

AGENDA

D2021/16334

Agenda Briefing Forum

16 September 2021

Notice of Meeting

Dear Councillors

The next Agenda Briefing Forum will be held on Thursday, 16 September 2021 at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, Ascot WA 6104 commencing at 6:00pm.



Marcus Geister | Chief Executive Officer

13 September 2021

Please Note

If any Councillor/officer has a query regarding a report item or requires additional information in relation to a report item, please contact the responsible officer (SOURCE OF REPORT) prior to the meeting.

The meeting will be recorded for administrative purposes only.

Per the meeting structure as adopted by the EMRC Council on 22 October 2020, there will be no public questions at Agenda Briefing Forums.

Public question time will continue as usual at Ordinary meetings of Council and questions may be submitted electronically prior to the meeting, no later than 4.00pm on the day of the meeting to CouncilEnquiry@emrc.org.au.



EMRC Council Members

Cr Jai Wilson	Chairman	Town of Bassendean
Cr Doug Jeans	Deputy Chairman	Shire of Mundaring
Cr Kathryn Hamilton	EMRC Member	Town of Bassendean
Cr Lorna Clarke	EMRC Member	City of Bayswater
Cr Giorgia Johnson	EMRC Member	City of Bayswater
Cr Lesley Boyd	EMRC Member	City of Kalamunda
Cr Dylan O'Connor	EMRC Member	City of Kalamunda
Cr John Daw	EMRC Member	Shire of Mundaring
Cr Mel Congerton	EMRC Member	City of Swan
Cr Charlie Zannino	EMRC Member	City of Swan

EMRC Council Deputies

Cr Hilary MacWilliam	EMRC Deputy Member	Town of Bassendean
Cr Filomena Piffaretti	EMRC Deputy Member	City of Bayswater
Cr Cameron Blair	EMRC Deputy Member	City of Kalamunda
Cr Amy Collins	EMRC Deputy Member	Shire of Mundaring
Cr Ian Johnson	EMRC Deputy Member	City of Swan

Agenda Briefing Forum 16 September 2021

Table of Contents

1	DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS	4
2	ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE (PREVIOUSLY APPROVED)	4
3	DISCLOSURE OF INTERESTS	4
4	ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH MEETINGS MAY BE CLOSED TO THE PUBLIC	4
4.1	APCr BUSINESS PLAN (D2021/16780)	
4.2	PROGRESS REPORT ON EMRC REQUEST FOR TENDER 2021-002, PERMANENT FOGO PROCESSING FACILITY (D2021/16177)	
5	REPORTS OF EMPLOYEES	5
5.1	REVIEW OF COUNCIL POLICY 3.3 – MANAGEMENT OF INVESTMENTS POLICY (D2021/16408)	6
5.2	REVIEW OF COUNCIL POLICY 1.4 – TRAVELLING COSTS INCURRED BY COUNCIL MEMBERS POLICY (D2021/16409)	31
5.3	REVIEW OF RESERVES (D2021/16410)	40
5.4	DECLASSIFICATION OF COUNCIL CONFIDENTIAL ITEMS (D2021/16333)	44
5.5	UPDATE ON THE CIRCULAR ECONOMY IN WA (D2021/16779)	51
5.6	MEETING DATES FOR 2022 (D2021/16518)	55
5.7	MATTRESS RECYCLING (D2021/17308)	61
5.8	INFORMATION BULLETIN – COFFS HARBOUR WASTE CONFERENCE 2021 (D2021/16781)	64
6	CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC	71
6.1	APCr BUSINESS PLAN (D2021/16780)	
6.2	PROGRESS REPORT ON EMRC REQUEST FOR TENDER 2021-002, PERMANENT FOGO PROCESSING FACILITY (D2021/16177)	
7	FUTURE AGENDA BRIEFING FORUMS	71
8	DECLARATION OF CLOSURE OF MEETING	71

1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

1.1 ACKNOWLEDGEMENT OF COUNTRY

Kaya Maaman, Kaya Yorga, Kaya Bridia
Ngalak kaartitj windji ngalak nynininy
Nagalak kaartitj nidja boodja baal Whadjuk Noongar Boodja ngalak nyininy
Koorah, Nitja yeyi, Boordahwan

Translation

Greetings everyone
We all understand where we are meeting.
We know that we meet on the lands of the Whadjuk Noongar people
Always was, always will be.

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

3 DISCLOSURE OF INTERESTS

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

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

The following report items are covered in Section 6 of this agenda:

4.1 APCr BUSINESS PLAN (D2021/16780)

4.2 PROGRESS REPORT ON EMRC REQUEST FOR TENDER 2021-002, PERMANENT FOGO PROCESSING FACILITY (D2021/16177)

5 REPORTS OF EMPLOYEES

- 5.1 REVIEW OF COUNCIL POLICY 3.3 – MANAGEMENT OF INVESTMENTS POLICY (D2021/16408)
- 5.2 REVIEW OF COUNCIL POLICY 1.4 – TRAVELLING COSTS INCURRED BY COUNCIL MEMBERS POLICY (D2021/16409)
- 5.3 REVIEW OF RESERVES (D2021/16410)
- 5.4 DECLASSIFICATION OF COUNCIL CONFIDENTIAL ITEMS (D2021/16333)
- 5.5 UPDATE ON THE CIRCULAR ECONOMY IN WA (D2021/16779)
- 5.6 MEETING DATES FOR 2022 (D2021/16518)
- 5.7 MATTRESS RECYCLING (D2021/17308)
- 5.8 INFORMATION BULLETIN – COFFS HARBOUR WASTE CONFERENCE 2021 (D2021/16781)

5.1 REVIEW OF COUNCIL POLICY 3.3 – MANAGEMENT OF INVESTMENTS POLICY

D2021/16408

PURPOSE OF REPORT

The purpose of this report is to review Council Policy 3.3 - Management of Investments Policy.

KEY POINT(S)

- Council Policy 3.3 - Management of Investments Policy was last reviewed at the meeting of Council held on 21 February 2019.
- It is proposed to increase the Policy limits for BBB rated ADI's from 5% for single entities to 20% and to 40% for overall BBB rated Authorised Deposit-Taking Institutions (ADI's).
- It is proposed that the existing Policy, as revised with amendments, be adopted.

RECOMMENDATION(S)

That:

- 1 Revised EMRC Policy 3.3 - Management of Investments Policy forming attachment 3 to this report be adopted by Council.
- 2 EMRC Policy 3.3 - Management of Investments Policy be next reviewed in the twelve months following the ordinary election day in 2023.

SOURCE OF REPORT

Chief Financial Officer

BACKGROUND

- 1 EMRC Policy 3.3 - Management of Investments Policy was last reviewed at the meeting of Council held on 21 February 2019 (D2019/02706).

REPORT

- 2 The policies of the EMRC, determined by Council as required by Section 2.7(2)(b) of the *Local Government Act 1995* (the Act), guide and inform management and the public about key Council principles. It is important that policies are reviewed periodically and amended where necessary.
- 3 A review of the existing policy has been undertaken with the following objectives used as a basis for undertaking the review:
 - To ensure that the policy meets the definition of a policy;
 - To incorporate in the policy appropriate amendments to account for changes in details such as dates, times and values since the last review;
 - To realign the policy with the adopted EMRC 10 Year Strategic Plan 2017 – 2027 under the heading 'Strategic Plan Objective'; and
 - To ensure the policy is contemporary and appropriate for the Council.

