



SOUTHERN METROPOLITAN
REGIONAL COUNCIL

**SOUTHERN METROPOLITAN
REGIONAL COUNCIL**

MINUTES

SPECIAL MEETING OF COUNCIL

THURSDAY 24 JUNE 2021

**SOUTHERN METROPOLITAN REGIONAL COUNCIL
9 Aldous Place
BOORAGOON**

Our Purpose: *We deliver innovative and sustainable waste management solutions*



**SPECIAL MEETING COUNCIL
TABLE OF CONTENTS**

1.	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS "We respectfully acknowledge the traditional owners of the land on which this meeting is taking place today – the Nyungar people of Western Australia and pay our respects to their elders past and present".	
2.	RECORD OF ATTENDANCE / APOLOGIES	
3.	DISCLOSURE OF INTERESTS	
4.	PUBLIC QUESTION TIME	
5.	DEPUTATIONS / PRESENTATION	
6.	ANNOUNCEMENTS BY THE CHAIRMAN OR PRESIDING PERSON	
7.	ELECTED MEMBER MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	
8.	ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH MEETING MAY BE CLOSED TO THE PUBLIC	
9	REPORTS OF THE CEO	
9.1	SMRC STRATEGIC PLAN REVIEW 2021	2
9.2	RECYCLE RIGHT PLAN	7
9.3	INSURANCE 2021-22	10
9.4	SMRC 2021-22 ANNUAL BUDGET	16
9.5	FINANCIAL REPORTS	19
9.6	ANZ EFTPOS MACHINE MERCHANT SERVICES	21
9.7	SCHEDULE OF PAYMENTS	23
9.8	COMMITTEE MEMBER APPOINTMENT – STAKEHOLDER RELATIONS	24
10.	QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN	
11.	DECLARATION OF CLOSURE OF MEETING	

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chief Executive Officer advised that the Chairman would be attending later in the meeting.

The Deputy Chairman agreed to chair the meeting in the interim and welcomed everyone in attendance and declared the meeting open at 4.03pm.

“I respectfully acknowledge the traditional owners of the land on which this meeting is taking place today – the Nyungar people of Western Australia and pay our respects to their elders’ past and present”.

2. RECORD OF ATTENDANCE / APOLOGIES

PRESENT

Cr Steve Kepert (Deputy Chairman) (Presiding Member)	City of Melville
Cr Cliff Collinson	Town of East Fremantle
Cr Wendy Cooper	City of Kwinana
Cr Doug Thompson (Chairman) Joined 4:27pm	City of Fremantle

Mr Mick McCarthy (REG Member)	City of Melville
Mr David Janssens	City of Fremantle
Mr Tim Youé	SMRC, Chief Executive Officer
Mr Brendan Doherty	SMRC, Executive Manager Strategic Projects
Mr Chris Wiggins	SMRC, Executive Manager Corporate Services
Mr Keith Swift	SMRC, Executive Manager RRRC Operations

APOLOGIES

Mr Graham Tattersall (REG Member)	City of Fremantle
Mr Glen Dougall (Deputy REG Member)	City of Fremantle
Mr Gary Tuffin (REG Member)	Town of East Fremantle
Ms Maria Cooke (REG Member)	City of Kwinana

3. DISCLOSURE OF INTERESTS:

Nil

4. PUBLIC QUESTION TIME

Nil

5. DEPUTATIONS / PRESENTATIONS:

Nil

6. ANNOUNCEMENTS BY THE CHAIRMAN OR PRESIDING PERSON

Nil

7. ELECTED MEMBER MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

IMPLICATIONS TO CONSIDER:

Consultative:

Strategic Directions Review Workshop 18 March 2021.

The workshop was facilitated by Helen Hardcastle, Learning Horizons, and attended by Regional Councillors, Regional Executive Officers from participant local governments and SMRC Executive staff.

Financial:

All actions identified in the plan are to be included in SMRC's Long Term Financial Plan.

BACKGROUND:

Council considered the agreed actions from the Strategic Directions Workshop held on 18 March 2021 at its Ordinary meeting of Council held 27 May 2021, and resolved the following:

COUNCIL RESOLUTION

21.05-03

MOVED: CR C COLLINSON

SECONDED: CR S KEPERT

CEO RECOMMENDATIONS:

- 1. THE ACTIONS FROM THE STRATEGIC DIRECTIONS WORKSHOP ON 18 MARCH 2021 BE ADOPTED AND FORWARDED TO THE PARTICIPANTS FOR COMMENT AND/OR ENDORSEMENT.*
- 2. THE UPDATED CORPORATE BUSINESS PLAN BE CONSIDERED AT THE JUNE 2021 SPECIAL COUNCIL MEETING.*

CARRIED 4/-

No responses or comments have been received.

REPORT:

The Corporate Business Plan has been updated to include the agreed strategic directions from the March 2021 Workshop.

2.3 Key Issues: Regional Resource Recovery Centre Strategy

Continue to provide regional services for Participants and other stakeholders recognising the RRRC as a strategic asset in delivering on Participants, State and Community resource recovery and circular economy aspirations.

Key Strategies	Actions
1. Review governance structure	Facilitate review of SMRC Establishment Agreement, Project Participant Agreements and meeting structures
2. Understand and articulate our value proposition	Prepare a Value Proposition Statement
3. Form alliances & partnerships	Maintain a flexible approach to opportunities for outsourcing SMRC activities and/or business partnering.
4. Enhance and leverage brand equity	Create and promote a brand that reflects the vision and objectives of SMRC
5. Develop an advocacy strategy	<p>1. Develop an advocacy strategy to promote SMRC's value proposition to stakeholders including WA Government, WALGA and individual local governments in order to achieve desired outcomes.</p> <p>2. Establish a working group to ensure a collaborative approach to delivering the advocacy strategy.</p>
6. Deliver communication and waste education	Undertake a review, in consultation with participants, on the regional community education program.

STATUTORY REQUIREMENTS

Local Government Act 1995 and Regulations

S5.56 (1) A local government is to plan for the future of the district.

19DA . Corporate business plans, requirements for (Act s. 5.56)

(1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.

(2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.

(3) A corporate business plan for a district is to —
(a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and

(b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and

(c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.

(4) A local government is to review the current corporate business plan for its district every year.

(5) A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.

(6) A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications.

*Absolute majority required.

(7) If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.

Workshop dates:

14 Dec 20 First Workshop with Member Councils

12 May 21 Second Workshop with Member Councils

Strategic relevance:

Key Focus Area: Community & Stakeholder Relationships

Objective 3.2 We effectively communicate with our community & stakeholders

Strategies	Actions	Timeframes			
		2021/ 22	2022/ 23	2023/ 24	2024 /25
3.2.1 Develop and implement an effective community education program	a. Implement community education plan actions	✓	✓	✓	✓
	b. Undertake an annual review of the community education plan	✓	✓	✓	✓
3.2.2 Partner with member councils and complementary organisations to promote behavioural change towards waste recovery and reuse	a. Continue to work with and provide support to waste reduction groups	✓	✓	✓	✓
	b. Promote the Recycle Right Program amongst member councils as <u>the</u> regional recycling initiative	✓	✓	✓	✓
	c. Promote the benefits of source separation for 3 bin systems	✓	✓	✓	✓
	d. Actively pursue funding and partnership opportunities for educational programs	✓	✓	✓	✓
	e. Lead trial projects to reuse recycled materials	✓	✓	✓	✓

Policy related:

1. Stakeholder Relations Committee Policy and Terms of Reference – To review strategic communications strategies.
2. SMRC Communications Plan – A link to implementing Recycle Right Strategies
3. SMRC Community Engagement Plan – A link to Implementing Recycle Right Strategies

Financial:

SMRC has an annual budget of approx. \$700,000 towards community communication and education. Most of these funds are spent on Recycle Right initiatives. Included in the budget amount, SMRC receives consultancy and membership income from non-participant local governments accessing the Recycle Right brand.

Legal and statutory:

Not applicable

Risk related:

Not applicable

REPORT:

The Communications Manager has been working with the Regional Executive Group members, Waste Managers, Sustainability Officers and the Communications teams from Member Councils to develop a strategy for implementing Recycle Right into their communities. There has been considerable re-working of the actions and discussion of priorities from SMRC and Member Councils' point-of-view to reach a consensus. It is important that we have this document to maintain consistency of messaging across the region.

The Communications Plan that will subsequently be developed following on as part of this Recycle Right Plan will identify specific tasks, timelines and outcomes for activities over the coming year.

PURPOSE: COLLABORATION TO MAINTAIN AND IMPROVE WASTE MANAGEMENT
ACROSS THE COMMUNITIES IN THE SOUTH METRO REGION

Outcome 1: Inform the Recycle Right Strategy with a strong evidence base
Outcome 2: Deliver consistent waste education messages
Outcome 3: Maximise effectiveness through collaboration and partnership
Outcome 4: Monitor outcomes and refine performance

The Recycle Right Plan will be presented to the Council Meeting on 24 June 2021.

REPORT NO	9.3
SUBJECT	INSURANCE 2021-22
AUTHOR	C Wiggins, Executive Manager Corporate Services
AUTHOR'S INTEREST	Nil
DATE OF REPORT	16 June 2021
ATTACHMENTS	Nil

COUNCIL RESOLUTION

21.06-03

MOVED: CR W COOPER

SECONDED: CR C COLLINSON

CEO RECOMMENDATION:

THAT THE RRRRC PROPERTY INSURANCE RISK POSITION BE ON LIMITED INDEMNITY AS PER OPTION 2 IN THE AGENDA REPORT DATED 16 JUNE 2021.

CARRIED 3/-

VOTING REQUIREMENT

Simple Majority

PURPOSE OF REPORT

To consider a position statement for the RRRRC property insurance renewal for 2021-22.

NATURE OF COUNCIL'S ROLE IN THE MATTER:

Advocative

Increases in insurance is a burden on three RRRRC project participant local governments by maintaining essential services such as; waste infrastructure assets that may be called upon by other local governments in a likelihood of a contingency, as recently experienced by the Cleanaway fire.

The RRRRC plant is now underutilised, mainly due to aggressive competitor pricing, however, WALGA and State Government have expectations that the SMRC will provide contingency at affordable recycling processing services for 75,000 to 100,000 tonnes of local government recycling.

This forms part of SMRC's advocacy strategy in discussions with WALGA (LGIS) and State Government.

Executive

The Council is to be fully informed of the risks associated with its property and sets the direction for the local government to deliver its Corporate Business Plan.

Legislative

Not applicable

IMPLICATIONS TO CONSIDER:

Consultative:

Discussions with SMRC's insurance broker, LGIS. Request to reconsider re-entering the RRRC Property insurance self-insurance property scheme with rebate premiums within the pool or financial assistance.

Discussions with State Government to consider financial assistance or insurance through the State's Risk Cover. This was initially commenced with DWER however in summary they advise the following:

- The State Government insurance is paid for by each agency for their own assets.
- The Insurance Commission of Western Australia is a statutory corporation and Government Trading Enterprise owned by the Western Australian Government.
- They are the State's insurer providing injury insurance to motorists and self-insurance to Government.
- They cover over 169 WA State Government public authorities for workers' compensation, property and liability.
- We are not aware of any precedent whereby the State has insured a local government's assets, either directly through the Insurance Commission of Western Australia or indirectly through a subsidy or payment to an entity to pay for their insurance costs.
- The State Government budget process for 2021-22 is also closed off in terms of requests to the Estimates Review Committee (ERC) – this was all finalised in April 2021 in terms of all Departmental ERC submissions for new funding requests, noting that the instructions from Treasury were to include only previously approved requests or new election promises and associated funding.
- The 2021-22 WARR Account budget of \$20.75m has already been set against the various approved line items, in consultation with the Waste Authority and the Minister's Office, and today we understand that the Minister has already approved the 2021-22 Business Plan which includes the full allocation of the full budget amount.
- This does not include any funding for insurance or similar payment to SMRC.
- A decision to support SMRC with WARR Account funding would need to be made by the Minister.

Strategic relevance:

Key Focus Area Business Sustainability

Objective 2.1 Our Business is efficient, financially viable & sustainable

Strategies	Actions	Responsibility	Timeframes				Informing Document
			2021/22	2022/23	2023/24	2024/25	
2.2.2 Develop an appropriate and efficient asset management strategy	a. Develop and deliver a transition maintenance program for assets	Operations	✓	✓			AMP
	b. Develop and deliver an asset management plan for repurposing of assets	Operations	✓	✓			AMP

Policy related:

Council Policy 4.2 Risk Management

Council policy 4.9 Business Continuity Management.

Financial:

A 25% increase in premiums is \$381,250. This is a major cost impost on the RRRC Project fixed costs.

Risk related:

Risk No	Risk Description	Potential Consequences	Controls Are Currently In Place,	Overall Risk Rating
FA07	Ineffective/insufficient insurance	Financial implications of diminished asset/business capacity resulting in increased work costs or purchase of new assets	1- External insurance broker conducts annual insurance policy reviews, 2- Risk management culture, 3-Property/asset valuations, 4- Underwriter risk reviews, 5- RRRC Property Insurance Reserve Policy	High 10
GWF01	Loss of asset	Halt to services, increased cost of using landfill, reduced income	1- Business Continuity Plan, 2- Alternative contractors, 3- Insurance rebuild	High 10
MRF02	Loss of plant	Disruption to services, financial implications such as lack of income	1- Fire safety equipment, 2- Work practices/standards, 3- OH&S standards & requirements, 4- Monitored alarm system, 5- Insurance cover, 6- EMS, 7- Business Continuity Plan	High 10
RRRC04	Loss of Assets (RRRC Admin Building / Education Centre)	Partial or total loss of assets due to natural or man-made event	1- Fire safety equipment; 2- Work practices/standards, 3- OH&S standards and requirements; 4- RRRC Hazards Risk Controls; 5- EMS and Odour Management Systems; 6- Strict adherence to Maintenance schedules	Medium 6
WB01	Complete Loss of Weighbridge	Disruption to services , financial implications such as lack of income	1 - Smoke detectors connected to and monitored by Blue Force Security, 2 - Appropriate fire insurance cover, 3 - Appropriate fire fighting equipment, 4 - Fire proofed safe for services and equipment, 5 - Forward planning of projects	Low 4
WCF02	Loss of asset (WCF)	Halt to services, increase cost of using landfill, reduced income	1- Fire hydrants, fire hoses and fire extinguisher for staff trained in emergency responses, 2- Smoke alarm monitored remotely by security company, 3- Methane detection system, emergency response plan, 4- staff on site 24 hours, air extraction system	High 10

BACKGROUND:

The RRRC's Property Insurance expires on the 30 June 2021. It covers the SMRC up to a liability limit of \$50 million for any physical loss, destruction of or damage to property by any unexpected cause or event. The limit includes business income loss.

