOWS FROM OTHER OPERATING ACTIVITIES			
<i>Resource Recovery</i>			
Cash receipts from secondary waste charge	5,178,928	5,086,092	4,359,912
Cash receipts from resource recovery project	581	50	197
Cash payments for resource recovery project	(974,393)	(1,222,556)	(1,077,077)
Interest receipts - secondary waste investment	1,205,811	1,432,890	944,708
<i>Other Activities</i>			
Interest receipts - other restricted investments	416,352	478,300	305,912
NET CASH PROVIDED BY OTHER OPERATING ACTIVITIES	5,827,279	5,774,776	4,533,652
NET CASH PROVIDED BY OPERATING ACTIVITIES	15,446,095	13,615,642	11,405,085
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash receipts from sale of assets	1,667,098	912,773	354,300
Cash payments for acquisition of assets	(7,101,569)	(8,872,357)	(4,156,856)
NET CASH USED IN INVESTING ACTIVITIES	(5,434,471)	(7,959,584)	(3,802,556)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash receipts from sale of investments	2,874,732	2,523,469	5,446,229
NET CASH PROVIDED BY FINANCING ACTIVITIES	2,874,732	2,523,469	5,446,229
SUMMARY OF CASH FLOWS			
Cash and cash equivalents at the beginning of the year	34,239,251	31,608,547	21,190,493
Net Increase/(Decrease) in Cash Held	12,886,356	8,179,527	13,048,758
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	47,125,607	39,788,074	34,239,251

THE ACCOMPANYING NOTES FORM PART OF THE CONCISE FINANCIAL REPORT

Discussion and analysis of the financial statements

for the year ended 30 June 2012

Information on Eastern Metropolitan Regional Council Concise Financial Report

The concise financial report is an extract of the full financial report for the year ended 30 June 2012. The financial statements and disclosures in the concise financial report have been derived from the 2012 financial report of Eastern Metropolitan Regional Council (EMRC). A copy of the full financial report and auditor's report is available upon request.

This discussion and analysis is provided to members in understanding the concise financial report. The discussion and analysis is based on EMRC's financial statements and the information contained in the concise financial report has been derived from the full 2012 financial report of the EMRC.

Statement of Comprehensive Income

The actual net result of \$14,559,307 for the year ended 30 June 2012 is \$4,844,779 above the level of 2010/2011 and \$5,414,141 above the 2011/2012 budget. Major factors contributing to the variance from the previous financial year have been outlined in the paragraphs below.

Total revenue from ordinary activities of \$40,951,321 for the year ended 30 June 2012 is \$6,896,694 above the 2010/2011 revenue from ordinary activities and \$1,265,162 above 2011/2012 budget. The variance from the previous financial year is primarily due to the increase in disposal charges adopted for the 2011/2012 financial year and an increase of approximately 66,000 tonnes disposed at the Red Hill Waste Management Facility compared to the previous year.

Total expenses from ordinary activities of \$27,529,062 is \$2,115,948 greater than the 2010/2011 actual expenses from ordinary activities and \$3,423,138 below budget for 2011/2012. The variance is primarily due to the increased landfill levy payments resulting from the additional tonnages received at the Red Hill Waste Management Facility during the 2011/2012 financial year compared to the previous year.

An actual profit of \$800,083 has resulted from the disposal of assets for the year ended 30 June 2012 and is \$763,009 more than the 2010/2011 actual profit from the disposal of assets and \$388,876 above the budget for 2011/2012.

A realised gain of \$336,965 has resulted from the sale/disposal of investments as at 30 June 2012 compared to a realised/unrealised gain of \$1,035,940 as at 30 June 2011. Unrealised gains or losses represent a fair value measurement of the financial instruments during the period in which they are held, i.e. marked to market. It should be noted that actual gains or losses on financial instruments will not be realised until such time as the individual investments are sold.

Statement of Financial Position

Overall equity has increased during the 2011/2012 financial year by \$14,559,307 to \$77,143,313.

Current assets as at 30 June 2012 have increased by \$10,866,333 to the previous year.

The overall impact on cash and investments at the close of the financial year is an increase of \$10,348,589 to \$47,154,955.

Current liabilities as at 30 June 2012 have decreased by \$573,971 to \$5,442,493 compared to the level stated as at 30 June 2011.

The net movement in the retained surplus is an increase of \$912,526 comprising the net result for the year of \$14,559,307 less net transfer to reserves of \$13,646,781 compared to the value in the previous year. The value of reserves has increased by \$13,646,781 in comparison to the level stated as at 30 June 2011. The increase in reserves is mainly due to the increased transfer from retained surplus for the year reflected in the secondary waste reserve during the 2011/2012 year.

Statement of Cash Flows

The overall impact on the cash position at the close of the financial year is an increase of \$12,886,356 to \$47,125,607. This is principally as a result of investments converted to cash and cash equivalents and an increase in cash flow from operating activities.

Net cash provided by operating activities of \$15,446,095 reflects an increase of \$4,041,010 over the \$11,405,085 generated in 2010/2011.

The cash flows used in investing activities for 2011/2012 reflects capital expenditure totalling \$7,101,569. This compares with capital expenditure totalling \$4,156,856 during the previous year.

Notes to the Concise Financial Report

for the year ended 30 June 2012

Note 1: Basis of Preparation of the Concise Financial Report

The concise financial report is an extract of the full financial report for the year ended 30 June 2012. The concise financial report has been prepared in accordance with *Australian Accounting Standard AASB 1039, Concise Financial Reports*, and statutory requirements.

The financial statements, specific disclosures and other information included in the concise financial report are derived from, and are consistent with, the full financial report of the EMRC. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of the EMRC as the full financial report. A copy of the full financial report and auditor's report is available upon request.

The presentation currency used in this financial report is Australian dollars.

Note 2: Events after the Reporting Period

Impact of Environmental Regulations

On 8 November 2011 the Commonwealth Parliament passed the *Clean Energy Act 2011* which sets out the way that Australia will introduce a carbon price to reduce Australia's carbon pollution and move to a clean energy future.

As the emission from EMRC's Red Hill Waste Management Facility exceeds the threshold of 25,000 tonnes of carbon dioxide equivalents (CO₂e), EMRC is classed as being a liable entity when waste received post 1 July 2012 begins to decompose and generate methane.

For 2012/2013, the carbon price has been fixed at \$23 per tonne of CO₂e and increasing by 2.5% per annum for the next two years. From 1 July 2015, the carbon price will transition to a fully flexible price under an emissions trading scheme (ETS) with the price to be determined by the market.

The fixed price phase will commence from 1 July 2012 and will not be retrospective. Additionally, EMRC does not have any intangible assets that would require any impairment that will impact on EMRC's statement of financial position. Consequently, there will be no impact on EMRC's 2011/2012 statement of comprehensive income.

From 1 July 2012, a fee of \$6.90 per tonne on each tonne of waste disposed at EMRC's Red Hill Waste Management Facility will be charged to cover the carbon price liability. This will be reflected in the 2012/2013 financial accounts.

There were no other matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the EMRC, the results of those operations or the state of affairs of the EMRC.



Mission

EMRC, by partnering with member councils (and other stakeholders), facilitates strategies and actions for the benefit and sustainability of Perth's Eastern Region



Protecting Perth's Eastern Region



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