- 4 The three main actions undertaken when reviewing a policy include:
- Maintain the current policy without amendment;
 - Maintain the policy with amendments; and
 - Delete the policy if it is no longer required, for example, if these are covered under the *Local Government Act 1995* and regulations or has been incorporated into another policy.

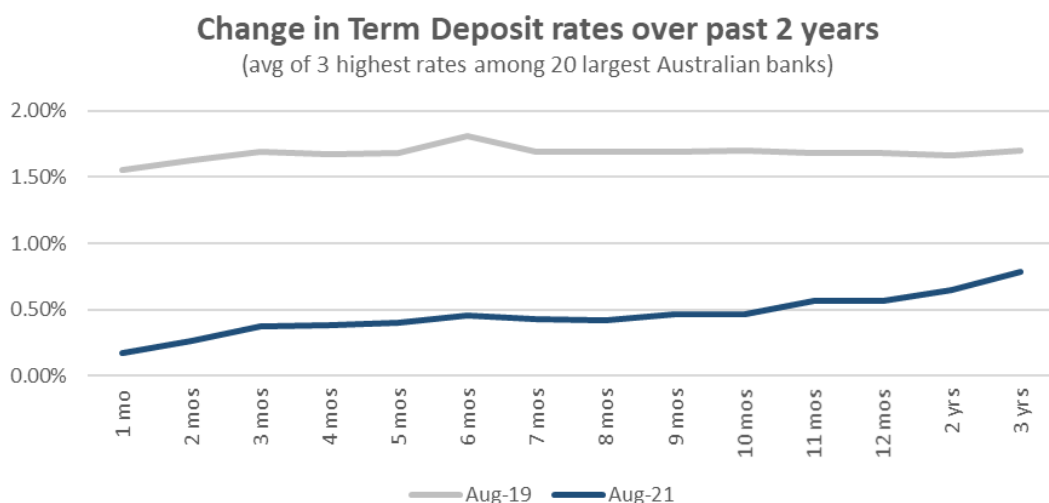
- 5 Proposed amendments to the EMRC Investments Policy are aimed at:
- Referencing only the more widely recognised long term credit rating scale in the credit limit tables to avoid confusion and any contradictions between long and short term credit ratings among banks.
 - Standard & Poor's long-term rating definitions:

AAA	An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
AA	An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.
A	An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.
BBB	An obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to the obligor to meet its financial commitment on the obligation.

Source <http://www.standardandpoors.com>

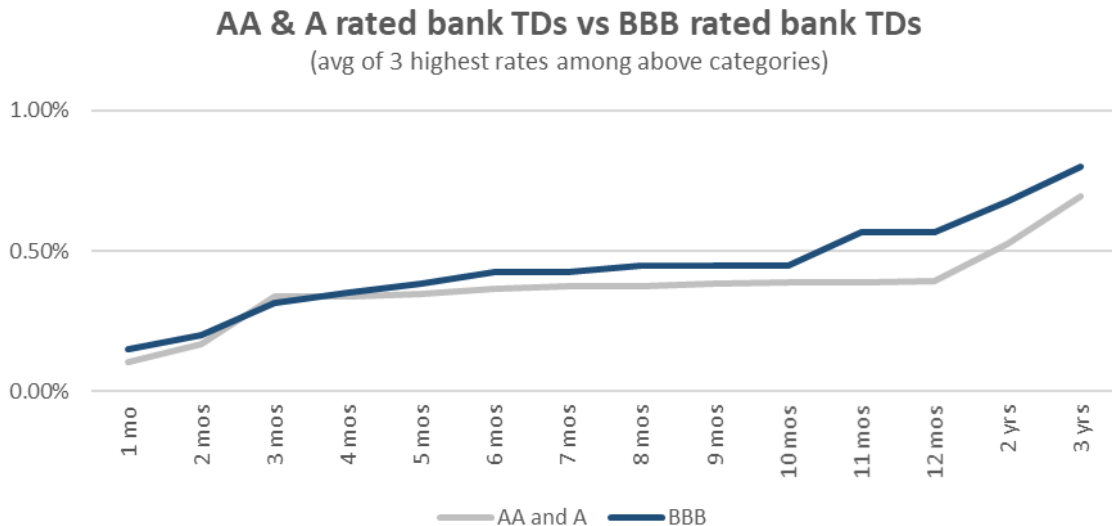
- Increasing the maximum allowable exposure to the overall BBB rating category and individual banks in the category.
- 6 While already in a downward trend at the time, interest rates have declined sharply since the onset of the COVID pandemic in early 2020. This has been largely as a result of stimulus measures taken by the government and the Reserve Bank of Australia (RBA) to provide low cost funding to banks, businesses and retail borrowers. Consequently, banks' term deposit rates have also declined.

7 The chart below shows the change in term deposit (TD) rates across 1 month to 3 year terms over the past 2 years, an average decline of 122 basis points (1.22%pa) across all tenors:



8 Since the early 2010s post the Global Financial Crisis (GFC) period, term deposit (TD) rates from the major banks had been largely in line with or even better than most lower rated banks. However, over the past 18 months there has been a gradual ‘normalisation’ of credit margins where an increasing number of lower rated banks have been offering higher rates than the major banks.

9 The table below shows the current average of the three highest rates from AA rated and A rated banks versus the average of the three highest rates from BBB rated banks:



10 Across the 5 month to 3 year TD range the best BBB rated averaged 10 basis points (0.10%pa) more than the best AA & A rated bank TD rates.

11 By allowing a larger, but still prudent, exposure to the BBB rated category the overall interest return would be expected to increase.

12 Banks in the BBB long term rating category predominately have short term credit ratings of A-2. Currently, EMRC’s investment policy limits overall BBB (long term) / A-2 (short-term) exposure to 15% of the total portfolio and no more than 5% with any individual bank.

13 By way of comparison, this combination of overall and individual limits to the BBB/A-2 categories is more conservative than any of EMRC’s member councils:

Council	Overall BBB/A-2 Limits	Single entity BBB/A-2 Limits
EMRC	15%	5%
Bassendean	60% (as A-2)	30% (as A-2)
Bayswater	80% (as A-2)	30% (as A-2)
Kalamunda	100% (specific banks)	25% (specific banks)
Mundaring	15%	10%
Swan	60% (as A-2)	20% (as A-2)

14 The main recommended changes to the Management of Investments Policy are listed below.

15 Updating the Risk Management Guidelines Tables

- The Risk Management Guidelines tables are the framework for sound investment management aimed at controlling the credit quality and term limits on the entire portfolio.
- To avoid confusion over short and long term credit ratings, it is recommended to only reference the more widely recognised Long Term Ratings.
- Currently, there is no A rating category mentioned in the Investments Policy, but exposure to A long term rated banks such as Suncorp and Macquarie Bank, which have short term ratings of A-1, has been covered by the policy's A-1 short term rating category limit. The A rating category has been added to the AA line which is where the A-1 limit had been.
- It is proposed to increase the maximum allowable exposure to the overall BBB rating category from 15% to 40% and individual banks in the category from 5% to 20%.
- This will still leave EMRC on the more conservative side of BBB limits versus those allowed by EMRC's member councils whilst giving EMRC more opportunity to take advantage of higher rates on offer from banks in this rating category.