The Western Australian Local Government Association (WALGA) owns the Local Government Insurance Services (LGIS). The RRRC Property insurance does not form part of the LGIS pooled self-insured property scheme. We have appointed LGIS as insurance brokers to seek cover outside the scheme utilising the insurance panel available under the pool. LGIS fee for this service is \$25,000 ex GST per year.

In June 2020 the Regional Council resolved the following insurance risk position:

- A limit of indemnity of \$50 million with a \$1 million excess.

It was noted that "while a comprehensive or full cover is normal for a local government asset, in the case of the RRRC asset it is not necessary". The RRRC site has four asset buildings and equipment adequately separated to prevent an entire loss event. This was demonstrated in the 2009 MRF fire. No other property was damaged.

Since 2009 the SMRC has made no claims and improved its risk profile. The SMRC has built a good relationship with the policy insurance underwriters by involving them with regular risk/operational updates and surveys to ensure we have their confidence in good management risk practices.

Chubb Insurance Australia prepared a risk assessment report in March 2021 for the purposes of insurance renewal.

They note in the report:

The site has good management procedures in place.

Two recommendations has been issued. Specifically:

- Test each diesel pump during a combined sprinkler and hydrant flow test. Also, not enough water was flowed during the last sprinkler and hydrant flow test.
- Install sprinklers within the enclosed conveyor shafts handling combustibles.

SMRC has developed an action plan for addressing the recommendations.

REPORT:

LGIS has advised that as will all insurance classes we can expect an increase in premiums of between 20 and 25%.

Our current RRRC Property insurance premium is \$1,525,000.

25% increase is \$381,250.

SMRC 2020/21 Budget has an increase provision of 15% \$230,000.

The possible shortfall of \$150,000 will be from estimate RRRC operational surpluses earmarked for funding admin overhead costs.

A lower limit option say \$25M or \$35M would not result in a cost relief. Losing \$15M of cover for a price of \$4k per \$1M of limit is considered unacceptable and not something recommended pursuing. The reason why rates and costs don't reduce proportionately to limit is due to the likelihood of loss/claims being within this exposure, typically underwriting risk starts from the ground up – for example locally the two major fires over the last decade (SMRC 2009 & Cleanaway 2019) have both been around \$25M.”

The following table provides Options for insurance, As per the recommendation from LGIS we should continue with the \$50 M limited indemnity.

	Option 1 Full Indemnity	Option 2 Limited Indemnity
Limit of Liability: any one claim and in the aggregate	Limit \$104m Replacement 'like for like'	Limit \$50m any one loss
Consequential Loss (Business Interruption)	Limit \$22m up to 36mths (included in \$104M)	Limit \$22m up to 36mths (included in \$50M)
Deductible (Excess)	\$1million	\$1 million
Premium	Not requested	\$1.9 million
Position Separate incidences	Rebuild like for like	rebuild MRF like for like. rebuild a smaller modified FOGO facility rebuild administration and weighbridge offices like for like rebuild Mtce Shed like for like
Position Full Catastrophe	Rebuild like for like	rebuild MRF rebuild a smaller modified FOGO facility rebuild administration and weighbridge offices Seek payout and discontinue with site

OTHER INSURANCE POLICIES:

The SMRC will renew all its other general, vehicles, workers compensation and liability insurance to 30 June 2022 through LGIS with an average increase of 8%.

REPORT NO	9.4
SUBJECT	SMRC 2021-22 ANNUAL BUDGET
AUTHOR	C Wiggins, Executive Manager Corporate Services
DATE OF REPORT	16 June 2021
ATTACHMENT/S	SMRC 2021/22 Annual Budget Report dated 18 June 2021

Cr Thompson entered the meeting at 4:27pm. Cr Thompson requested that Cr Kepernt continue to Chair for the duration of the meeting.

COUNCIL RESOLUTION

21.06-04 MOVED: CR C COLLINSON SECONDED: CR D THOMPSON

CEO RECOMMENDATION:

COUNCIL ADOPTS:

1. THE 2021/2022 ANNUAL BUDGET FOR THE SOUTHERN METROPOLITAN REGIONAL COUNCIL AS PER THE ATTACHED BUDGET REPORT DATED 18 JUNE 2021.
2. THE 2021/2022 FEES AND CHARGES AS DETAILED IN THE ANNUAL BUDGET REPORT DATED 18 JUNE 2021.

CARRIED BY ABSOLUTE MAJORITY OF COUNCIL 4/-

VOTING REQUIREMENT

Absolute Majority required for Budget Adoption

PURPOSE OF REPORT

For the Regional Council to consider and adopt the 2021/22 annual budget.

NATURE OF COUNCIL'S ROLE IN THE MATTER:

Advocative

Not applicable

Executive

The Regional Council adopts its budget and sets the strategic direction of the local government in consultation with its Participant Local Governments.

Legislative

Local Government Act 1995 Section 6.2 . Local government to prepare annual budget.

(1) During the period from 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the 30 June next following that 31 August.

Part 3 of the Local Government (Financial Management) Regulations details the form and content of the annual budget.

IMPLICATIONS TO CONSIDER:

Consultative:

The Project Budget Parameters were prepared on 26 April 2021 and presented to the REG meeting on 14 May 2021 and the Ordinary Meeting of Regional Council on 27 May 2021.

No comments to adjust the budget has been received from the Participants.

Strategic relevance:

2 Business Sustainability

Key Focus Area

Objective 2.4 Our business is financially viable and sustainable

Policy related:

Pursuant to the Project Participant Agreements, the SMRC is required to prepare budgets for its Projects in April each year. The Budgets are presented to the participants for comment. Any comments received are submitted to the regional council prior to its adoption of its annual budget.

Accounting Policies 2.1

RRRC Contingency Reserve 2.7

Office Accommodation Reserve 2.9

Participants' Estimated Resident Population Policy 2.11

Travel & Conference Reserve 2.12

RRRRC Rehabilitation Reserve 2.13

Financial:

Refer Annual Budget Report.

BACKGROUND

Council resolved at its meeting 27 May 2021 to:

THE REGIONAL COUNCIL ENDORSES THE DRAFT 2021/21 BUDGET PARAMETERS AND A COPY OF THE REPORT BE PROVIDED TO MEMBERS FOR COMMENT PRIOR TO ADOPTION IN JUNE 2021. CARRIED 4/-

REPORT

BUDGET OVERVIEW 2021-2022

The 2021/22 Annual Budget has reduced due to the factors itemized in the report and mainly resulting from a reduction in tonnes from commercial customers.

The annual budget estimates are based on known tonnages, variable process costs and fixed costs. It does not consider hypothetical additional tonnes that may be received during the year.

The RRRC Project Budget is SMRC's core business and makes up the following:

- Operating Revenue \$16.5M (\$29.1M)
- Operating Expenditure \$20M (\$27M)
- Capital Expenditure \$2M (\$4.4M)
- Capital Loan Repayment \$3.4M (\$3.3M)

In March 2021, the Regional Council Participants reviewed the strategic direction agreeing to continue the operations and attracting new business and re-purpose existing assets on the RRRC site.

The annual financial impact of the withdrawal of the City of Kwinana is just under \$100K and will be re-distributed to remaining participants.

The introduction of the Container Deposit Scheme (CDS) provides the revenue opportunity to reduce RRRC participants' contributions.

The introduction of the commonwealth mixed plastics export ban will negatively impact income due to higher onshore processing costs. The MRF budget base gate fees will be adjusted through our rise and fall mechanism ensuring any additional costs are fully funded.

REPORT NO	9.5
SUBJECT	FINANCIAL REPORTS
AUTHOR	C Wiggins, Executive Manager Corporate Services
DATE OF REPORT	24 June 2021
ATTACHMENT/S	

The CEO tabled the Financial Statements. The Presiding Member gave 5 minutes for Councillors to read the report. Mr Wiggins responded to questions raised by Cr Kepert relating to the financial statements.

COUNCIL RESOLUTION

21.06-05 MOVED: CR C COLLINSON SECONDED: CR W COOPER

CEO RECOMMENDATION:

1. THE STATEMENT OF FINANCIAL ACTIVITY BY NATURE AND TYPE OF THE SOUTHERN METROPOLITAN REGIONAL COUNCIL FOR THE PERIOD ENDED 31 MAY 2021 BE RECEIVED.

CARRIED 4/-

VOTING REQUIREMENT

Simple Majority

PURPOSE OF REPORT

To receive the financial statements for the following periods:

1. Financial Statements for the period ended 31 May 2021

STRATEGIC RELEVANCE

Key Result Area 2: Business Sustainability

Objective 2.4 Our Business is financially viable and sustainable.

BACKGROUND

- Regulation 34 of the Local Government (Financial Management) Regulations requires local governments to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under reg 22(1)(d).
- The Council resolved at its meeting on 27 August 2020 to adopt an amount of \$20,000 as a value used to report any material variances between budget and actual line items in the monthly Statements of Financial Activity.
- The financial statements are to be presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates. (FM Regs 34(4)(a))

The financial statements are to be reported to Council as follows:

Periods Ended	Due for presentation within 2 mths	Next Scheduled Ordinary Meeting
31 May 2021	31 July 2021	26 Aug 2021
30 June 2021	30 Aug 2021	26 Aug 2021

REPORT

1. Financial Statements for the period ended 31 May 2021

	YTD BUDGET	YTD ACTUAL	CHANGE
	May-21	May-21	
	(\$M)	(\$M)	
OPERATING REVENUES	\$28.0	\$29.4	\$1.4
OPERATING EXPENSES (BEFORE DEPRECIATION)	\$22.3	\$21.6	-\$0.7
OPERATING SURPLUS/ DEFICIT	\$5.7	\$7.8	\$2.1
	CURRENT BUDGET	YTD ACTUAL	ACTUAL
	Jun-21	May-21	30/06/2020
	(\$M)	(\$M)	
CASH IN BANK	\$10.7	\$12.5	\$10.2
OUTSTANDING LOANS	\$8.4	\$9.3	\$11.7
NET ASSETS	\$34.7	\$37.5	\$32.4

Notes:

- 1) Operating Revenue is higher due to MRF commodity prices.
- 2) Operating Expenses are lower than the budget due to lower maintenance expenses and insurance premium savings.
- 3) YTD Operating Surplus is better than the budget due to the above.
- 4) Net Assets are currently higher than the revised budget.

Strategic relevance:

Key Focus: Business Sustainability

Objective 2.2 Our Business is efficient, financially viable & sustainable

Strategies	Actions	Responsibility	Timeframes				Informing Document
			2021/22	2022/23	2023/24	2024/25	
2.2.1 Identify and deliver process improvements	a. Review and implement a continuous process improvement program	Operations	✓	✓	✓	✓	

Policy related:

Nil

Financial:

Banking fee expenditure is provided for in operating budget accounts.

Legal and statutory:

Not applicable

Risk related:

Not applicable

REPORT:

The Regional Resource Recovery Centre (RRRC) has an ANZ merchant services facility for green waste customers paying by credit card and EFTPOS. This is managed at the weighbridge.

The CEO approved a replacement of the existing weighbridge point of sale software system with a Mandalay point of sale software commencing from 1 July 2021.

To interface with the new point of sale system the current EFTPOS standalone machine will be replaced with an integrated payment processing solution linked to the point of sale software.

An application has been submitted with ANZ for this new system, however, a pre-condition of our request requires a council minute appointing authorised signatures for the account.

It is proposed that the CEO, Corporate services Manager and myself are authorised signatories to ensure on going administration of the account is covered.

REPORT NO	9.7
SUBJECT	SCHEDULE OF PAYMENTS
AUTHOR	C Wiggins, Executive Manager Corporate Services
DATE OF REPORT	18 June 2021
ATTACHMENTS	

WITHDRAWN

The CEO requested that this item be withdrawn as the report was not finalised in time for the meeting. The Schedule will be presented to next ordinary meeting of council.

STAKEHOLDER RELATIONS COMMITTEE MEMBERS

THE FOLLOWING PERSONS BE APPOINTED ON THE COMMITTEE FOR A TERM EXPIRING NOVEMBER 2021:

1. CR WENDY COOPER
2. CR STEVE KEPERT
3. CR CLIFF COLLINSON
4. MS ISABELLE GAGNON

Members who are or will no longer be committee members are:

1. Cr Cooper (City of Kwinana withdrawing from SMRC effective 1 July 2021)
2. Ms Isabelle Gagnon (Ex Chair of the WREN – WREN disbanded in Feb 2021)

The committee currently has two elected members and may have at least three councillors as per its policy.

Cr Thompson has expressed an interest in joining the committee.

Objectives:

The Stakeholder Relations Committee role is to:

- Identify and deliver programs and strategies for community education, marketing and media campaigns and community engagement.
- The Committee shall meet as required and as called by the presiding member, majority of members on the Committee, or the SMRC CEO.

Membership:

1. The Committee shall comprise of at least three (3) Regional Councillors in accordance with s5.8 of LGA 1995.
2. Membership to include one external person appointed on the Waste Recycling Education Network (WREN)
3. The Committee shall have no delegated powers unless expressly given by the Council.

FINANCIAL IMPLICATIONS

There are no additional financial cost for the appointment of members on this committee.

10. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
Nil

11. DECLARATION OF CLOSURE OF MEETING

There being no further business, the Presiding Member thanked those present for their attendance and farewelled Cr Cooper of the City of Kwinana for her last meeting and the meeting was declared closed at 5:02 pm.

I hereby certify that the Minutes of the Special Council Meeting held on 24 June 2021 were confirmed on 26 August 2021.

Cr Doug Thompson
Presiding Member



Signature

CORPORATE BUSINESS PLAN

2021-2025

Draft Version 1 – May 2021



SOUTHERN METROPOLITAN REGIONAL COUNCIL

Southern Metropolitan Regional Council

9 Aldous Place, Booragoon WA 6154

Tel: (08) 9329 2700

Web: www.smrc.com.au Email: smrc@smrc.com.au

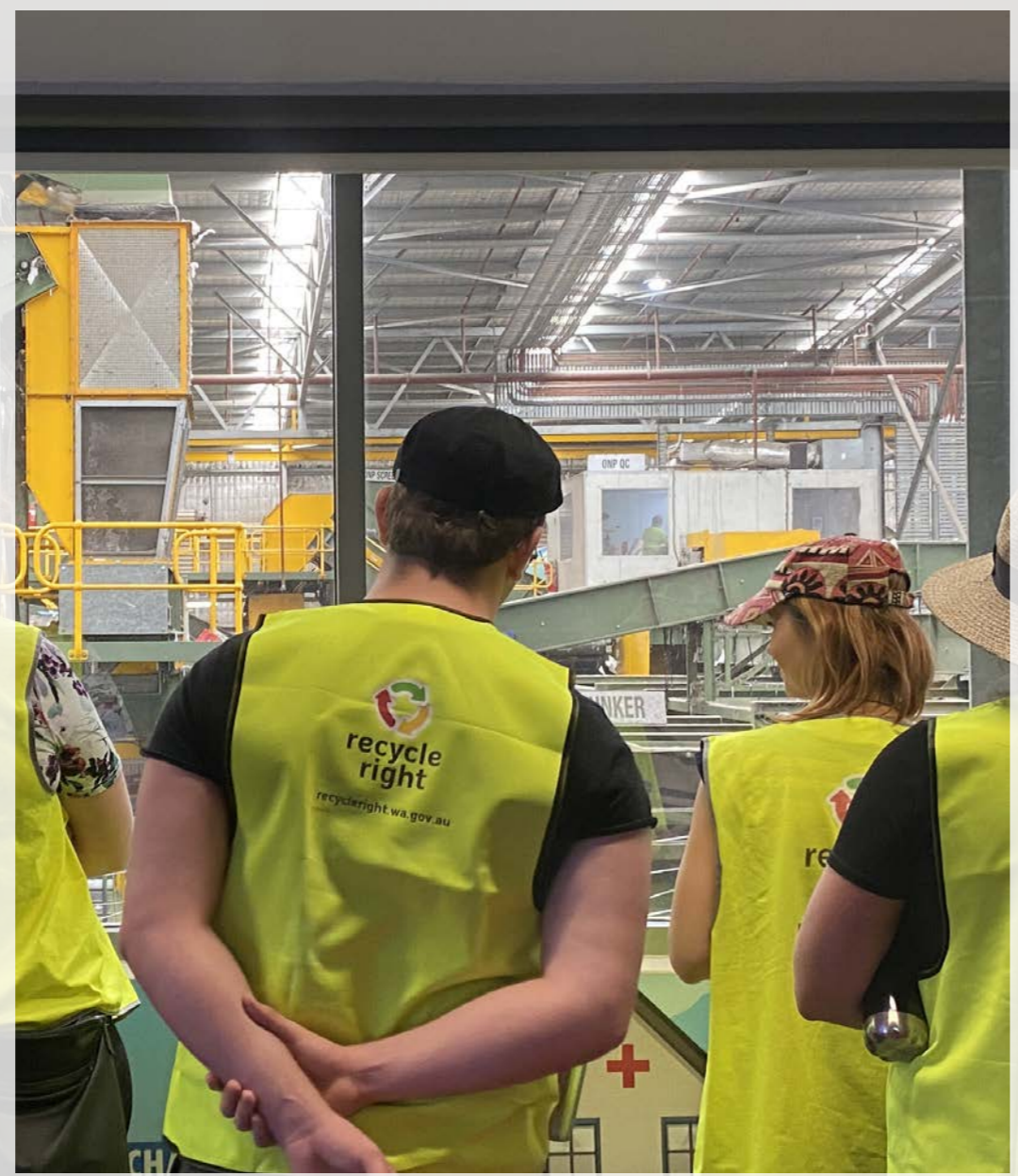


SOUTHERN METROPOLITAN REGIONAL COUNCIL

Contents

	Page
Message from the Chief Executive Officer	01
Terminology used in this document	02
1. Corporate Business Plan.....	02
1.1 Strategic and Business Planning Framework.....	04
2. Our story	06
2.1 How we came about	06
2.2 What we do	06
2.3 Key Issues: Regional Resource Recovery Centre Strategy	07
3. 2016 Strategic Waste Management Plan Recommendations	10
4. How to read this document	13
5. Key focus areas.....	14
6. Resourcing plans.....	25

Cover image: Entrance at the RRRRC



Recycle Right tours at the RRRRC

Message from the Chief Executive Officer



The Corporate Business Plan (the Plan) details the actions the Regional Council will undertake to achieve our stakeholders' aspirations and objectives detailed in the Strategic Community Plan (2020-30), Regional Strategic Waste Management Plan (2016), Waste Plan 2020 and the Amended Business Plan (2017).

The Waste Composting Facility (WCF) was commissioned in 2003 with a projected life span until 2023, although the ongoing RRRC participants have tenure on the site in Canning Vale until 2050.

Minimising waste to landfill, by delivering forward looking waste management solutions that are effective and efficient, has been the core of our business for more than twenty years and we need to continue to develop partnerships to optimise the RRRC's capacity and help to identify and embed circular economy principles into the resource recovery sector at all levels.

In March 2021 the Regional Council Participants again reviewed the strategic direction noting that:

- a) The three-bin Food Organics and Garden Organics (FOGO) system had been successfully implemented in the three participant council jurisdictions;
- b) the existing Waste Composting Facility has been re-roofed, the decommissioning of redundant equipment including digesters and associated infrastructure is in train;

- c) a transitioning to a modified Food and Organics process is underway with excess capacity available for third party contracts;
- d) the Container Deposit Scheme (CDS) had provided additional revenues;
- e) rapidly changing market conditions for recovered recyclables due to export bans between 2021 and 2024 will bring about unknown future cost implications for all local governments in Australia; and
- f) Agreements have been signed with Avertas to dispose of genuine residual waste to an Energy from Waste Facility in Kwinana
- g) reduced membership.

Against this changing and challenging backdrop, I look forward to continuing to work with our progressive regional local government partners, community, industry and government leaders, councillors and staff to achieve a positive future for the SMRC's members and the broader community.

Tim Youé
Chief Executive Officer

Terminology used in this document

AMPAsset Management Plan	FOGO Food Organics, Green Organics	SCP Strategic Community Plan
CBP Corporate Business Plan	GWF Green Waste Facility	SOP Standard Operating Procedures
C&D Construction and Demolition Waste	LTFP Long Term Financial Plan	SMRC Southern Metropolitan Regional Council
C&I Commercial and Industrial Waste	MRF Materials Recovery Facility	SWMP Strategic Waste Management Plan
DWER Department of Water and Environmental Regulation	MSW Municipal Solid Waste	WARR Waste Avoidance and Resource Recovery
EMS Environmental Management System	OHS Occupational Health & Safety	WCF Waste Composting Facility
	RRRC Regional Resource Recovery Centre	WFP Workforce Plan

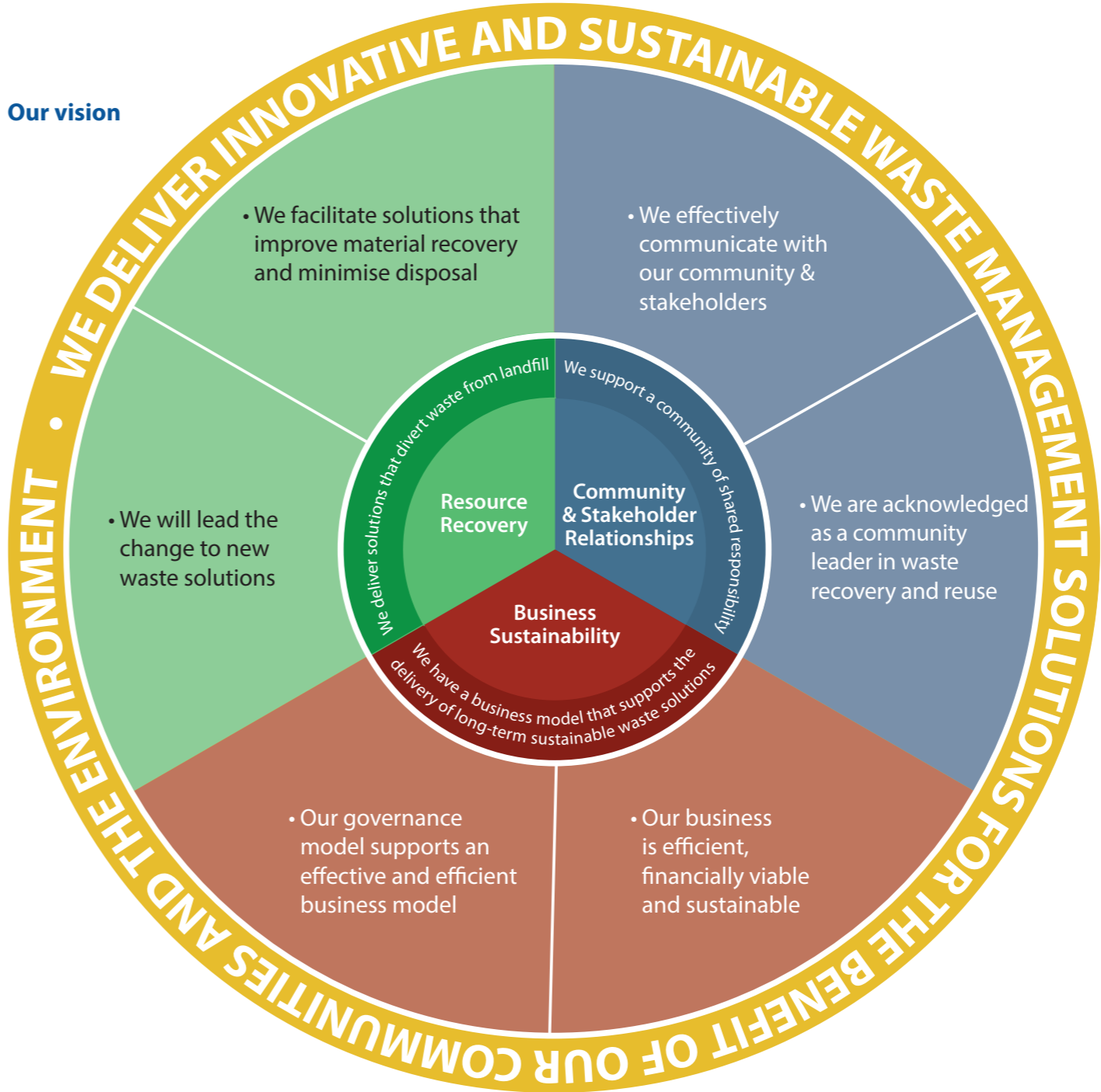
1. Corporate Business Plan

This Corporate Business Plan is an internal business planning tool that translates Council priorities into operations within the resources available. It represents the activation of the Southern Metropolitan Regional Council's (SMRC) Strategic Community Plan. The Strategic Community Plan articulates the long-term vision, aspirations, and strategic priorities of SMRC's key stakeholders.

Our Vision
The delivery of the vision is achieved by undertaking actions across three Key Focus Areas, which are the core components of our business.



Our vision



The delivery of the vision is achieved by undertaking actions across three Key Focus Areas, which are the core components of our business.

The Corporate Business Plan follows these key focus areas that are outlined in the Strategic Community Plan, and details what the Council will do over the next four years to work towards the achievement of stakeholders' aspirations and objectives. For each key focus area, the strategies and key actions are identified.

The Corporate Business Plan will drive the operation of the SMRC over the short to medium-term (four-year period). It will be reviewed annually and as required, a re-prioritisation of activities will take place to ensure that the SMRC has an agreed strategic direction and that it has the resources it needs to meet these priorities.

1. Corporate Business Plan (continued)

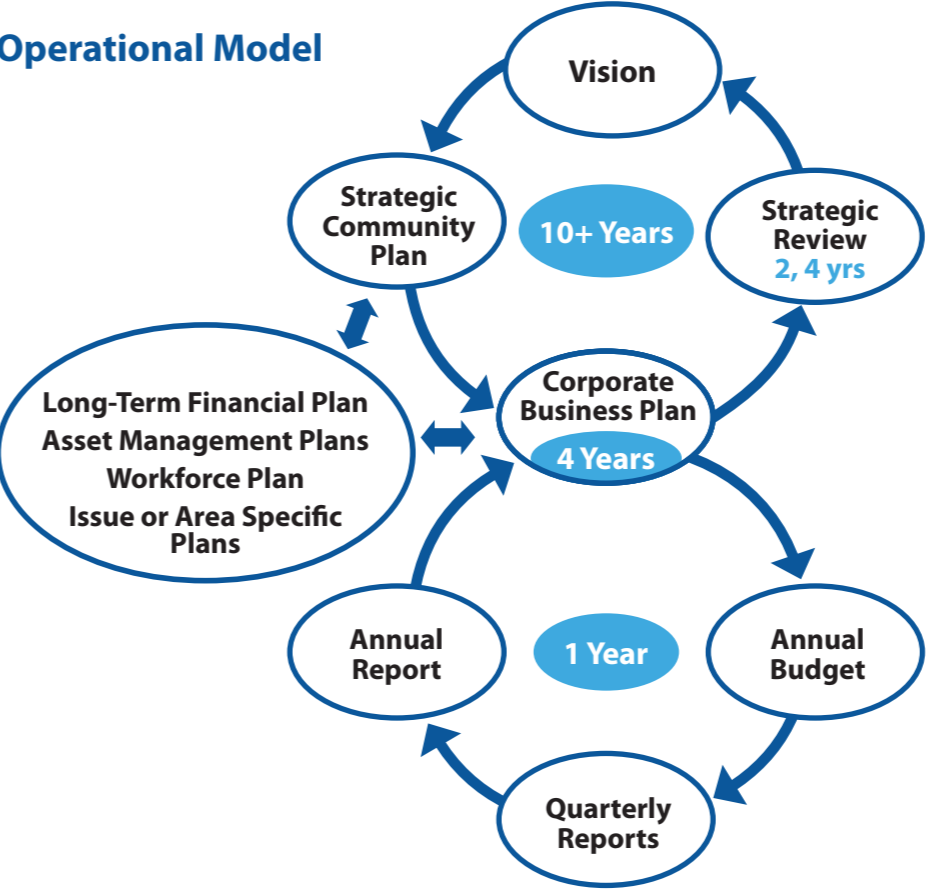
1.1 Strategic and Business Planning Framework

All local governments within Western Australia, including Regional Councils, are required to plan for the future in accordance with Section 5.56(1) of the *Local Government Act 1995* and adopt an Integrated Planning and Reporting Framework.