16 Portfolio Credit Framework

- To control the credit quality on the entire portfolio, the following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

S&P Long Term Rating	S&P Short Term Rating	Current Portfolio Maximum %	Proposed Portfolio Maximum %
AAA	A-1 +	100%	100%
AA	A-1	100%	100%
BBB	A-2	15%	40%

17 Counterparty Credit Framework

- Exposure to an individual institution will be restricted by its credit rating so that single entity exposure is limited, as detailed in the table below:

S&P Long Term Rating	S&P Short Term Rating	Current Portfolio Maximum %	Proposed Portfolio Maximum %
AAA	A-1 +	45%	45%
AA	A-1	35%	35%
BBB	A-2	5%	20%

STRATEGIC/POLICY IMPLICATIONS

18 Key Result Area 3 – Good Governance

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

FINANCIAL IMPLICATIONS

19 As at 31 August 2021, the EMRC has \$76 million in investments.

SUSTAINABILITY IMPLICATIONS

20 As reflected in the report

RISK MANAGEMENT

Risk – Reduced Interest earning capacity		
Consequence	Likelihood	Rating
Moderate	Likely	Moderate
Action/Strategy		
➤ Council to adopt the new and revised Council Policy 3.3		

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

- 1 Management of Investments Policy 3.3 - Original (D2021/17143)
- 2 Management of Investments Policy 3.3 with tracked changes (D2021/17144)
- 3 Management of Investments Policy 3.3 - Final (D2021/17145)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That:

- 1 Revised EMRC Policy 3.3 - Management of Investments Policy forming attachment 3 to this report be adopted by Council.
- 2 EMRC Policy 3.3 - Management of Investments Policy be next reviewed in the twelve months following the ordinary election day in 2023.

COUNCIL RESOLUTION(S)

MOVED

SECONDED



3.3 Management of Investments Policy

STRATEGIC PLAN OBJECTIVE

3.4 To continue to improve financial and asset management practices.

PURPOSE

To provide for the investment of EMRC's surplus funds at the most favourable rate of return whilst ensuring prudent consideration of risk and security for the investment type and that liquidity requirements are being met.

To ensure that investments are managed with care, diligence and skill and that the management of the portfolio is carried out to safeguard the portfolio and not for speculative purposes.

Establish guidelines to ensure investments:

- Meet legislative requirements;
- Optimise investment income and returns within acceptable risk parameters;
- Ensure that investments match the liquidity needs of the EMRC; and
- Are invested at the most favourable rate of interest available to it at the time whilst having due consideration of risk and security for that investment type.

LEGISLATION

Local Government Act 1995 s.6.14

Local Government (Financial Management) Regulations 1996 – r. 19-19C, 28 & 49

Local Government (Financial Management) Amendment Regulations 2017 s.19C(2)(b)

Trustees Act 1962 - Part III Investments

POLICY STATEMENT

1. Ethics and Conflicts of Interest

Officers shall refrain from personal activities that would conflict with the proper execution and management of EMRC's investment portfolio. This policy requires officers to disclose any conflict of interest to the CEO.



2. Delegation of Authority

Authority for implementation of the Management of Investments Policy is delegated by Council to the CEO in accordance with the *Local Government Act 1995*. The CEO may in turn delegate the day-to-day management of Council's investment portfolio to the Director, Corporate Services.

3. Investment Ratings

Investment ratings in this policy are based on those issued by Standard & Poor's.

In the event a proposed investment is not rated by Standard & Poor's but is rated by either Fitch Ratings or Moody's by a rating which is analogous to the ratings of Standard & Poor's, then the EMRC may make the investment relying on the Fitch Ratings or Moody's ratings.

In the event that the rating of an investment held by the EMRC falls below the ratings allowed under this policy for new investments, the affected investment is to be assessed and a recommendation made to the Investment Committee to decide as to whether:

- It is to be liquidated, where allowed under the terms of the investment; or
- It is to be held to maturity.

The recommendation to the Investment Committee may be made by electronic mail (email) to expedite the approval process by circular resolution.

4. Approved Investments

Approved investments are those investments permitted by s6.14(1) of the *Local Government Act 1995* as specified in the Trustees Act 1962 Part III subject to the limitations expressed in Regulation 19C of the *Local Government (Financial Management) Regulations 1996*.

5. Preference for Non-Fossil Fuel Investments

When making investment decisions, the EMRC will give preference to institutions that do not invest in or finance the fossil fuel industry, where:

- The investment complies with EMRC's investment policy;
- The rate of interest is favourable to EMRC relative to alternative options available at the time;
- The credit rating of the investment is comparable to alternative options available at the time.

Non-fossil fuel investment considerations will be part of the overall selection process to best meet EMRC's investment strategy objectives while ensuring compliance with prevailing legislation and this Investment Policy.

6. Prohibited Investments

This investment policy prohibits any investment which is not an Approved Investment.



7. Risk Management Guidelines

Investments obtained are to be considered in light of the following key criteria:

- Preservation of Capital – the requirement for preventing losses in an investment portfolio’s total value;
- Diversification – the requirement to place investments in a broad range of products so as not to be over exposed to a particular sector of the investment market;
- Market Risk - the risk that the fair value or future cash flows of an investment will fluctuate due to changes in market prices;
- Liquidity Risk - the risk an investor is unable to redeem the investment at a fair price within a timely period;
- Maturity Risk - the risk relating to the length of term to maturity of the investment. The larger the term, the greater the length of exposure and risk to market volatilities; and
- Investments must be rated at not less than the Standard & Poor’s ratings (or Moody’s or Fitch Ratings equivalent as detailed in section 3) specified below.

Furthermore investments are to comply with three key criteria relating to:

a. Overall Portfolio Limits

To control the credit quality on the entire portfolio, the following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

S&P Long Term Rating	S&P Short Term Rating	Portfolio Maximum %
AAA	A-1 +	100%
AA	A-1	100%
BBB	A-2	15%

b. Single Entity Exposure

Exposure to an individual institution will be restricted by its credit rating so that single entity exposure is limited, as detailed in the table below:

S&P Long Term Rating	S&P Short Term Rating	Portfolio Maximum %
AAA	A-1+	45%
AA	A-1	35%
BBB	A-2	5%

c. Term to Maturity Framework

Term	Minimum %	Maximum %
Portfolio % ≤1 year	40%	100%
Portfolio % >1 year ≤ 3 year	0%	60%



Standard & Poor's long term rating definitions:

AAA	An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
AA	An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.
BBB	An obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to the obligor to meet its financial commitment on the obligation.

Standard & Poor's short term rating definitions:

A-1	A short-term obligation rated 'A-1' is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.
A-2	A short-term obligation rated A-2 is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

Source: <http://www.standardandpoors.com>

8. Measurement

The investment return for the portfolio is to be regularly reviewed. The market value and investment maturities are to be assessed at least once a month to coincide with management reporting.