Component	Purpose	Informing Document
Strategic Community Plan	Articulates the long-term vision, aspirations and strategies for member councils and our communities.	SMRC Strategic Community Plan 2020-2030
Corporate Business Plan	Details the actions Council will undertake, and resources required, over a four-year period to achieve stakeholders' aspirations and the objectives of the Strategic Community Plan.	This Document
Long-Term Financial Plan	Provides a forecast of the financial position of Council for the next ten years. It indicates Council's long-term financial sustainability and allows early identification of financial issues and their longer-term impacts.	SMRC Long-Term Financial Plan 2020-2030 RRRC Amended Business Plan 2017
Asset Management Plan	Outlines how Council's assets will meet the service delivery needs of the community into the future based on a 'whole of life' and 'whole of organisation' approach.	SMRC Asset Management Plans
Workforce Plan	Outlines the workforce requirements and workforce strategies for the delivery of the current and future operations of Council.	SMRC Workforce Plan 2018-2023
Information & Communication Technology Plan	Outlines the ICT requirements and strategies for the delivery of the current and future operations of Council.	SMRC ICT Strategic Plan 2018 -2021
Issue Specific Strategies	These are specific strategies that Council has developed to respond specific issues or guide its approach to a program of work.	Strategic Waste Management Plan (SWMP) Community Engagement Strategy Communication Plan Recycle Right Plan SMRC Marketing Plan Environmental Management System (EMS) Establishment Agreement Project Participants Agreement

Component	Purpose	Informing Document
Annual Budget	The process by which Council informs the community and statutory bodies of its progress in delivering services, projects and other operations to meet the community's short-term, medium-term and long-term aspirations.	Annual Budget
Measurement & Reporting	The reporting process allows Council to inform its stakeholders and statutory bodies of its progress in delivering services, projects and other operations to meet the short-term, medium-term and long-term aspirations.	Annual Report

Operational Model



Source: Department of Local Government and Communities Integrated Planning and Reporting Framework and Guidelines, September 2016



2. Our story

2.1 How we came about

In 1991, the local governments of Canning, Cockburn, East Fremantle, Fremantle, Kwinana, Melville, and Rockingham came together to form a regional approach to waste management. The Councils realised that individual approaches for alternative waste options would be too expensive for a single council. A solution was required to manage the thousands of tonnes of waste that were being sent direct to landfill each year with little consideration of the future social, economic, and environmental implications.

As a result, the Councils formed the South-West Waste Management Council to provide environmentally sustainable waste management solutions for the benefit of the community and member councils. In 1998, this was changed to the Southern Metropolitan Regional Council (SMRC).

Over the period the following local governments for a variety of reasons have since withdrawn from the regional group: City of Canning in June 2010, City of Rockingham in June 2012, City of Cockburn in June 2019 and City of Kwinana in June 2021.

2.2 What we do

SMRC is a statutory local government authority representing local governments in the southern metropolitan area of Perth. It is responsible for delivering innovative and sustainable waste management solutions for member local governments.

Our member local governments are: Town of East Fremantle, City of Fremantle and City of Melville.

The member local governments have jointly agreed to establish SMRC under an Establishment Agreement and each participant may participate in regional projects that are governed by a Participants' Project Agreement.

There are two core projects, being:

1. The Regional Resource Recovery Centre (RRRC) Project and;
2. The Office Accommodation Project.

Both the projects were established through separate project participants' agreements. The City of Kwinana is not a participant in the RRRC project. In addition to the above two projects, support activities such as administration, education and research are also undertaken.

The RRRC at Canning Vale was the first of its kind in Western Australia, and is a unique waste recycling and resource precinct and important waste infrastructure in the Perth metropolitan area. RRRC comprises three resource recovery facilities:

1. Organic waste (household food and small garden waste) is collected from 240 litre lime-green top bins, processed and turned into compost;
2. Paper, plastics, and metals are collected from household yellow top bins, and are sorted and recovered in the Materials Recovery Facility, then sold to domestic and international markets; and
3. Green waste is collected from the kerbside of households and turned into mulch.

The SMRC is committed to assisting the State Government to work towards achieving its recovery targets outlined in the State's Waste Strategy 2030.

As an organisation, we inject over \$20 million per year into the economy, employ over 75 staff and provide work for 100 local small businesses and contractors each month.

2.3 Key Issues: Regional Resource Recovery Centre Strategy

Agreed Strategic Direction

Based on a members/participant workshop held 18 March 2021

Continue to provide regional services for Participants and other stakeholders recognising the RRRC as a strategic asset in delivering on Participants, State and Community resource recovery and circular economy aspirations.

Key Strategies	Actions
1. Review governance structure	Facilitate review of SMRC Establishment Agreement, Project Participant Agreements and meeting structures
2. Understand and articulate our value proposition	Prepare a Value Proposition Statement
3. Form alliances & partnerships	Maintain a flexible approach to opportunities for outsourcing SMRC activities and/or business partnering.
4. Enhance and leverage brand equity	Create and promote a brand that reflects the vision and objectives of SMRC
5. Develop an advocacy strategy	<ol style="list-style-type: none"> 1. Develop an advocacy strategy to promote SMRC's value proposition to stakeholders including WA Government, WALGA and individual local governments in order to achieve desired outcomes. 2. Establish a working group to ensure a collaborative approach to delivering the advocacy strategy.
6. Deliver communication and waste education	Undertake a review, in consultation with participants, on the regional community education program.

2.3.1 Continue to pursue outsourcing part/s or all of the RRRC

Action: Facilitate review of SMRC Establishment Agreement and Project Participant Agreements.

For consideration:

1. the regional purpose of the regional council,
2. the number of offices of members on the council of the regional local government and, in respect of each participant, the number of members to be appointed by that participant,
3. the appointment and tenure of members and deputy members of the council of the regional local government,
4. the procedures for the winding up of the regional local government or for the withdrawal of a participant from the regional local government,
5. any implications of the state government's change to regional local governments,
6. the meeting structure,
7. other terms of reference and matters relevant to the governance structure of the regional council.

Implication: There is a desire to review the SMRC's regional purpose and governance structure.

Strategic Alignment: This strategy remains in alignment with the current strategy:

Key Focus: Business Sustainability

Objective 2.1 Our governance model supports an effective & efficient business model

2. Our story (continued)

2.3.2 Understand and articulate our value proposition

Action: Prepare a Value Proposition Statement.

For consideration:

1. Identify all the benefits our products and services offer.
2. Describe what makes each of these benefits valuable.
3. Identify our customer's main problem to be solved.
4. Connect our value to our buyer's problem.
5. Differentiate ourselves as the preferred provider of this value.

SMRC's skills, knowledge and value adding capabilities need to be clearly understood and articulated.

Value proposition includes:

- SMRC is the local government leader in achieving state material recovery targets - Members benefit from this association and should leverage this to attract other like-minded local governments and have state government recognition.
- MRF – is a valuable asset to members but also, in times of contingency an essential service facility

and as such, must be recognised and supported by state, industry and local government.

- The FOGO processing facility has the capacity to attract new customers and utilise an existing assets.
- SMRC have developed considerable intellectual property in the resource recovery industry and professional advice could be provided on a fee for service basis.
- Our communities are unlikely to accept reduced services or environmentally unsustainable outcomes and solutions.
- Through the SMRC, members control the waste streams and environmental outcomes eg recovery targets and chain of custody of materials.
- Intangibles such as quality, sustainability and chain of custody protocols need to be fully understood and represented.
- Improved site utilisation would re-distribute overhead expenditure.

Strategic Alignment: This is a new strategy:

Key Focus: Business Sustainability

Objective 2.1 Our governance model supports an effective & efficient business model.

2.3.3 Form alliances and business partnerships

Action: Maintain a flexible approach to opportunities for outsourcing SMRC activities and/or business partnering including;

- Identify opportunities in the business marketing plan.
- Increase customer base.
- Partner with private waste sector
- Realise the FOGO opportunity.
- Maximise underutilised facilities and space at the RRRRC for resource recovery to generate revenue.

Strategic Alignment: This strategy remains in alignment with the current strategies with minor word changing:

Key Focus: Resource Recovery

Objective 1.1 We co-ordinate and facilitate solutions that optimise material recovery in line with state targets.

2.3.4 Enhance and leverage our brand equity

Action: Create and promote a brand that reflects the vision and objectives of SMRC.

For consideration:

Re-brand the regional local government and its projects to re-vitalise and enhance brand awareness.

Strategic Alignment: This strategy remains in alignment with the current strategies:

Key Focus: Business Sustainability

Objective 2.1 Our governance model supports an effective & efficient business model.

2.3.5 Develop an Advocacy Strategy

Actions:

1. Develop an advocacy strategy to promote SMRC's value proposition to stakeholders including WA Government, WALGA and individual local governments in order to achieve desired outcomes.
2. Establish a working group to ensure a collaborative approach to delivering the advocacy strategy.

For consideration:

SMRC possesses intellectual property, skills and value adding capabilities valued by members. Given the rapidly changing nature of the waste industry these attributes need to be harnessed to advocate for beneficial change for all our stakeholders.

Strategic Alignment: This strategy remains in alignment with the current strategies with minor word changes:

Key Focus: Community & Stakeholder Relationships

Objective 3.1 We are acknowledged as a community leader in waste recovery & reuse

2.3.6 Deliver communication and waste education

Action: Undertake a review, in consultation with participants, on the regional community education program.

For consideration:

1. SMRC's brand 'Recycle Right' is a communication resource and toolkit that dovetails with the State government's 'Waste Sorted' education platform.
2. Recycle Right is recognised as an whole of industry resource and is adopted on a fee basis by other regional and individual local governments.
3. SMRC employs experienced waste educators, communication strategists and a graphic designer to co-ordinate and deliver communication outcomes.
4. Participants also employ a mix of waste officers and communication staff to deliver co-ordinated outcomes.

Strategic Alignment: This strategy remains in alignment with the current strategies with minor word changing:

Key Focus: Community & Stakeholder Relationships

Objective 3.2 We effectively communicate with our community & stakeholders.

3. 2016 Strategic Waste Management Plan Recommendations

The Western Australian Waste Avoidance and Resource Recovery Strategy 2030 (Waste Strategy), includes a headline strategy to “Implement local government waste plans, which align local government waste planning processes with the Waste Strategy.”

All local governments and regional local governments located in the Perth metropolitan region and Peel region (Perth and Peel regions), and major regional centres that provide waste services, are required to develop waste plans for the 2020-21 financial year, and perform their functions in respect of waste management in accordance with their waste plans.

Section 6.2(2) of the Local Government Act 1995 requires local governments to have regard to their plans for the future (which include waste plans made under section 40 of the WARR Act).

Waste plans include a five plus year implementation plan. SMRC’s plan for future remains aligned to its 2016 Strategic Waste Management Plan (SWMP), and the DWER approved Waste Plan 2020

- 1) Further roll out of FOGO and FO to MUD’s in Melville, Fremantle and East Fremantle
- 2) Roll out of FOGO and FO to mixed use and commercial areas in Melville, Fremantle and East Fremantle
- 3) General Waste RED bin to Waste to Energy from 2022 will add another 4% to 6% diversion points to overall kerbside performance

Ongoing

- 1) Recycle Right and bin tagging
- 2) Further discussions with State Government, WALGA, Regional Councils and other local governments for partnering and use of educational resources such as the Recycle Right brand and resources (e.g. website/app and education centre)
- 3) Facilitate and support the ongoing work of the SMRC community advisory group
- 4) Development of new FOGO processing system to achieve current diversion target of 65% has been completed in the period November 2019 to June 2020
- 5) Further roll out to MUD’s in Melville, Fremantle and East Fremantle
- 6) Kerbside Waste Auditing program and overall collection and processing system performance measurement

Short term (within the next 1-2 years)

- 1) Transition of Waste Composting Facility to FOGO processing stage 1 - 60,000 tonnes per annum capacity
- 2) General Waste RED bin to Waste to Energy from 2022 will add another 4% to 6% diversion points to overall kerbside performance

Medium term (within the next 3-5 years)

Transition of Waste Composting Facility to FOGO processing stage 2 - 120,000 tonnes per annum capacity

Long term (more than 5 years)

Develop regional processing ‘hubs’ for mattresses, HHW, batteries, C&D materials, whitegoods, e-waste, tyres, cars,

The community garden at the RRRRC with FOGO compost





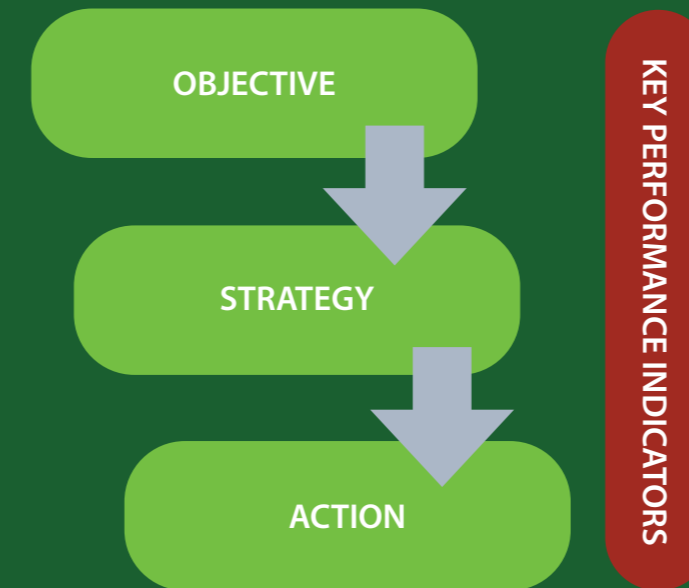
A new shredder is in use at the Waste Composting Facility

4. How to read this document

The following section outlines our three key focus areas (as outlined in the Strategic Community Plan).

For each key focus area we have identified Objectives (what we aim to achieve). Each objective is supported by one or more Strategies (what we will do to achieve the objectives). For each Strategy, we have identified the key projects or programs of work.

To measure if we have succeeded in delivering on the objectives, we have identified key performance indicators that we will measure and report on each year. In some cases the key performance indicators are measures of “doing”, and in other cases they are measures of “outcomes” such as changes in the community’s perceptions and behaviours.



Entrance and weighbridge and the RRRC

5. Key Focus Areas

Key Focus: Resource Recovery

Our Vision – We are a leader in recovery and reuse

What this means

- Minimising waste to landfill is at the core of our business.
- We deliver waste management solutions that are effective and efficient.
- We identify partnership opportunities to deliver waste management solutions.
- We work towards solutions that value add to our residual products.

Key Challenges Affecting this Activity

- Our ability to communicate the environmental benefits of processing technologies.
- Our ability to manage contractual complexities.
- Our ability to comply with regulatory obligations.
- Our ability to demonstrate our costs are balanced against the environmental benefits gained.
- Our ability to manage a diverse stakeholder group.

Outcomes

- We will continue to be exceeding the State Government’s targets of diversion from landfill.
- We will be recognised as leaders in our field.
- We will be financially sustainable and our facilities will operate close to capacity.
- We will facilitate an expanded range of services in waste management.
- We will facilitate the processing of a wide range of waste types, including e-waste, containers, and Commercial & Industrial waste.
- We will continue to be a recognised knowledge base and source of expertise in resource recovery and waste management.



Green waste verge collection

Objective 1.1 We co-ordinate and facilitate solutions that divert waste from landfill

Strategies	Actions	Timeframe			
		2021/22	2022/23	2023/24	2024/25
1.1.1 Optimise operations in recovery and re-use to add value	a. Pursue opportunities to partner with other organisations to achieve regional solutions for resource recovery	✓	✓	✓	✓
	b. Consider opportunities for divesting resource recovery and disposal activities	✓	✓	✓	✓
1.1.3 Lead initiatives to deal with problematic waste	a. Continue to explore sustainable recycling markets	✓	✓	✓	✓
	b. Work with State agencies, local governments, and commercial waste operators to identify uses for problematic materials	✓	✓	✓	✓
	c. Pursue opportunities to partner with other organisations to develop regional processing hubs	✓	✓	✓	✓
	d. Facilitate community-based recycling services for HHW, batteries, polystyrene etc.			✓	✓

Objective 1.2 We will lead the change to new waste solutions

Strategies	Actions	Responsibility	Timeframe				Informing Documents
			2021/22	2022/23	2023/24	2024/25	
1.2.1 Investigate the viability of new technologies for waste recovery, including Energy from Waste	a. Consider EfW for the RRRC residuals and member Councils MSW	CEO	✓	✓	✓	✓	SWMP No9
1.2.2 Investigate best use scenarios for current technology and site in regards to FOGO	a. Tender for FOGO processing and/or provision of composting technology	EMSP	✓				SWMP No6
	b. Optimise the use and revenue obtained from the RRRC	SMG	✓	✓	✓	✓	SWMP No7

Resource Recovery Key Performance Indicators

Performance Indicator	How it will be measured	Actuals		Targets			
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Waste diverted from landfill	Percentage of waste diverted = (1 - total residuals/total waste processed x 100%)	62%		65%	65%	65%	
Contamination is reduced in the three waste streams collected.	Lime-Green Bin FOGO <2% contamination (Waste Audits)	2%		<2%	<2%	<2%	
	Yellow Bin Recycling <5% contamination	10%		10%	<5%	<5%	
	Red Bin Residuals	<7%		<7%	<5%	<5%	



FOGO compost being matured at Purearth

Key focus: Business Sustainability

Our Vision – We have a business model that supports the delivery of long-term sustainable waste solutions

What this means

- Delivering sustainable waste management solutions in an efficient and effective manner is essential to our business.
- Our business model must reflect the current commercial environment, and have the flexibility to continually evolve as conditions change.
- We must be able to understand and integrate the expectations of our member councils into a governance structure that is equitable and representative.

Outcomes

- By 2023, our member councils will be receiving social and economic dividends for their investment.
- We understand the acceptable level of cost our member councils are willing to pay, and have priced our services accordingly.
- Our capital investments are efficiently utilised and we are financially sustainable over the long-term.
- Our business model and governance structure are appropriate to enable the delivery of our services.

Key Challenges Affecting this Activity

- Changes in legislation.
- Potential withdrawals from the SMRC Establishment Agreement.
- Stakeholder support



Objective 2.1 Our governance model supports an effective and efficient business model

Strategies	Actions	Responsibility	Timeframe				Informing Documents
			2021/22	2022/23	2023/24	2024/25	
2.1.1 Adapt and improve existing governance arrangements	a. Facilitate review of SMRC Establishment Agreement and Project Participant Agreements	CEO MEMBERS	✓	✓			Establishment Agreement Local Government Act
2.1.2 Investigate alternative business delivery models to ensure our business practices are reflective of the commercial environment	a. Review the current governance structure entity to ensure it is aligned with the business model	CEO	✓	✓	✓	✓	Local Government Act WARR Act Regional Subsidiaries Bill LTFP, AMP, WF,
2.1.3 Rebrand existing entities and operations to reflect vision & objectives	a. Create and promote a brand that reflects the vision and objectives of SMRC	CEO MEMBERS	✓	✓	✓	✓	Communications Plan
2.1.4 Understanding our business proposition	a. Prepare a value proposition statement	CEO	✓	✓	✓	✓	

Objective 2.2 Our business is efficient, financially viable and sustainable

Strategies	Actions	Responsibility	Timeframe				Informing Documents
			2021/22	2022/23	2023/24	2024/25	
2.2.1 Identify and deliver process improvements	a. Review and implement a continuous process improvement program	Operations	✓	✓	✓	✓	
2.2.2 Develop an appropriate and efficient asset management strategy	a. Develop and deliver a transition maintenance program for assets	Operations	✓	✓			AMP
	b. Develop and deliver an asset management plan for repurposing of assets	Operations	✓	✓			AMP
2.2.3 Develop a sustainable long term financial plan	a. Undertake an annual review of the Long Term Financial Plan	Corporate Services	✓	✓	✓	✓	LTFP
2.2.4 We will be a responsible employer	a. Review and update the Workforce Plan to reflect the service delivery model	Corporate Services	✓	✓	✓	✓	WFP
	b. Implement the OH&S Plan	Corporate Services	✓	✓	✓	✓	OHS Plan

Business Sustainability Key Performance Indicators

Performance Indicator	How it will be measured	Actuals		Targets			
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Key stakeholders are satisfied with our performance	Stakeholder survey	80%		>80%	>80%	>80%	
Plant availability	Percentage of member tonnes accepted at RRRC	100%		>95%	>95%	>95%	
Current Ratio	Current assets over current liabilities	1.10		=>1.10	=>1.10	=>1.10	
Number of lost time incidents (LTIFR)	Number of lost time injuries	0		0	0	0	



SMRC were winners of the 2021 WA Waste Award

Key Focus: Community & Stakeholder Relationships

Our Vision – We support a community of shared responsibility

What this means

- Our communities/stakeholders are at the core of our existence.
- Our communities possess the right level of knowledge and education so that change happens in the household, at the grassroots of our society.
- Education and environmental stewardship play a fundamental supporting role in all areas of the waste hierarchy. These are paramount in the reduction of waste to landfill, and play a significant role in supporting many of our operational elements.

Outcomes

- We will be leading a regional and metropolitan approach to education.
- Our brand is positively recognised by our communities.
- We have a positive and ongoing relationship with our communities and stakeholders.
- We are the leaders in achieving the Waste Authority's targets on diversion from landfill and resource recovery.

- Our member councils and others look to us for guidance and advice in waste education and minimisation practices.

Key Challenges Affecting this Activity

- Change in legislation.
- Change in Federal and State Government policy.
- Availability of our financial, physical and human resources to deliver meaningful education and behaviour change programs.



Bin tagging program

Objective 3.1 We are acknowledged as a community leader in waste recovery & reuse

Strategies	Actions	Responsibility	Timeframe				Informing Documents
			2021/22	2022/23	2023/24	2024/25	
3.1.1 Participate in Federal, State and Local Government forums to support the development of regional and metropolitan waste management policies and legislation	a. Continue to develop existing relationships with Waste Authority and DWER	CEO	✓	✓	✓	✓	Communications Plan
	b. Advocate for extended producer responsibility and circular economy principals.	CEO	✓	✓	✓	✓	Communications Plan SWMP No36,37
	c. Advocate for legislation that supports the state's waste hierarchy	CEO	✓	✓	✓	✓	National Waste Policy State Waste Strategy SWMP No35,36

Objective 3.2 We effectively communicate with our community & stakeholders

Strategies	Actions	Responsibility	Timeframe				Informing Documents
			2021/22	2022/23	2023/24	2024/25	
3.2.1 Develop and implement an effective community education program	a. Implement community education plan actions	CEO and Communications	✓	✓	✓	✓	Communications Plan Recycle Right Plan
	b. Undertake an annual review of the community education plan	Communications	✓	✓	✓	✓	SWMP Recycle Right Plan
3.2.2 Partner with member councils and complementary organisations to promote behavioural change towards waste recovery and reuse	a. Continue to work with and provide support to waste reduction groups	Communications	✓	✓	✓	✓	Community Engagement Plan Recycle Right Plan
	b. Promote the Recycle Right Program amongst member councils as the regional recycling initiative	Communications	✓	✓	✓	✓	Community Engagement Plan Recycle Right Plan
	c. Promote the benefits of source separation for 3-bin systems	Communications	✓	✓	✓	✓	Community Engagement Plan Recycle Right Plan
	d. Actively pursue funding and partnership opportunities for educational programs	Communications	✓	✓	✓	✓	Community Engagement Plan Recycle Right Plan
	e. Lead trial projects to reuse recycled materials	Communications	✓	✓	✓	✓	Community Engagement Plan Recycle Right Plan

Photo: Waste Education display at Kidchella event in Melville



Community & Stakeholder Relationships Key Performance Indicators

Performance Indicator	How it will be measured	Actuals		Targets			
		2019/20	2019/20	2021/22	2022/23	2023/24	2024/25
SMRC is acknowledged as a leader in waste management and resource recovery	Community survey	>80%		>80%	>80%	>80%	
Community awareness of the Recycle Right brand	Community Survey	>40%		>50%	>50%	>50%	
Number of community contacts	Number of persons receiving waste education from SMRC e.g. RRRC tour visitors, community and school education, awareness programs run by SMRC	>5,000		>5,000	>5,000	>5,000	
RecycleRight Website	Number of hits on the Recycle Right website	>50,000		>60,000	>60,000	>60,000	



6. Resourcing Plans

6.1 Long-Term Financial Plan (LTFP)

The LTFP includes the financial estimates modelled in the RRRC Amended Business Plan and the funding of actions contained in this Plan.

SMRC's revenue sources include: Participant contributions towards operating, education and capital (borrowings); customers fee for service and cash backed reserves.

The RRRC Amended Business Plan assumes the complete transition of the WCF to a Pre-Sort and Transfer Station for FOGO processing by 1 July 2020.

Financial resources are planned for in the annual budget, as adopted by Council, and the 10 year Long Term Financial Plan. These documents are available on the SMRC's website.

6.2 Asset Management Plans (AMP)

The AMP identifies the asset classes and the estimated spend for annual maintenance programs, renewals and new acquisitions.

The AMP takes into account the RRRC asset transition program and the decommissioning of surplus assets and commissioning of new assets to meet the changes in the business delivery model relating to this Plan.

6.3 Workforce Plan (WFP)

The Workforce Plan (WFP) details our resources required to meet the business delivery models contained in this Plan.



Recycle Right Plan 2021-2023



BROUGHT TO YOU BY



SOUTHERN METROPOLITAN REGIONAL COUNCIL

Southern Metropolitan Regional Council

9 Aldous Place, Booragoon WA 6154

Tel: (08) 9329 2700

Web: www.smrc.com.au Email: smrc@smrc.com.au

Recycle Right Plan 2021-2023

PURPOSE: COLLABORATION TO MAINTAIN AND IMPROVE WASTE MANAGEMENT ACROSS THE COMMUNITIES IN THE SOUTH METRO REGION

Outcome 1: Inform the Recycle Right Strategy with a strong evidence base

Outcome 2: Deliver consistent waste education messages

Outcome 3: Maximise effectiveness through collaboration and partnership

Outcome 4: Monitor outcomes and refine performance

#	Actions required	SMRC	Member Councils	Recycle Right 'Members'	Timeframe	Priority-SMRC		
						L	M	H
Outcome 1: Inform the Recycle Right Strategy with a strong evidence base								
Strategy 1.1 Maximise benefit from community perception surveys								
1	Undertake Biennial community perception survey (with Catalyse) and use results to inform waste education, promotion and events and review effectiveness on behaviour change.	Work with Member Councils to formulate questions that are beneficial to all. Coordinate survey with Catalyse. Circulate results to Member Councils Inform community education (tours and outreach events) as well as school-based education (tours and incursions) Report on effectiveness of Recycle Right activities on behaviour change. Use to inform future strategies.	Contribute to development of survey questions. Promote survey results. Use results to Inform community education (tours and outreach events) as well as school-based education (tours and incursions)	NA	Sep-21			
Strategy 1.2 Share learnings from individual and collective research								
2	Maintain and increase collaboration between educators and communication staff across member councils	Ensure open communication channels and regular planning meetings for key promotion activities and events	Ensure open communication channels and regular planning meetings for key promotion activities and events	Regular 3-monthly Recycle Right 'Reference Group' Meetings - feed in key promotion activities and events	Ongoing			

#	Actions required	SMRC	Member Councils	Recycle Right 'Members'	Timeframe	Priority-SMRC			
						L	M	H	
Outcome 2: Deliver consistent waste education messages									
Strategy 2.1 Ensure regionally consistent waste education messaging across Councils and all waste types									
3	"Deliver consistent waste education messages and resources via: - the Recycle Right website and app - material for social media and publications - annual waste calendar/waste guides for Councils (if required) - regular Recycle Right eNews - CALD/community resources"	"Promote Recycle Right and WasteSorted messages (& State Waste Strategy). Ongoing formulation of FOGO, RRRC & general waste messaging and production of material. "	"Promote Recycle Right and WasteSorted messages (& State Waste Strategy) in print, social media, digital media (LCD, screens), and other (eg. truck decals, buses, billboards). Distribute ongoing FOGO, RRRC and general waste messaging. Advise SMRC of events for inclusion in the Regional Event Calendar (e.g. PFJ, National Recycling Week, Science Week, Easter, etc)."	"Promote Recycle Right and WasteSorted messages (& State Waste Strategy) in print, social media, digital media (screens), and other (eg. truck decals). Distribute ongoing FOGO, RRRC and general waste messaging. Liaise on National Campaigns (e.g. PFJ, National Recycling Week, Science Week, Easter, etc)."	Ongoing				
4	Raise community awareness on how to recycle waste not destined for household bins (e.g. bulk verge, hazardous materials, E-waste, construction waste)	Develop education/promotional material to align with HHW, C&D and bulk verge	Use education material to promote collection, recycling and disposal of HHW, C&D and bulk verge waste.	If relevant, use education material to promote collection, recycling and disposal of HHW, C&D and bulk verge waste.	Ongoing				

#	Actions required	SMRC	Member Councils	Recycle Right 'Members'	Timeframe	Priority-SMRC			
						L	M	H	
Outcome 2: Deliver consistent waste education messages (continued)									
Strategy 1.2 Share learnings from individual and collective research (continued)									
5	Develop business education material to improve waste outcomes	With Waste Ed Officers to develop business education material to avoid/reduce/sort waste.	"Work with SMRC to develop material. Identify businesses suitable for rollout of produced material. "	Consider sharing material if successful.	2020-22				
6	Review Recycle Right Style Guide	"Work with Comms Officers to review the style guide so it fits better and is complimentary to Council branding. Promote use of style guide to all who use Recycle Right material"	"Work with SMRC to review the style guide so it is complimentary to Council branding. Follow style guide when promoting Recycle Right material"	Follow style guide when promoting Recycle Right material	Jul-Aug 21				
Strategy 2.2 Develop and update education material for use during tours, incursions and excursions									
7	Update and promote education material and lesson plans for schools and community events	Develop the 7-Station School Full-Day Incursion Program (with WMRC).	Support, promote and utilise school/community based education in own Council.	Utilise school/community based resources in own Region if relevant.	Jun-21				
8	Revamp the RRRC Education Centre to make it a State-of-the-Art showcase of waste and recycling	Develop material for Education Centre (11 topics). Feedback from Councils during development process.	Feedback in the development of Education Centre material.	Feedback in the development of Education Centre material.	Jul-22				
9	Maintain and further develop the Community Garden at the RRRC	Develop material for Community Garden with a focus on FOGO/Compost	Promote community garden (on tours)	Promote community garden (on tours).	Ongoing				
10	Build the Recycle Right Rangers volunteer program			NA	Jul-21				