9. Procedures

Investments placed by Council's authorised advisor/s and managers must be appropriately documented at the time of placement.

Appropriate procedures and controls in regards to record keeping, reconciliation, authorisation forms and accounting for investments shall be prepared and maintained to give effect to this policy.

All investments must be authorised in writing by the CEO, or EMRC's authorised managers as per the CEO's delegated authority, prior to the investments being made.

10. Reporting

An investment report is to be prepared each month detailing compliance with the criteria outlined in this policy.

The investment report is to be presented to Council at the next ordinary meeting of the Council following the end of the month to which the report relates. If the statement is not prepared in time to present it to that meeting it is to be presented at the next Ordinary Meeting of the Council following that meeting.



11. Investment Advisor

The CEO has delegated authority to appoint an investment adviser when considered appropriate.

The local government's investment advisor must be licensed by the Australian Securities and Investment Commission. The advisor must be an independent person who has no actual or potential conflict of interest in relation to investment products being recommended; and is free to choose the most appropriate product within the terms and conditions of the investment policy.

12. Investment Strategy

EMRC's investment strategy is to optimise investment income within its acceptable levels of risk whilst ensuring the security of these funds enabling the EMRC to meet its business objectives.

Key considerations in this regard include funding requirements identified in the Five Year Plan.

To implement the requirement for diversification, Council's authorised advisors and managers will comply with the Overall Portfolio Limits, Single Entity Exposure, and Term to Maturity limits, as detailed in section 7(a)(b)(c).

The EMRC may invest all of the total investments in Commonwealth/State/Territory bonds.

An indicative sample list of complying authorised deposit-taking institutions (ADI's) is reflected in the Appendix and may vary from time to time

FINANCIAL CONSIDERATIONS

As indicated in this policy.



Appendix: Indicative Sample List of Compliant Authorised Deposit-Taking Institutions (ADI's)

As at January 2019:

ADI Name	Standard & Poor's Credit Rating (Long / Short)	EMRC Policy Limit per ADI based on short-term credit rating limits
ANZ Banking Group Ltd.	AA- / A-1+	45%
Bank of Western Australia Ltd.	AA- / A-1+	45%
Commonwealth Bank of Australia	AA- / A-1+	45%
National Australia Bank Ltd.	AA- / A-1+	45%
Westpac Banking Corp.	AA- / A-1+	45%
AMP Bank Ltd	A+ / A-1	35%
Suncorp Metway Ltd	A+ / A-1	35%
ING Bank	A / A-1	35%
Macquarie Bank Ltd	A / A-1	35%
Bank of Queensland	BBB+/A-2	5%
Bendigo & Adelaide Bank	BBB+/A-2	5%
Rural Bank	BBB+/A-2	5%
Credit Union Australia	BBB/A-2	5%
ME Bank	BBB/A-2	5%

Adopted/Reviewed by Council

1. 29 June 2000
2. 27 July 2000
3. 02 May 2002
4. 17 June 2004
5. 23 February 2006
6. 18 September 2008 (reported to Council and referred to Investment Committee)
7. 19 August 2010
8. 23 September 2010
9. 25 November 2010
10. 10 May 2012
11. 6 December 2012
12. 18 September 2014
13. 06 December 2018
14. 21 February 2019

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



3.3 Management of Investments Policy

STRATEGIC PLAN OBJECTIVE

3.4 To continue to improve financial and asset management practices.

PURPOSE

To provide for the investment of EMRC's surplus funds at the most favourable rate of return whilst ensuring prudent consideration of risk and security for the investment type and that liquidity requirements are being met.

To ensure that investments are managed with care, diligence and skill and that the management of the portfolio is carried out to safeguard the portfolio and not for speculative purposes.

Establish guidelines to ensure investments:

- Meet legislative requirements;
- Optimise investment income and returns within acceptable risk parameters;
- Ensure that investments match the liquidity needs of the EMRC; and
- Are invested at the most favourable rate of interest available to it at the time whilst having due consideration of risk and security for that investment type.

LEGISLATION

Local Government Act 1995 s.6.14
Local Government (Financial Management) Regulations 1996 – r. 19-19C, 28 & 49
Local Government (Financial Management) Amendment Regulations 2017 s.19C(2)(b)
Trustees Act 1962 - Part III Investments

POLICY STATEMENT

1. Ethics and Conflicts of Interest

Officers shall refrain from personal activities that would conflict with the proper execution and management of EMRC's investment portfolio. This policy requires officers to disclose any conflict of interest to the CEO.



2. Delegation of Authority

Authority for implementation of the Management of Investments Policy is delegated by Council to the CEO in accordance with the *Local Government Act 1995*. The CEO may in turn delegate the day-to-day management of Council's investment portfolio to the Director, Corporate Services.

3. Investment Ratings

Investment ratings in this policy are based on those issued by Standard & Poor's.

In the event a proposed investment is not rated by Standard & Poor's but is rated by either Fitch Ratings or Moody's by a rating which is analogous to the ratings of Standard & Poor's, then the EMRC may make the investment relying on the Fitch Ratings or Moody's ratings.

In the event that the rating of an investment held by the EMRC falls below the ratings allowed under this policy for new investments, the affected investment is to be assessed and a recommendation made to the Investment Committee to decide as to whether:

- It is to be liquidated, where allowed under the terms of the investment; or
- It is to be held to maturity.

The recommendation to the Investment Committee may be made by electronic mail (email) to expedite the approval process by circular resolution.

4. Approved Investments

Approved investments are those investments permitted by s6.14(1) of the *Local Government Act 1995* as specified in the Trustees Act 1962 Part III subject to the limitations expressed in Regulation 19C of the *Local Government (Financial Management) Regulations 1996*.

5. Preference for Non-Fossil Fuel Investments

When making investment decisions, the EMRC will give preference to institutions that do not invest in or finance the fossil fuel industry, where:

- The investment complies with EMRC's investment policy;
- The rate of interest is favourable to EMRC relative to alternative options available at the time;
- The credit rating of the investment is comparable to alternative options available at the time.

Non-fossil fuel investment considerations will be part of the overall selection process to best meet EMRC's investment strategy objectives while ensuring compliance with prevailing legislation and this Investment Policy.

6. Prohibited Investments

This investment policy prohibits any investment which is not an Approved Investment.



7. Risk Management Guidelines

Investments obtained are to be considered in light of the following key criteria:

- Preservation of Capital – the requirement for preventing losses in an investment portfolio's total value;
- Diversification – the requirement to place investments in a broad range of products so as not to be over exposed to a particular sector of the investment market;
- Market Risk - the risk that the fair value or future cash flows of an investment will fluctuate due to changes in market prices;
- Liquidity Risk - the risk an investor is unable to redeem the investment at a fair price within a timely period;
- Maturity Risk - the risk relating to the length of term to maturity of the investment. The larger the term, the greater the length of exposure and risk to market volatilities; and
- Investments must be rated at not less than the Standard & Poor's ratings (or Moody's or Fitch Ratings equivalent as detailed in section 3) specified below.

Furthermore investments are to comply with three key criteria relating to:

a. Overall Portfolio Limits

To control the credit quality on the entire portfolio, the following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

S&P Long Term Rating	S&P Short-Term Rating	Portfolio Maximum %
AAA	A-1+	100%
AA & A	A-1	100%
BBB	A-2	15% 40%

b. Single Entity Exposure

Exposure to an individual institution will be restricted by its credit rating so that single entity exposure is limited, as detailed in the table below:

S&P Long Term Rating	S&P Short-Term Rating	Portfolio Maximum %
AAA	A-1+	45%
AA & A	A-1	35%
BBB	A-2	5% 20%

c. Term to Maturity Framework

Term	Minimum %	Maximum %
Portfolio % ≤1 year	40%	100%
Portfolio % >1 year ≤ 3 year	0%	60%



Standard & Poor's long term rating definitions:

AAA	An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
AA	An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.
A	<u>An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.</u>
BBB	An obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to the obligor to meet its financial commitment on the obligation.

Standard & Poor's short term rating definitions:

A-1	A short-term obligation rated 'A-1' is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.
A-2	A short-term obligation rated A-2 is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

Formatted: Space After: 0 pt, Tab stops: 0.74 cm, Left

Formatted: Space After: 0 pt, Tab stops: 0.74 cm, Left

Source: <http://www.standardandpoors.com>

8. Measurement

The investment return for the portfolio is to be regularly reviewed. The market value and investment maturities are to be assessed at least once a month to coincide with management reporting.

9. Procedures

Investments placed by Council's authorised advisor/s and managers must be appropriately documented at the time of placement.

Appropriate procedures and controls in regards to record keeping, reconciliation, authorisation forms and accounting for investments shall be prepared and maintained to give effect to this policy.

All investments must be authorised in writing by the CEO, or EMRC's authorised managers as per the CEO's delegated authority, prior to the investments being made.

10. Reporting

An investment report is to be prepared each month detailing compliance with the criteria outlined in this policy.

The investment report is to be presented to Council at the next ordinary meeting of the Council following the end of the month to which the report relates. If the statement is not prepared in time to present it to that meeting it is to be presented at the next Ordinary Meeting of the Council following that meeting.



11. Investment Advisor

The CEO has delegated authority to appoint an investment adviser when considered appropriate.

The local government's investment advisor must be licensed by the Australian Securities and Investment Commission. The advisor must be an independent person who has no actual or potential conflict of interest in relation to investment products being recommended; and is free to choose the most appropriate product within the terms and conditions of the investment policy.

12. Investment Strategy

EMRC's investment strategy is to optimise investment income within its acceptable levels of risk whilst ensuring the security of these funds enabling the EMRC to meet its business objectives.

Key considerations in this regard include funding requirements identified in the Five Year Plan.

To implement the requirement for diversification, Council's authorised advisors and managers will comply with the Overall Portfolio Limits, Single Entity Exposure, and Term to Maturity limits, as detailed in section 7(a)(b)(c).

The EMRC may invest all of the total investments in Commonwealth/State/Territory bonds.

An indicative sample list of complying authorised deposit-taking institutions (ADI's) is reflected in the Appendix and may vary from time to time

FINANCIAL CONSIDERATIONS

As indicated in this policy.



Appendix: Indicative Sample List of Compliant Authorised Deposit-Taking Institutions (ADI's)

As at ~~January-August 2019~~2021:

ADI Name	Standard & Poor's Credit Rating (Long / Short)	EMRC Policy Limit per ADI based on short-term credit rating limits
ANZ Banking Group Ltd.	AA- / A-1+	45%
Bank of Western Australia Ltd.	AA- / A-1+	45%
Commonwealth Bank of Australia	AA- / A-1+	45%
National Australia Bank Ltd.	AA- / A-1+	45%
Westpac Banking Corp.	AA- / A-1+	45%
AMP Bank Ltd	A+ / A-1	35%
Suncorp Metway Ltd	A+ / A-1	35%
Macquarie Bank Ltd	A+	35%
ING Bank	A / A-1	35%
Macquarie Bank Ltd	A / A-1	35%
Bank of Queensland	BBB+/ A-2	520%
Bendigo & Adelaide Bank	BBB+/ A-2	520%
Rural Bank	BBB+/ A-2	520%
Great Southern Bank (ex-CUA) Credit Union Australia	BBB/A-2	520%
ME Bank	BBB/ A-2	520%
AMP Bank Ltd	BBB	20%



Adopted/Reviewed by Council

1. 29 June 2000
2. 27 July 2000
3. 02 May 2002
4. 17 June 2004
5. 23 February 2006
6. 18 September 2008 (reported to Council and referred to Investment Committee)
7. 19 August 2010
8. 23 September 2010
9. 25 November 2010
10. 10 May 2012
11. 6 December 2012
12. 18 September 2014
13. 06 December 2018
- [14. 21 February 2019](#)
- [14-15. 23 September 2021](#)

Next Review

Following the Ordinary Elections in [2024/2023](#)

Responsible Directorate

[Corporate Services](#)[Business Support](#)



Council Policy 3.3

Management of Investments Policy

Strategic Plan Objective

3.4 To continue to improve financial and asset management practices.

Purpose

To provide for the investment of EMRC's surplus funds at the most favourable rate of return whilst ensuring prudent consideration of risk and security for the investment type and that liquidity requirements are being met.

To ensure that investments are managed with care, diligence and skill and that the management of the portfolio is carried out to safeguard the portfolio and not for speculative purposes.

Establish guidelines to ensure investments:

- Meet legislative requirements;
- Optimise investment income and returns within acceptable risk parameters;
- Ensure that investments match the liquidity needs of the EMRC; and

Are invested at the most favourable rate of interest available to it at the time whilst having due consideration of risk and security for that investment type.

Legislation

Local Government Act 1995 s.6.14

Local Government (Financial Management) Regulations 1996 – r. 19-19C, 28 & 49

Local Government (Financial Management) Amendment Regulations 2017 s.19C(2)(b)

Trustees Act 1962 - Part III

Policy Statement

1 Ethics and Conflicts of Interest

Officers shall refrain from personal activities that would conflict with the proper execution and management of EMRC's investment portfolio. This policy requires officers to disclose any conflict of interest to the CEO.

2 Delegation of Authority

Authority for implementation of the Management of Investments Policy is delegated by Council to the CEO in accordance with the *Local Government Act 1995*. The CEO may in turn delegate the day-to-day management of Council's investment portfolio to the Director, Corporate Services.

3 Investment Ratings

Investment ratings in this policy are based on those issued by Standard & Poor's.

In the event a proposed investment is not rated by Standard & Poor's but is rated by either Fitch Ratings or Moody's by a rating which is analogous to the ratings of Standard & Poor's, then the EMRC may make the investment relying on the Fitch Ratings or Moody's ratings.

In the event that the rating of an investment held by the EMRC falls below the ratings allowed under this policy for new investments, the affected investment is to be assessed and a recommendation made to the Investment Committee to decide as to whether:

- It is to be liquidated, where allowed under the terms of the investment; or
- It is to be held to maturity.
- The recommendation to the Investment Committee may be made by electronic mail (email) to expedite the approval process by circular resolution.