#	Actions required	SMRC	Member Councils	Recycle Right 'Members'	Timeframe	Priority-SMRC		
						L	M	H
Outcome 2: Deliver consistent waste education messages (continued)								
Strategy 2.3 Develop online/digital/audio resources								
11	Develop online webinars (six per year)	Provide business case. Liaise with Member Councils to determine appropriate topics for webinars.	Liaise with SMRC to determine appropriate topics for webinars. Promote webinars.	Liaise with SMRC to determine appropriate topics for webinars. Promote webinars.	2021-22			
12	Develop 'Talking Rubbish' podcast and interview experts from all facets of waste industry	Provide business case. Develop ideas for podcasts.	Identify experts to interview. Promote podcasts.	Identify experts to interview. Promote podcasts.	2021-22			
Outcome 3: Maximise effectiveness through collaboration and partnership								
Strategy 3.1 Investigate new partnerships and funding opportunities								
13	Expand the Recycle Right 'Membership' program	Identify Councils, Regional Councils and Shires to approach with Recycle Right Business Plan	NA	"Liaise with SMRC regarding member benefits etc. Attend Recycle Right Reference Group Meetings"	Ongoing			
14	Identify additional funding sources (including grants)	Identify grants and write applications.	Provide letters of support.	Provide letters of support.	As required			
15	Collaborate with national schemes and activities e.g. Plastic Free July, National Recycling Week, National Science Week	Develop Regional partnerships if appropriate. Further promotion.	Develop Regional partnerships if appropriate. Further promotion.	Develop Regional partnerships if appropriate. Further promotion.	Ongoing			

#	Actions required	SMRC	Member Councils	Recycle Right 'Members'	Timeframe	Priority-SMRC		
						L	M	H
Outcome 4: Monitor outcomes and refine performance								
Strategy 4.1 Monitor improvements in accuracy of household waste behaviour								
16	Undertake bin tagging program	"Plan and execute audits and bin tagging programs targeting households and areas with high levels of contamination. Analyse data and provide report on findings to Member Councils. "	"Provide household data to inform bin tagging zones. Utilise reports to inform waste management strategies and community members (to improve residents behaviour)."	Investigate sharing 'pool' of trained bin taggers between regions.	Ongoing			
17	Assist with education related to roll-out of FOGO to Multi-Unit Developments (MUDs), shared bin residences and commercial properties (if required)	Explore issues faced in Multi-Unit Developments (MUDs), shared bin residences' and commercial properties.	Rollout FOGO to MUDs and shared bin residences.	NA	by 2025			
18	Promote FOGO processing and FOGO-derived end-products	Liaise with Member Councils to produce material to promote FOGO processing/end products - Q&As, comms plan, FOGO video and photos for use by Councils.	"Work with SMRC to develop FOGO promotional material. Utilise resources to promote FOGO processing and end-products.to residents. "	NA	by 2025			



Date: 18 June 2021
Version 1.0

**SOUTHERN METROPOLITAN
REGIONAL COUNCIL**

**Draft
2021/22
ANNUAL BUDGET**

For the Year ending 30 June 2022

Our Vision:

We deliver innovative and sustainable waste management solutions for the benefit of our communities and the environment

On behalf of our Participant Local Governments





Contents

1 STATEMENT BY CHIEF EXECUTIVE OFFICER	3
2 BUDGET OVERVIEW 2021-2022	3
3 THE SMRC AT A GLANCE	4
4 REGIONAL PURPOSE	5
5 STRATEGIC PLAN	6
6 STATEMENT OF FINANCIAL ACTIVITY	8
7 EXISTING UNDERTAKINGS BUDGET.....	10
8 RRRC PROJECT BUDGET	12
9 OFFICE PROJECT BUDGET	18
10 FEES AND CHARGES 2021/22.....	19
11 STATUTORY FINANCIAL STATEMENTS.....	20



1 STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached budget financial report of the Southern Metropolitan Regional Council for financial year ending 30 June 2022 has been prepared in accordance with applicable the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and Regulations under that Act.

2 BUDGET OVERVIEW 2021-2022

The 2021/22 Annual Budget has reduced due to the factors itemized in the report and mainly resulting from a reduction in tonnes from commercial customers.

The annual budget estimates are based on known tonnages, variable process costs and fixed costs. It does not consider hypothetical additional tonnes that may be received during the year.

The RRRC Project Budget is SMRC's core business and makes up the following:

- Operating Revenue \$16.5M (\$29.1M)
- Operating Expenditure \$20M (\$27M)
- Capital Expenditure \$2M (\$4.4M)
- Capital Loan Repayment \$3.4M (\$3.3M)

In March 2021, the Regional Council Participants reviewed the strategic direction agreeing to continue the operations and attracting new business and re-purpose existing assets on the RRRC site.

The annual financial impact of the withdrawal of the City of Kwinana is just under \$100K and will be re-distributed to remaining participants.

The introduction of the Container Deposit Scheme (CDS) provides the revenue opportunity to reduce RRRC participants' contributions.

The introduction of the commonwealth mixed plastics export ban will negatively impact income due to higher onshore processing costs. The MRF budget base gate fees will be adjusted through our rise and fall mechanism ensuring any additional costs are fully funded.

3 THE SMRC AT A GLANCE

The Southern Metropolitan Regional Council (SMRC) is a statutory local government authority established in 1991 by local governments in the southern metropolitan region of Perth. The SMRC is responsible for developing environmentally sustainable waste management solutions and climate change abatement measures for the communities of;

- **Town of East Fremantle**
- **City of Fremantle**
- **City of Melville**

The SMRC operates the Regional Resource Recovery Centre (RRRC) in Canning Vale, which receives and recovers waste from some of its member local governments and the community.

In March 2021, the Regional Council Participants again reviewed the strategic direction noting that:

- a. The three-bin Food Organics and Garden Organics (FOGO) system had been successfully implemented in the three participant council jurisdictions;
- b. the existing Waste Composting Facility has been re-roofed, the removal of decommissioned redundant equipment including digesters and associated infrastructure;
- c. a transitioning to a modified Food and Organics process is underway with excess capacity available for third party contracts;
- d. the Container Deposit Scheme (CDS) had provided additional revenues;
- e. rapidly changing market conditions for recovered recyclables due to export bans between 2021 and 2024 will bring about unknown future cost implications for all local governments in Australia; and
- f. Agreements have been signed with Avertas to dispose of genuine residual waste to an Energy from Waste Facility in Kwinana
- g. reduced membership.

The WA State Government strategies include the requirement that a consistent three bin kerbside collection system, including separation of food organics and garden organics (FOGO) from other waste categories, is provided by all local governments in the Perth and Peel region by 2025. It also introduces challenging targets for material recovery of 70% by 2025 and a target of only 15% of waste generated in Perth and Peel is landfilled by 2030.

The RRRC currently diverts 65% of household waste from landfill achieving the State Government's 2020 target.

Enabling legislation

The SMRC became a regional local government on October 30, 1991, pursuant to the Local Government Act 1960. By virtue of the transitional provisions of the Local Government Act 1995, it is constituted as a regional local government under that Act. On April 22, 1998, the constitution was replaced by an establishment agreement made between the participants and approved by the Minister for Local Government. A regional local government has the same general function of a local government, including its legislative and executive functions, except as stated in section 3.66 of the Local Government Act 1995.



4 REGIONAL PURPOSE

The regional purposes for which the SMRC is established are:

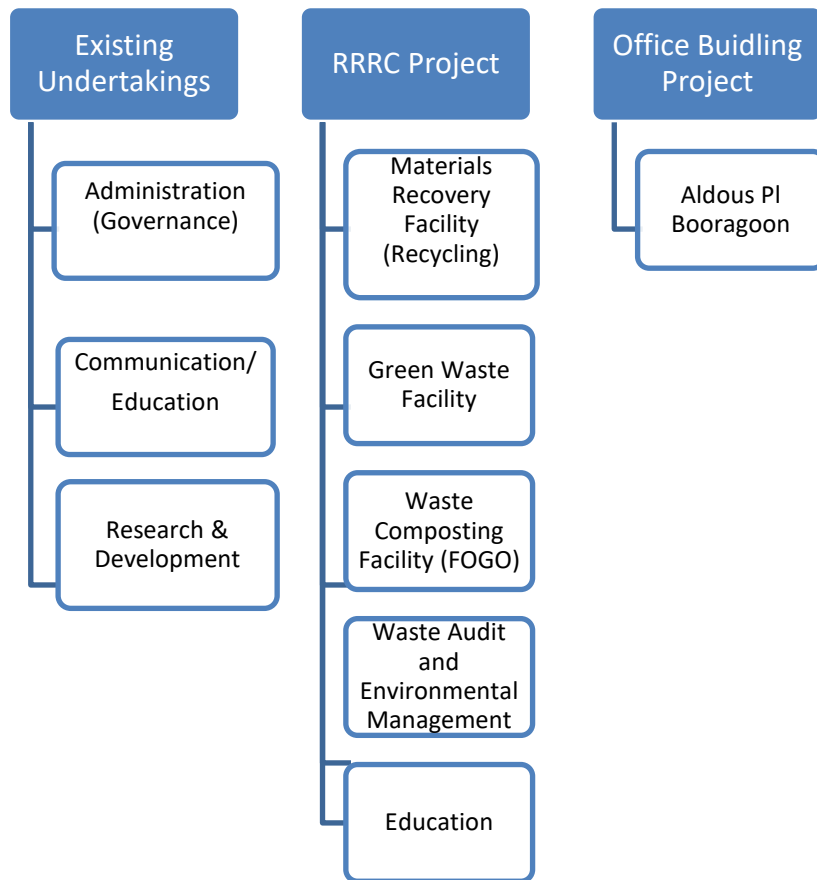
- (a) to plan, coordinate and implement the removal, processing, treatment and disposal of waste for the benefit of the communities of the Participants;
- (b) to influence local, State and Federal Governments in the development of regional waste management policies and legislation;

The SMRC operates under its Establishment Agreement 2000, an agreement between its Participant Local Governments. Each Project has a business plan and a Project Participants' Agreement signed by Participants, who have agreed to part of that Project,

Participants have agreed to make contributions towards the services provided by the SMRC to manage these activities.

The graph below shows the three functions of the SMRC, governed by agreements.

Table 1



5 STRATEGIC PLAN

Our Vision...

We deliver innovative and sustainable waste management solutions for the benefit of our communities and the environment

A strategic directions workshop was held in March 2021, the following strategies and actions were the outcomes from the workshop.

The strategies remain in alignment in the Strategic Community Plan and Corporate Business Plan.

The financial obligations to achieve the strategies and actions referred to in the plan are included in the 2021/22 Annual Budget under the relevant business unit budgets.

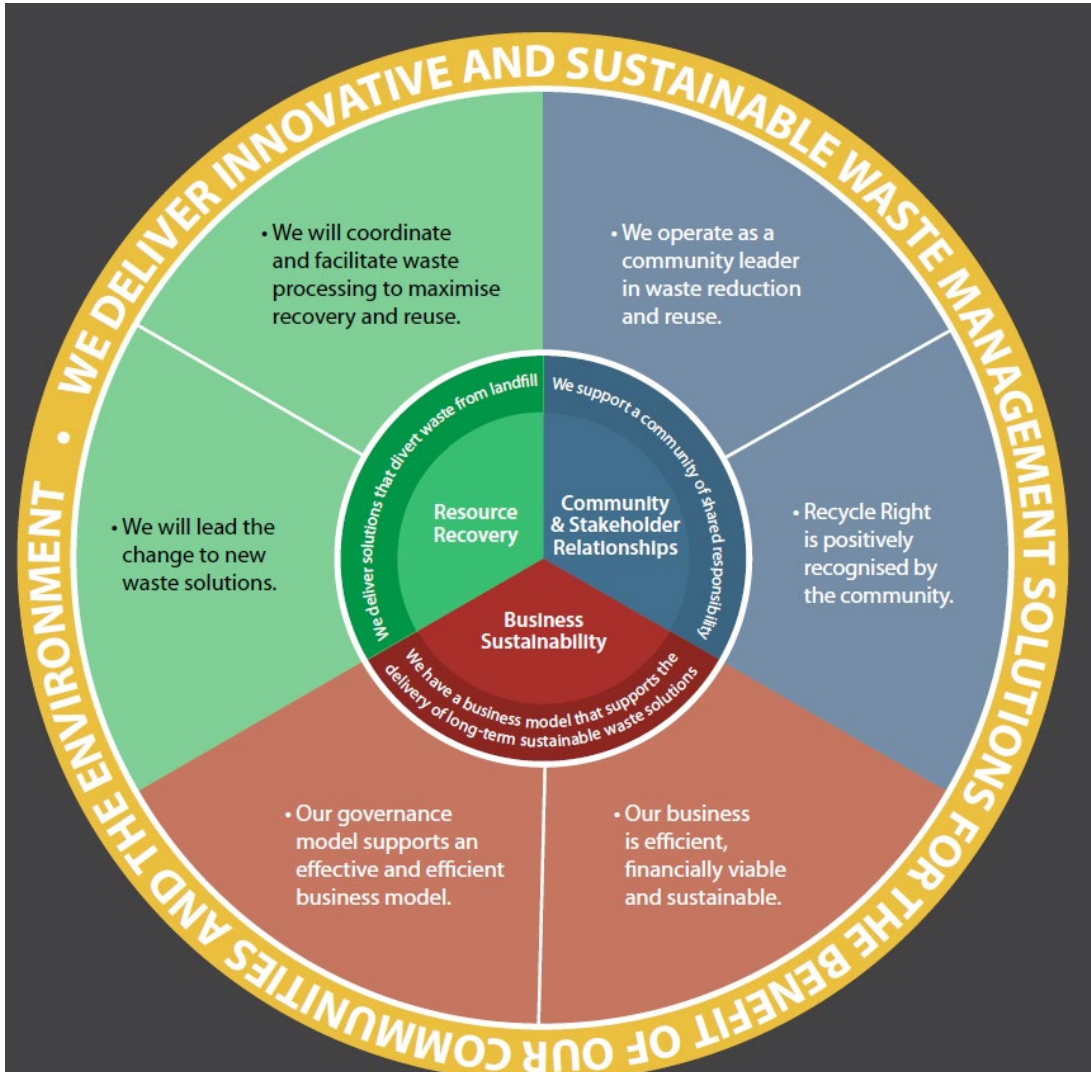
Table 2

Key Strategies	Actions
1. Review governance structure	Facilitate review of SMRC Establishment Agreement, Project Participant Agreements and meeting structures
2. Understand and articulate our value proposition	Prepare a Value Proposition Statement
3. Form alliances & partnerships	Maintain a flexible approach to opportunities for outsourcing SMRC activities and/or business partnering.
4. Enhance and leverage brand equity	Create and promote a brand that reflects the vision and objectives of SMRC
5. Develop an advocacy strategy	Develop an advocacy strategy to promote SMRC's value proposition to stakeholders including WA Government, WALGA and individual local governments in order to achieve desired outcomes. Establish a working group to ensure a collaborative approach to delivering the advocacy strategy.
6. Deliver communication and waste education	Undertake a review, in consultation with participants, on the regional community education program.