4 Approved Investments

Approved investments are those investments permitted by s6.14(1) of the *Local Government Act 1995* as specified in the Trustees Act 1962 Part III subject to the limitations expressed in Regulation 19C of the *Local Government (Financial Management) Regulations 1996*.

5 Preference for Non-Fossil Fuel Investments

When making investment decisions, the EMRC will give preference to institutions that do not invest in or finance the fossil fuel industry, where:

- The investment complies with EMRC's investment policy;
- The rate of interest is favourable to EMRC relative to alternative options available at the time;
- The credit rating of the investment is comparable to alternative options available at the time.

Non-fossil fuel investment considerations will be part of the overall selection process to best meet EMRC's investment strategy objectives while ensuring compliance with prevailing legislation and this Investment Policy.

6 Prohibited Investments

This investment policy prohibits any investment which is not an Approved Investment.

7 Risk Management Guidelines

Investments obtained are to be considered in light of the following key criteria:

- Preservation of Capital – the requirement for preventing losses in an investment portfolio's total value;
- Diversification – the requirement to place investments in a broad range of products so as not to be over exposed to a particular sector of the investment market;
- Market Risk - the risk that the fair value or future cash flows of an investment will fluctuate due to changes in market prices;
- Liquidity Risk - the risk an investor is unable to redeem the investment at a fair price within a timely period;
- Maturity Risk - the risk relating to the length of term to maturity of the investment. The larger the term, the greater the length of exposure and risk to market volatilities; and
- Investments must be rated at not less than the Standard & Poor's ratings (or Moody's or Fitch Ratings equivalent as detailed in section 3) specified below.

Furthermore investments are to comply with three key criteria relating to:

7.1 Overall Portfolio Limits

To control the credit quality on the entire portfolio, the following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

S&P Long Term Rating	Portfolio Maximum %
AAA	100%
AA & A	100%
BBB	40%

7.2 Single Entity Exposure

Exposure to an individual institution will be restricted by its credit rating so that single entity exposure is limited, as detailed in the table below:

S&P Long Term Rating	Portfolio Maximum %
AAA	45%
AA & A	35%
BBB	20%

7.3 Term to Maturity Framework

Term	Minimum %	Maximum %
Portfolio % ≤1 year	40%	100%
Portfolio % >1 year ≤ 3 year	0%	60%

Standard & Poor's long-term rating definitions:

AAA	An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
AA	An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.
A	An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.
BBB	An obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to the obligor to meet its financial commitment on the obligation.

Source <http://www.standardandpoors.com>

8 Measurement

The investment return for the portfolio is to be regularly reviewed. The market value and investment maturities are to be assessed at least once a month to coincide with management reporting.

9 Procedures

Investments placed by Council's authorised advisor/s and managers must be appropriately documented at the time of placement.

Appropriate procedures and controls in regards to record keeping, reconciliation, authorisation forms and accounting for investments shall be prepared and maintained to give effect to this policy.

All investments must be authorised in writing by the CEO, or EMRC's authorised managers as per the CEO's delegated authority, prior to the investments being made.

10 Reporting

An investment report is to be prepared each month detailing compliance with the criteria outlined in this policy.

The investment report is to be presented to Council at the next ordinary meeting of the Council following the end of the month to which the report relates. If the statement is not prepared in time to present it to that meeting it is to be presented at the next Ordinary Meeting of the Council following that meeting.

11 Investment Advisor

The CEO has delegated authority to appoint an investment adviser when considered appropriate.

The local government's investment advisor must be licensed by the Australian Securities and Investment Commission. The advisor must be an independent person who has no actual or potential conflict of interest in relation to investment products being recommended; and is free to choose the most appropriate product within the terms and conditions of the investment policy.

12 Investment Strategy

EMRC's investment strategy is to optimise investment income within its acceptable levels of risk whilst ensuring the security of these funds enabling the EMRC to meet its business objectives.

Key considerations in this regard include funding requirements identified in the Five Year Plan.

To implement the requirement for diversification, Council's authorised advisors and managers will comply with the Overall Portfolio Limits, Single Entity Exposure, and Term to Maturity limits, as detailed in section 7(a)(b)(c).

The EMRC may invest all of the total investments in Commonwealth/State/Territory bonds.

An indicative sample list of complying authorised deposit-taking institutions (ADI's) is reflected in the Appendix and may vary from time to time

As indicated in this policy.

Appendix: Indicative Sample List of Compliant Authorised Deposit-Taking Institutions (ADI's)

As at August 2021:

ADI Name	Standard & Poor's Credit Rating (Long/ Short)	EMRC Policy Limit per ADI Based on Short-Term Credit Rating Limits
ANZ Banking Group Ltd.	AA-	45%
Bank of Western Australia Ltd.	AA-	45%
Commonwealth Bank of Australia	AA-	45%
National Australia Bank Ltd.	AA-	45%
Westpac Banking Corp.	AA-	45%
Suncorp Metway Ltd	A+	35%
Macquarie Bank Ltd	A+	35%
ING Bank	A	35%
Bank of Queensland	BBB+	20%
Bendigo & Adelaide Bank	BBB+	20%
Rural Bank	BBB+	20%
Great Southern Bank (ex-CUA)	BBB	20%
ME Bank	BBB	20%
AMP Bank Ltd	BBB	20%

29 June 2000
27 July 2000
2 May 2002
17 June 2004
23 February 2006
18 September 2008 (reported to Council and referred to
Investment Committee)
19 August 2010
23 September 2010
25 November 2010
10 May 2012
6 December 2012
18 September 2014
6 December 2018
21 February 2019
23 September 2021
Following the Ordinary Elections in 2023
Business Support

Next Review

Responsible Unit

5.2 REVIEW OF COUNCIL POLICY 1.4 – TRAVELLING COSTS INCURRED BY COUNCIL MEMBERS POLICY

D2021/16409

PURPOSE OF REPORT

The purpose of this report is to review Council Policy 1.4 - Travelling Costs Incurred by Council Members Policy.

KEY POINT(S)

- Council Policy 1.4 - Travelling Costs Incurred by Council Members Policy was last reviewed at the meeting of Council held on 6 December 2018.
- It is proposed that the existing policy, as revised with minor amendments, be adopted.

RECOMMENDATION(S)

That:

- 1 Revised EMRC Policy 1.4 - Travelling Costs Incurred by Council Members Policy forming attachment 3 to this report be adopted by Council.
- 2 EMRC Policy 1.4 - Travelling Costs Incurred by Council Members Policy be next reviewed in the twelve months following the ordinary election day in 2023.

SOURCE OF REPORT

Chief Financial Officer

BACKGROUND

- 1 EMRC Policy 1.4 - Travelling Costs Incurred by Council Members Policy was last reviewed at the meeting of Council held on 6 December 2018 (Ref: D2018/14285).

REPORT

- 2 The policies of the EMRC, determined by Council as required by Section 2.7(2)(b) of the *Local Government Act 1995* (the Act), guide and inform management and the public about key Council principles. It is important that policies are reviewed periodically and amended where necessary.
- 3 A review of the existing policy has been undertaken with the following objectives used as a basis for undertaking the review:
 - To ensure that the policy meets the definition of a policy;
 - To incorporate in the policy appropriate amendments to account for changes in details such as dates, times and values since the last review;
 - To realign the policy with the adopted EMRC 10 Year Strategic Plan 2017 – 2027 under the heading 'Strategic Plan Objective'; and
 - To ensure the policy is contemporary and appropriate for the Council.
- 4 The three main actions undertaken when reviewing a policy include:
 - Maintain the current policy without amendment;

- Maintain the policy with amendments; and
 - Delete the policy if it is no longer required, for example if these are covered under the *Local Government Act 1995* and regulations or has been incorporated into another policy.
- 5 It is now also a requirement of the *Local Government (Financial Management) Regulations, Reg 44(a)*, in relation to fees, expenses or allowances paid to council members to include in the annual financial report for each person, the nature of the fee, expense or allowance.
- 6 Attachment 1 is a copy of the policy as it currently exists.
- 7 Attachment 2 is a copy of the existing policy with the proposed changes tracked on the document.
- 8 Attachment 3 is a copy of the final policy with all proposed changes incorporated i.e. clean copy of the final document.

STRATEGIC/POLICY IMPLICATIONS

- 9 Key Result Area 3 – Good Governance
- 3.3 To provide responsible and accountable governance and management of the EMRC.

FINANCIAL IMPLICATIONS

- 10 Nil

SUSTAINABILITY IMPLICATIONS

- 11 The policy under review contributes to sustainability by informing management and the public about key Council principles.

RISK MANAGEMENT

Risk – Non Compliance with Local Government Act and Administration Regulations.		
Consequence	Likelihood	Rating
Moderate	Unlikely	Moderate
Action/Strategy		
➤ Council to adopt the new and revised Council policy 3.1		

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

- 1 Travelling Costs Incurred by Council Members Policy 1.4 - Original (D2021/17021)
- 2 Travelling Costs Incurred by Council Members Policy 1.4 with tracked changes (D2021/17022)
- 3 Travelling Costs Incurred by Council Members Policy 1.4 - Final (D2021/17023)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That:

- 1 Revised EMRC Policy 1.4 - Travelling Costs Incurred by Council Members Policy forming attachment 3 to this report be adopted by Council.
- 2 EMRC Policy 1.4 - Travelling Costs Incurred by Council Members Policy be next reviewed in the twelve months following the ordinary election day in 2023.

COUNCIL RESOLUTION(S)

MOVED

SECONDED



1.4 Travelling Costs Incurred by Council Members Policy

STRATEGIC PLAN OBJECTIVE

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

PURPOSE

To establish payment guidelines for members of Council for travelling on Council business.

LEGISLATION

Local Government Act (1995) s5.98 (2) – (4).

Local Government (Administration) Regulations 1996, Reg. 31, 32.

POLICY STATEMENT

1. Claims by members of Council for travelling costs:
 - a) because of the members attendance at a Council or committee meeting of which he or she is also a member of; or acting in the capacity as a Councillor of the EMRC;
 - b) associated with performing a function under the express authority of Council or in accordance with the Establishment Agreement of the Eastern Metropolitan Regional Council; be reimbursed on the basis detailed in clause 2 of this policy.
2.
 - a) Where the member is using a private vehicle, the rate of reimbursement shall be in accordance with the rates laid down for making motor vehicle claims under the “cents per kilometre method” permissible under the *Income Tax Assessment Act 1997*.
 - b) Where the member is using a taxi or public transport the reimbursement shall be the actual amount of the fare paid by the member. A member may alternatively request to be issued with a Cabcharge voucher by the Chief Executive Officer. In the case of the Chairman, he or she may request to be issued with a Cabcharge card.
3. Claims for travelling costs must be in writing, detailing the date and purposes of the travel, be signed by the Councillor and in the case of claims for use of a private vehicle, include the opening and closing reading of the vehicles odometer in relation to each trip being reimbursed.

FINANCIAL CONSIDERATIONS

A statutory provision which requires a budget allocation

TEL (08) 9424 2222 FAX (08) 9277 7598 EMAIL mail@emrc.org.au WEB www.emrc.org.au

Adopted/Reviewed by Council

1. 24 April 1997
2. 22 July 1999
3. 02 May 2002
4. 26 June 2003
5. 20 May 2004
6. 23 February 2006
7. 18 September 2008
8. 23 September 2010
9. 18 September 2014
10. 06 December 2018

Next Review

Following the Ordinary Elections in 2021

Responsible Directorate

Corporate Services



1.4 Travelling Costs Incurred by Council Members Policy

STRATEGIC PLAN OBJECTIVE

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

PURPOSE

To establish payment guidelines for members of Council for travelling on Council business.

LEGISLATION

Local Government Act (1995) s5.98 (2) – (4).
Local Government (Administration) Regulations 1996, Reg. 31, 32.

POLICY STATEMENT

1. Claims by members of Council for travelling costs where:
 - a) ~~The~~because of the members attendance at a Council or committee meeting of which he or she is also a member of; or acting in the capacity as a Councillor of the EMRC;
 - b) The member is attending in his/her capacity associated with performing a function under the express authority of Council or in accordance with the Establishment Agreement of the Eastern Metropolitan Regional Council; be reimbursed on the basis detailed in clause 2 of this policy.
2. ~~ca)~~ Where the member is using a private vehicle, the rate of reimbursement shall be in accordance with the rates laid down for making motor vehicle claims under the "cents per kilometre method" permissible under the *Income Tax Assessment Act 1997*.
 - ~~db)~~ Where the member is using a taxi or public transport the reimbursement shall be the actual amount of the fare paid by the member. ~~A member may alternatively request to be issued with a Cabcharge voucher by the Chief Executive Officer. In the case of the Chairman, he or she may request to be issued with a Cabcharge card.~~
- ~~3.2.~~ Claims for travelling costs must be in writing, detailing the date and purposes of the travel, be signed by the Councillor and in the case of claims for use of a private vehicle, include the opening and closing reading of the vehicles odometer in relation to each trip being reimbursed.

Formatted: Indent: Left: 0 cm, Hanging: 1.5 cm, No bullets or numbering

TEL (08) 9424 2222 FAX (08) 9277 7598 EMAIL mail@emrc.org.au WEB www.emrc.org.au

Council - Agenda Briefing Forum - Tracked Changes - 16092021.DOCX



FINANCIAL CONSIDERATIONS

A statutory provision which requires a budget allocation

Adopted/Reviewed by Council	<ol style="list-style-type: none">1. 24 April 19972. 22 July 19993. 02 May 20024. 26 June 20035. 20 May 20046. 23 February 20067. 18 September 20088. 23 September 20109. 18 September 2014<u>10. 06 December 2018</u><u>40-11. 21 September 2021</u>
Next Review	Following the Ordinary Elections in <u>2024</u> 2023
Responsible Directorate	<u>Corporate Services</u> <u>Business Support</u>



Council Policy 1.4

Travelling Costs Incurred by Council Members Policy

Strategic Plan Objective

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

Purpose

To establish payment guidelines for members of Council for travelling on Council business.