Our Vision

The delivery of the vision is achieved by undertaking actions across three Key Focus Areas, which are the core components of our business.

Table 3



6 STATEMENT OF FINANCIAL ACTIVITY

Table 4

SOUTHERN METROPOLITAN REGIONAL COUNCIL			
STATEMENT OF FINANCIAL ACTIVITY			
FOR THE YEAR ENDED 30 JUNE 2022			
BY NATURE OR TYPE			
	2020/21	2021/22	
	Rev. Budget	Budget	Variance
	\$	\$	\$
REVENUE			
Operating Grants, Subsidies and Contributions:			
Members:	13,178,364	11,276,748	(1,901,616)
Others:	2,964,334	1,712,642	(1,251,692)
Fees and Charges	13,441,458	3,841,063	(9,600,395)
Interest Earnings	24,000	24,000	-
Other Revenues	1,100	1,100	-
	29,609,256	16,855,553	(12,753,703)
EXPENSES			
Employee Costs	8,636,534	5,568,798	(3,067,736)
Materials and Contracts	12,032,715	9,072,318	(2,960,397)
Utility Charges	789,570	449,590	(339,980)
Depreciation on Non-current Assets	2,697,576	2,697,576	-
Interest Expenses	838,110	514,114	(323,996)
Insurance Expenses	1,876,872	2,228,230	351,358
	26,871,377	20,530,626	(6,340,751)
NET OPERATING SURPLUS / (DEFICIT)	2,737,879	(3,675,073)	- 6,412,952
Add:			
Depreciation on Non-current Assets	2,697,576	2,697,576	-
Interest for Make Good Provision	83,000	80,700	(2,300)
NET OPERATING POSITION	5,518,455	(896,797)	(6,415,252)
Add / (Less):			
Add: Non-operating Grants	250,000	-	(250,000)
Less : Capital Expenditure	(4,365,000)	(2,000,000)	2,365,000
Less: Loan Repayments	(3,284,059)	(3,398,802)	(114,743)
Add :Loan Contributions from Members	3,284,059	3,398,802	114,743
Less: Lease Repayments	(669,741)	(574,203)	95,538
Add : Transfer from Reserves	1,743,000	2,000,000	257,000
Less: Transfer to Reserves	(3,400,000)	(400,000)	3,000,000
NET CAPITAL POSITION	(6,441,741)	(974,203)	5,467,538
NET OPERATING & CAPITAL POSITION	(923,286)	(1,871,000)	(947,714)
Add: OPENING FUNDS	3,414,757	4,271,000	856,243
CLOSING FUNDS	2,491,471	2,400,000	(91,471)

Table 5

EXPLANATION FOR VARIANCES		
REVENUE		
Members	RRRC Overhead contributions reduced	(1,901,616)
Others	Reduction in grants and CDS revenue	(1,251,692)
Fees and Charges	Reduction in MRF customers	(9,600,395)
Interest Earnings		-
Other		-
Total Revenue Variance (Gain)		(12,753,703)
EXPENDITURE		
Employee Costs	Reduction in MRF employment	(3,067,736)
Materials and Contracts	Reduction in MRF variable Expenses for additional tonnes	(2,960,397)
Utility Charges	Reduction in consumption usage	(339,980)
Depreciation		-
Interest Expenses		(323,996)
Insurance Expenses	premium increase	351,358
Total Expenditure Variance (Gain)		(6,340,751)
Net Operating Surplus Variance		(6,412,952)
Less: Make Good Provision	Non-Cash Interest on future value	(2,300)
Less: Non-operating Grants	Waste Authority Grant towards FOGO Shredder	(250,000)
Less Capital Expenditure	\$2 M 2021/22 program refer to Capex Table	2,365,000
Add Capital Lease Repayment	RRRC ground Lease Right of Use Asset	95,538
Add Transfer from Reserve	\$2 M 2021/22 program refer to Capex Table	257,000
Less Transfer to Reserve	Reduction in MRF surplus	3,000,000
Increase in Operating & Capital Budgets		(947,714)
Increase in Opening Funds due to surplus		856,243
Increase in Closing Funds		(91,471)

7 EXISTING UNDERTAKINGS BUDGET

Table 6

SOUTHERN METROPOLITAN REGIONAL COUNCIL			
STATEMENT OF FINANCIAL ACTIVITY			
FOR THE YEAR ENDED 30 JUNE 2022			
BY ACTIVITY			
	2020/21	2021/22	
	Rev. Budget	Budget	Variance
	\$	\$	\$
REVENUE			
Governance	141,407	109,100	(32,307)
Administration	1,000	1,000	-
Education	209,329	165,829	(43,500)
R&D Projects	144,000	34,000	(110,000)
OPERATING REVENUE	495,736	309,929	(185,807)
EXPENSES			
Governance	206,407	209,100	2,693
Administration	1,000	1,000	-
Education	187,329	165,829	(21,500)
R&D Projects	184,612	74,000	(110,612)
MUDS Grant	21,000	51,000	30,000
OPERATING EXPENDITURE	600,348	500,929	(99,419)
Add: Depreciation			-
OPERATING EXPENDITURE	600,348	500,929	(99,419)
NET RESULT	(104,612)	(191,000)	

Administration budget of \$2M is allocated to other cost centre as administration overheads.

Net result of \$191,000 is funded from brought forward surpluses.

Net result variance is attributed to the reduction in R&D project one-off contribution in 2020-21.

7.1 Reserve Funds

Table 7. Conference Reserve– to be used to fund the requirements for staff and Councillors' travel and conference attendance.

CASH BACKED RESERVES			
Break-up	2020/21	2021/22	Remarks
	Rev. Budget	Budget	
	\$	\$	
Travel and Conference Reserve			
Opening Balance	25,000	25,000	
Transfer to Reserves			
Transfer from Reserves	-	-	
Closing Balance	25,000	25,000	

7.2 Estimated Population (All Participants)

In accordance with the Establishment Agreement the population data used for calculating Participants' contributions shall be an amount which bears the same proportion to that operating, capital or borrowing expenditure as the Population of that Participant bears to the total of the Populations of all Participants.

Table 7. The City of Kwinana withdrew from the SMRC effective 1 July 2021 and no longer contributes to the SMRC. The population figures is taken from the 2020 Estimated Local Government Population data published by the Australian Bureau of Statistics (ABS).

Below is the percentage share for 3 participants. Used for calculating contributions for Existing Undertakings eg Governance, R&D, Education and Office Project.

POPULATION	Est Pop 2019		Est Pop 2020		Change	
East Fremantle	7,837	4.21%	7,908	5.53%	71	0.9%
Fremantle	31,084	16.68%	31,517	22.04%	433	1.4%
Kw inana	45,092	24.20%	-	0.00%	(45,092)	-100.0%
Melville	102,307	54.91%	103,581	72.43%	1,274	1.2%
Total	186,320	100.00%	143,006	100.00%	(43,314)	-23.2%

Source: Australian Bureau of Statistics (ABS)

7.3 Proposed 2021/22 Annual Contributions

Table 8.

The City of Kwinana withdrew from the SMRC effective 1 July 2021 and no longer contributes to the SMRC. The financial impact from the withdrawal is \$96,333.

It is proposed that Communication & Education contribution of \$50,700 be re- distributed to the remaining participants.

The remaining \$45,618 be added to the administrative overhead cost, funded within the overhead contribution fee.

	ESTIMATED ANNUAL SMRC CONTRIBUTIONS		POPULATION 2020		
	Governance	Communication	Total	Total	change
	Office Project	Education			
	R&D				\$
Cockburn			\$ -	\$ -	\$ -
East Fremantle	\$ 7,913	\$ 20,323	\$ 28,236	\$ 25,520	\$ 2,716
Fremantle	\$ 31,538	\$ 80,993	\$ 112,531	\$ 101,220	\$ 11,311
Kw inana	\$ -	\$ -	\$ -	\$ 96,333	-\$ 96,333
Melville	\$ 103,650	\$ 266,184	\$ 369,834	\$ 333,146	\$ 36,688
Total	\$ 143,101	\$ 367,500	\$ 510,601	\$ 556,219	-\$ 45,618

8 RRRC PROJECT BUDGET

8.1 Key Budget Assumptions

1. General expense increase based on Dept of Treasury WA 2021-22 forward estimates 2.5%.
2. Salaries and wages increase of 1.5% in accordance with the RRRC Workers Enterprise Agreement. Estimated additional increase \$113,000.
3. An allowance of 0.5% increase in compulsory superannuation guarantee to 10% from 1 July 2021. Estimated total on current workforce \$20,000.
4. Increase in overhead workforce by 1.4 FTE \$125,000pa. Procurement/contracts and accounts.
5. Increase in insurance premiums by 25% \$380,000.
6. Contributions applied to Est 2020 Residential Population for each participant.
7. City of Kwinana's contribution revenue financial impact from withdrawal (\$96,300).
8. MRF gate fee provision for the export ban legislation for plastic recycling.

The Following table summarises the estimated RRRC operational parameters applied in the 2021/22 budget.

1. MRF net inflow of \$1.5 M from container deposit revenue.
2. Green Waste net surplus of \$0.4 M
3. Waste Composting Facility fixed costs include insurance, ground lease and electricity.
4. FOGO operations net surplus \$0.7M
5. Overheads revenue from contributions and net expense funded from surplus.
6. B/forward surplus FOGO net surplus
7. B/forward surplus includes portion of 2020/21 surplus spread over three years.

Table 9

FY 2021/22					
RRRC PROJECT BUDGET	Tonnes	Opening	Revenue	Expenditure	Net
Material Recovery Facility	26,000		\$ 6,371,000	\$ 4,871,000	\$ 1,500,000
Green Waste Facility	8,160		\$ 740,000	\$ 342,200	\$ 397,800
WCF Fixed Costs				\$ 1,700,000	\$ (1,700,000)
FOGO Operations	27,530	\$ 270,608	\$ 4,133,685	\$ 3,463,890	\$ 940,403
Overheads			\$ 2,200,000	\$ 4,338,203	\$ (2,138,203)
Red Bin Waste	13,600		\$ 2,000,000	\$ 2,000,000	\$ -
B/Forward Surplus Yr 1 (\$3M / 3 years)		\$ 1,000,000			\$ 1,000,000
Total		\$ 1,270,608	\$ 15,444,685	\$ 16,715,293	\$ -

8.2 Proposed 2021/22 RRRC Project Contributions

RRRC Gate fees - Participants

1. **Material Recovery Facility (MRF)** – Calculated on net operational cost with exception of container deposit revenue and with a quarterly adjustment on recycling commodity pricing.
2. **Green Waste Facility (GWF)** – Calculated on net operational cost after commercial revenue and \$0.4M contribution margin towards RRRC fixed costs.
3. **Residents Red Bin Disposal** – Calculated on actual contracted cost of transfer/disposal service.
4. **Food Organic Green Organic (FOGO)** – Calculated on net operational cost after \$0.5M contribution margin towards RRRC fixed costs.
5. **RRRC Administrative Overheads Contribution** – Corporate and RRRC administrative costs are not directly allocated to RRRC business units and contributions are calculated on tonnes generated from participants' FOGO and red bin less operational surpluses and a \$1M brought forward surplus.

RRRC Commercial gate fees

1. As per adopted fees and changes
2. Contracted price as per SMRC's Pricing Policy.

RRRC Annual Loan Repayment Contribution

Table 10

RRRC Loan	Population	Est Pop	Budget	Actual	Change
		2020	2021/22	2020/21	\$
		%			
Cockburn	117,352	45.07%	\$ 1,634,539	\$ 1,632,128	2,411
East Fremantle	7,908	3.04%	\$ 110,251	\$ 111,995	(1,744)
Fremantle	31,517	12.11%	\$ 439,190	\$ 443,600	(4,410)
Melville	103,581	39.78%	\$ 1,442,689	\$ 1,460,306	(17,617)
Total	260,358	100.00%	\$ 3,626,669	\$ 3,648,029	(21,360)

8.3 Proposed 2021/22 RRRC Project Budget

Table 11

Budget reduction is due to reduced tonnes processed at the facility.

SOUTHERN METROPOLITAN REGIONAL COUNCIL			
STATEMENT OF FINANCIAL ACTIVITY			
FOR THE YEAR ENDED 30 JUNE 2022			
BY ACTIVITY	2020/21	2021/22	
	Rev. Budget	Budget	Variance
	\$	\$	\$
REVENUE			
RRRC Education	208,672	261,972	53,300
RRRC Administration	4,084,100	2,284,100	(1,800,000)
RRRC Loan Interest	364,000	227,867	(136,133)
Muds Grant	-	30,000	30,000
RRRC MRF	16,976,236	6,371,000	(10,605,236)
RRRC Greenwaste	766,000	740,000	(26,000)
RRRC WCF	1,958,944	2,000,000	41,056
RRRC WCF Transition	-	-	-
RRRC FOGO	4,220,868	4,133,685	(87,183)
RRRC Business Development	400,000	400,000	-
RRRC Waste Audits	109,700	97,000	(12,700)
RRRC Maintenance Overheads	-	-	-
RRRC FOGO Education	25,000	-	(25,000)
OPERATING REVENUE	29,113,520	16,545,624	(12,567,896)
EXPENSES			
RRRC Education	290,672	261,972	(28,700)
RRRC Administration	4,978,482	4,114,347	(864,135)
RRRC Loan Interest	364,000	227,867	(136,133)
RRRC MRF	10,220,760	4,871,000	(5,349,760)
RRRC Greenwaste	290,200	352,200	62,000
RRRC WCF	3,872,944	3,700,000	(172,944)
RRRC WCF Transition	-	-	-
RRRC FOGO	3,745,123	3,527,735	(217,388)
RRRC Business Development	-	-	-
RRRC Waste Audits	109,700	97,000	(12,700)
RRRC Maintenance Overheads	-	-	-
RRRC FOGO Education	371,313	180,000	(191,313)
Provision for employee redundancies	-	-	-
OPERATING EXPENDITURE	24,243,194	17,332,121	(6,911,073)
Add: Depreciation	2,697,576	2,697,576	-
OPERATING EXPENDITURE	26,940,770	20,029,697	(6,911,073)
NET RESULT	2,172,750	(3,484,073)	
Add: ROU Interest	1,003,651		(1,003,651)
Less: Adjustment			-
Less: Provision for Redundancy			-
Less: Provision for Inventory			-
Add: Interest for Make Good Provision	83,000	80,700	(2,300)
NET OPERATING POSITION	5,956,977	(705,797)	(6,662,774)
Add / (Less):			
Add: Non-operating Grants	250,000	-	(250,000)
Less Capital Expenditure	(4,365,000)	(2,000,000)	2,365,000
Depreciation on Non-current Assets			-
Less: Loan Repayments	(3,284,059)	(3,398,802)	(114,743)
Add :Loan Contributions from Members	3,284,059	3,398,802	114,743
Less: Lease Repayments	-	(574,203)	(574,203)
Add: Past Participants Contribution			-
Add : Transfer from Reserves	1,743,000	2,000,000	257,000
Less: Transfer to Reserves	(3,400,000)	(400,000)	3,000,000
NET CAPITAL POSITION	(5,772,000)	(974,203)	4,797,797
NET OPERATING & CAPITAL POSITION	184,977	(1,680,000)	(1,864,977)
Add: OPENING FUNDS	3,414,757	4,271,000	856,243
CLOSING FUNDS	3,599,734	2,591,000	(1,008,734)

8.4 Proposed 2021/22 RRRC Capital Expenditure Budget

Table 12

CAPITAL EXPENDITURE				
Facility	2020/21	2021/22	Variance	Remarks
	Rev. Budget	Budget		
RRRC ADMIN				
MRF				
Mobile Plant				
2 x Forklifts	135,000		(135,000)	
Baling Line				
Bailer Twin Ram	400,000		(400,000)	
Baler - Godswill - Repair floor		50,000	50,000	Major Overhaul
Baler - Conveyor BFC1 & BF1-4		90,000	90,000	Roller Replacement/ bed repairs/ skirts - BFC1, BF
Container Line				
C2 Conveyor Chains & Guards	70,000	150,000	80,000	Major Overhaul
OCCS1 separator screen	200,000		(200,000)	
News sort screen	460,000		(460,000)	
PLC Contoller	80,000		(80,000)	
Optical Sorters	233,000	300,000	67,000	Renewal upgrade
Polishing Screen	152,000	40,000	(112,000)	Renewal upgrade
Glass Breaker shaft overhaul	200,000		(200,000)	
Critical Spares - Large Gearboxes on chain conveyors	60,000		(60,000)	
Replacement Dust Collector and ducting – MRF Baghouse	70,000	50,000	(20,000)	Major Overhaul
Glass Bunker Curtain Replacement	10,000	20,000	10,000	Major Overhaul
Glass Tommel Mech Replacement		30,000	30,000	Worn mesh affests glass quality
Plastic Bottle perforator	30,000	50,000	20,000	Renewal upgrade
Waste compactors		40,000	40,000	Rebuld
Bale Shed CCTV	20,000		(20,000)	New
Sub Total	2,120,000	820,000	(1,300,000)	-
WCF				
WCF Roof Remediation Works	1,350,000		(1,350,000)	
2 x 30m3 waste bins			-	
WCF Trommel Upgrades	40,000	30,000	(10,000)	FOGO operations
Decommissioning of digestors	500,000	500,000	-	Civil Works to make good demolition works
Slow Speed Shredder	325,000		(325,000)	
Loader Bucket	30,000		(30,000)	
HookLift Truck		300,000	300,000	Replacement FOGO operations
Front End Loander		350,000	350,000	Replacement FOGO operations
Sub Total	2,245,000	1,180,000	(1,065,000)	-
Total Capital Expenditure	4,365,000	2,000,000	2,365,000	-
Funded from Operations	665,000		(665,000)	
Funded from Reserves	1,743,000	2,000,000	257,000	
Funded from Grant	1,957,000		(1,957,000)	
Total Capital Expenditure	4,365,000	2,000,000	(2,365,000)	-
Buildings	1,350,000	-	(1,350,000)	
Mobile Plant	530,000	650,000	120,000	
Fixed Plant & equipment	2,465,000	1,350,000	(1,115,000)	
IT Equipment	20,000	0	(20,000)	
Total Capital Expenditure	4,365,000	2,000,000	(2,365,000)	-

8.5 2021/22 RRRC Borrowing Program

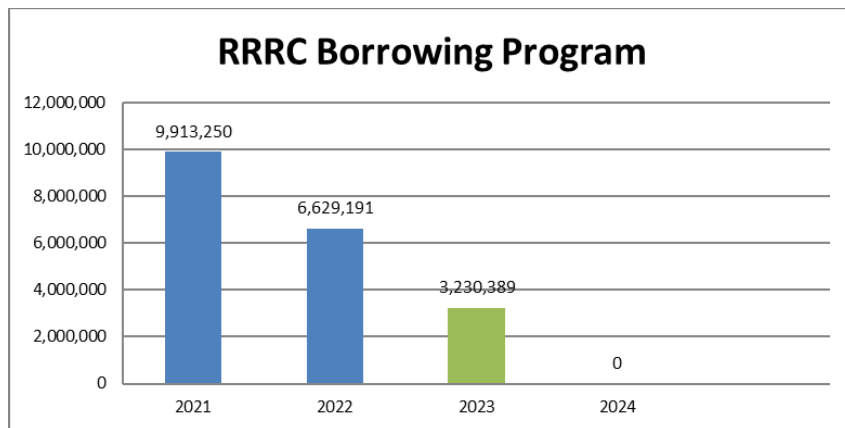
Table 13

Outstanding Borrowing Program

(a). The Regional Resource Recovery Centre Loan					
The RRRC Project Participants have guaranteed by way of security, to the Western Australian Treasury Corporation, a charge over its general funds for the share of any outstanding debenture borrowings provided for the RRRC Project.					
Project Participants' limit of its share of the loan liability is as follows:					
		30-Jun-21		30-Jun-22	
City of Cockburn	44.74%	2,965,900	45.07%	1,455,936	
Town of East Fremantle	3.07%	203,516	3.04%	98,204	
City of Fremantle	12.16%	806,110	12.11%	391,200	
City of Melville	40.03%	2,653,665	39.78%	1,285,049	
		<u>6,629,191</u>		<u>3,230,389</u>	

Key Budget Assumptions

1. Contributions and borrowing liability based on annual changes in population.
2. Fixed interest on borrowings \$227,867
3. Capital repayment on borrowings of \$3.4 Million.
4. Annual Borrowing Contributions by participants \$3.6M
5. No new borrowings.



8.6 2021/22 RRRC Reserve Funds

Table 14

Draft Budget Reserve Balances as at 30 June 2022			
	Contingency	Restoration	Total
30-Jun-21	\$ 7,296,815	\$ 1,370,247	\$ 8,667,062
Transfer To	61,658	338,342	400,000
Transfer From	(2,000,000)	-	(2,000,000)
30-Jun-22	\$ 5,358,473	\$ 1,708,589	\$ 7,067,062

Table 15

RRRC Contingency - To fund shortfalls in operating expenditure, asset renewals and disposals, employment termination provisions and Insurance claims below the excess for the Canning Vale RRRC Project.

RRRC Restoration – to be used to meet lease obligations resulting from an early termination of the Ground Lease or at the expiry of the Ground Lease.

Contingency Reserve funds Capital Expenditure Program of \$2M

CASH BACKED RESERVES			
Break-up	2020/21	2021/22	Remarks
	Rev. Budget \$	Budget \$	
RRRC Contingency Reserve			
Opening Balance	5,639,815	7,296,815	Actual BFwd Balance
Transfer to Reserves	400,000	61,658	Carbon Credit Sales
Transfer to Reserves	3,000,000	-	MRF Operational Surplus
Total	3,400,000	61,658	
Transfer from Reserves			IT Equipment
Transfer from Reserves			GWF Shredder overhaul
Transfer from Reserves	(393,000)	(820,000)	MRF Major Mtce Program
Transfer from Reserves		(1,180,000)	Mobile plant
Transfer from Reserves	(1,350,000)		WCF Roof Remedial Works
Transfer from Reserves			WCF FOGO Trommel Upgrade
Transfer from Reserves			
Total	(1,743,000)	(2,000,000)	
Closing Balance	7,296,815	5,358,473	
RRRC Restoration Reserve			
Opening Balance	1,365,988	1,370,247	
Transfer to Reserves	-	338,342	
Transfer from Reserves	-	-	
Closing Balance	1,365,988	1,708,589	
Total Cash Backed Reserves			
Opening Balance	7,005,803	8,667,062	
Transfer to Reserves	3,400,000	400,000	
Transfer from Reserves	(1,743,000)	(2,000,000)	
Closing Balance	8,662,803	7,067,062	

9 OFFICE PROJECT BUDGET

9.1 Key Budget Assumptions

6. City of Kwinana's contribution revenue financial impact from withdrawal (\$96,300).
7. Interest on borrowings for fixed two-year loan program.
8. No capital repayment on borrowings of \$1.8 Million.

Table 16

9.2 Outstanding Borrowing Program

City of Kwinana withdrawal for the Project effective from 1 July 2021.

(b). Administration Building (9 Aldous Place, Booragoon) Loan Limit \$2 Milli

The SMRC Participants have guaranteed by way of security, to the Western Australian Treasury Corporation, a charge over its general funds for the share of any outstanding debenture borrowings provided for the SMRC Administration building at 9 Aldous Place, Booragoon. WA 6154.

Participants' limit of its share of the loan liability is as follows:

	30-Jun-21		30-Jun-22	
Town of East Fremantle	4.21%	75,780	5.53%	99,540
City of Fremantle	16.68%	300,240	22.04%	396,720
Town of Kwinana	24.20%	435,600	0.00%	0
City of Melville	54.91%	988,380	72.43%	1,303,740
		<u>1,800,000</u>		<u>1,800,000</u>

9.3 Cash-Backed Reserve Fund

Table 17

Office Project - to be used for funding capital renewal expenditure and non-recurrent maintenance expenditure for the SMRC property located at 9 Aldous Place Booragoon.

CASH BACKED RESERVES			
Break-up	2020/21	2021/22	Remarks
	Rev. Budget	Budget	
	\$	\$	
Office Accommodation Reserve			
Opening Balance	271,252	271,252	
Transfer to Reserves	-	-	
Transfer from Reserves	-	-	
Closing Balance	271,252	271,252	

10 FEES AND CHARGES 2021/22

REGIONAL RESOURCE RECOVERY CENTRE GATE FEES (Public Rates effective from 1 July 2020)	BUDGET 2020-2021	BUDGET 2019-2020
MATERIAL RECOVERY FACILITY GATE FEE	Ex GST	Ex GST
Commercial	\$50.00 - \$200.00 p/t	\$50.00 - \$200.00 p/t
Over Compaction Levy (>200kg)	\$15.00 - \$50.00	\$15.00 - \$50.00
GREEN WASTE GATE FEE	GST incl	GST incl
Cars, Utilities & Trailers up to 1.5 cubic metres	\$30.00 per entry	\$30.00 per entry
Cars, Utilities & Trailers up to 1.5 – 3.0 cubic metres	\$55.00 per entry	\$55.00 per entry
Trucks & Heavy Vehicles	\$75.00 per tonne	\$75.00 per tonne
Trucks & Heavy Vehicles minimum entry charge	\$75.00 per entry	\$75.00 per entry
Trucks & Heavy Vehicles oversized logs > 1.5m length 0.3m wide	\$150.00 per tonne	\$150.00 per tonne
Commercial contracts over 200 tonnes pa	\$50.00 - \$75.00 p/t	\$50.00 - \$75.00 p/t
Palms (max cut lengths 300mm)		
Cars, Utilities & Trailers up to 1.5 cubic metres	\$55.00 per entry	\$55.00 per entry
Cars, Utilities & Trailers up to 1.5 – 3.0 cubic metres	\$75.00 per entry	\$75.00 per entry
Trucks & Heavy Vehicles	\$150.00 per tonne	\$150.00 per tonne
Trucks & Heavy Vehicles oversized > 1.5m length 0.3m wide	\$150.00 per tonne	\$150.00 per tonne
Weighbridge out of use		
Uncompacted green waste (heavy vehicle)	\$30.00 per wheel	\$30.00 per wheel
Compacted green waste (heavy vehicle)	\$40.00 per wheel	\$40.00 per wheel
Cars & Trailers over 3.0m ³	\$75.00 per entry	\$75.00 per entry
FOGO GATE FEE	Ex GST	Ex GST
Clean Organic	\$50.00 - \$200.00 p/t	\$50.00 - \$250.00 p/t
Municipal FOGO (3rd Bin)	\$50.00 - \$200.00 p/t	\$50.00 - \$250.00 p/t
RRRC SALE OF MATERIAL		
Mulch Course Grade	\$0.00 to \$25.00 p/t	\$0.00 to \$25.00 p/t
Mulch Standard Re-grind	\$10.00 to \$35.00 p/t	\$10.00 to \$35.00 p/t
Mulch 4" Fine Re-grind	\$15.00 to \$40.00 p/t	\$15.00 to \$40.00 p/t
RRRC WASTE AUDIT		
Waste Audit Service	Cost price +10% to 50%	Cost price 10% to 50%
Non-refundable Deposit (Booking Fee)	30% of fee	30% of fee
RRRC EDUCATION CENTRE	GST incl	GST incl
Room Hire Fee	\$17.00 per Hour or \$136.00 per day After hours Fee – Add Staff overtime Rate + 10%	\$17.00 per Hour or \$136.00 per day After hours Fee – Add Staff overtime Rate + 10%
Catering for Meetings	Cost recovery + 10%	Cost recovery + 10%
Tea and Coffee	\$2.75 per person	\$2.75 per person
Photocopying Charges (B&W) (colour)	30 cents per copy (A4) 60 cents per copy	30 cents per copy (A4) 60 cents per copy
OTHER		
Recycle Right Consultancy	Cost price +10% to 50%	
Copies of information available under Division 7 of Part 5 Administration of the Local Govt Act 1995 (B&W) (colour)	30 cents per copy (A4) 60 cents per copy (A4)	30 cents per copy (A4) 60 cents per copy (A4)
Statement Admin Fee for Non Members 30 day Credit Accounts	\$5.50 inc GST per monthly statement	\$5.50 inc GST per monthly statement
Late Payment Fee (All overdue accounts)	Interest at an annual rate of 2% higher than overdraft rates charged by the SMRC's bank	Interest at an annual rate of 2% higher than overdraft rates charged by the SMRC's bank



11 STATUTORY FINANCIAL STATEMENTS