Legislation

Local Government Act (1995) s5.98 (2) – (4)

Local Government (Administration) Regulations 1996, Reg. 31, 32

Local Government (Financial Management) Regulations 1996, Reg. 44

Policy Statement

- Claims by members of Council for travelling costs where:
 - ⇒ The members attendance at a Council or committee meeting of which he or she is also a member of; or acting in the capacity as a Councillor of the EMRC;
 - ⇒ The member is attending in his/her capacity associated with performing a function under the express authority of Council or in accordance with the Establishment Agreement of the EMRC; be reimbursed on the basis detailed in clause 2 of this policy.
 - ⇒ The member is using a private vehicle, the rate of reimbursement shall be in accordance with the rates laid down for making motor vehicle claims under the “cents per kilometre method” permissible under the *Income Tax Assessment Act 1997*.
 - ⇒ The member is using a taxi or public transport the reimbursement shall be the actual amount of the fare paid by the member.
- Claims for travelling costs must be in writing, detailing the date and purposes of the travel, be signed by the Councillor and in the case of claims for use of a private vehicle, include the opening and closing reading of the vehicle’s odometer in relation to each trip being reimbursed.

Financial Considerations

A statutory provision which requires a budget allocation.

Adopted/Reviewed	24 April 1997
	22 July 1999
	2 May 2002
	26 June 2003
	20 May 2004
	23 February 2006
	18 September 2008
	23 September 2010
	18 September 2014
	6 December 2018
	23 September 2021
Next Review	Following the Ordinary Elections in 2023
Responsible Unit	Business Support Team

5.3 REVIEW OF RESERVES

D2021/16410

PURPOSE OF REPORT

The purpose of this report is to seek Council approval for the closing of five Reserves that are no longer utilised as part of the EMRC's operations.

KEY POINT(S)

- The EMRC's Reserves were originally established under the provisions of the *Local Government Act 1995* to set aside money for specific purposes.
- A review of the current EMRC Reserves has established that five Reserves are no longer required to be utilised as part of the EMRC's operations and are to be closed off with any funds held in these Reserves to be transferred to the EMRC's Municipal Fund.

RECOMMENDATION(S)

That:

- 1 Council by absolute majority in accordance with s.6.11(2)(b) of the *Local Government Act 1995* authorises the transfer of funds from the Reserves proposed to be closed to the EMRC's Municipal Fund.
- 2 Council authorises the following EMRC Reserves be closed off after the funds held in these Reserves is transferred to the EMRC's Municipal Fund:
 - Environmental Insurance Reserve;
 - Risk Management Reserve;
 - Building Refurbishment (Ascot Place) Reserve;
 - Regional Development Reserve;
 - Site Rehabilitation (Ongoing) Reserve.
- 3 Local public notice be given of the transfer to the EMRC's Municipal Fund of money in the Reserves proposed to be closed.

SOURCE OF REPORT

Chief Financial Officer

BACKGROUND

- 1 The EMRC's Reserves were originally established under the provisions of the *Local Government Act 1995* to set aside money for specific purposes.

REPORT

- 2 A review of the current EMRC Reserves has established that the following five Reserves are no longer required to be utilised as part of the EMRC's operations and are to be closed off with the funds held in these Reserves to be transferred to the EMRC's Municipal Fund.

3 Environmental Insurance Reserve

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

The Reserve was initially set up when the EMRC were "self-insuring" against environmental impacts/pollution at the Red Hill facility when no other forms of insurance were available. This is no longer required as insurance coverage is now available with the premium covered as required via the annual budget deliberation process.

Balance of the Reserve as at 31 July 2021 totals: \$59,673.

4 Risk Management Reserve

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

No additional funds are currently being allocated to this reserve annually other than the interest earnings on the current balance.

Due to the operational activity of the Risk Management Service being cancelled, this reserve is no longer required.

Balance of the Reserve as at 31 July 2021 totals: \$15,822.

5 Building Refurbishment Reserve

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

No additional funds are currently being allocated to this reserve annually other than the interest earnings on the current balance. Any refurbishment funding required is undertaken through the annual budget process.

This Reserve is no longer required.

Balance of the Reserve as at 31 July 2021 totals: \$79,888.

6 Regional Development Reserve

This reserve was established to accumulate and provide funds to a maximum of \$500,000 annually to enable the EMRC to fund Regional Development activities, in particular the deficit in the funding.

This Reserve is no longer required as funding is provided to the Sustainability Team through the annual budget process.

Balance of the Reserve as at 31 July 2021 totals: \$Nil

7 Site Rehabilitation Reserve – Ongoing

This reserve was established to fund the ongoing rehabilitation of the completed cells at the Red Hill waste disposal site.

This is no longer required as funding is provided as required via the annual budget deliberation and allocation process.

Balance of the Reserve as at 31 July 2021 totals: \$Nil

STRATEGIC/POLICY IMPLICATIONS

8 Key Result Area 3 – Good Governance

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

3.4 To continue to improve financial and asset management practice

FINANCIAL IMPLICATIONS

9 As reflected in the report.

SUSTAINABILITY IMPLICATIONS

10 The funds currently held in the Reserves proposed to be closed can be utilised for alternative purposes.

RISK MANAGEMENT

Risk – Non utilization of funds currently held in Reserves no longer being utilised		
Consequence	Likelihood	Rating
Moderate	Likely	Moderate
Action/Strategy		
➤ Funds held in the Reserves proposed to be closed be transferred to the EMRC's Municipal Fund		

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Absolute Majority

RECOMMENDATION(S)

That:

- 1 Council by absolute majority in accordance with s.6.11(2)(b) of the *Local Government Act 1995* authorises the transfer of funds from the Reserves proposed to be closed to the EMRC's Municipal Fund.
- 2 Council authorises the following EMRC Reserves be closed off after the funds held in these Reserves is transferred to the EMRC's Municipal Fund:
 - Environmental Insurance Reserve;
 - Risk Management Reserve;
 - Building Refurbishment (Ascot Place) Reserve;
 - Regional Development Reserve;
 - Site Rehabilitation (Ongoing) Reserve.
- 3 Local public notice be given of the transfer to the EMRC's Municipal Fund of money in the Reserves proposed to be closed.

COUNCIL RESOLUTION(S)

MOVED

SECONDED

5.4 DECLASSIFICATION OF COUNCIL CONFIDENTIAL ITEMS

D2021/16333

PURPOSE OF REPORT

To seek Council approval for the declassification of the confidential items identified in the list of documents scheduled for declassification forming the attachment to this report.

KEY POINT(S)

- The EMRC has been documenting items including confidential items electronically since 2001.
- Documents that have been classified as confidential over the years were not published on the EMRC's website and were only available to Councillors, Committee members, CEO's and technical officers for the purposes of Council and Committee meetings.
- A list of confidential items for the period from 2001 to 2014 (inclusive) in relation to all EMRC tenders and the Resource Recovery Facility, forming the attachment to this report, have been identified for declassification.
- Declassification of confidential items relating to other projects or categories shall be dealt with at a future meeting of Council and under a separate report to Council.

RECOMMENDATION(S)

That the confidential items listed in the schedule forming the attachment to this report be declassified and available for public inspection in accordance with section 5.95(7) of the *Local Government Act 1995*.

SOURCE OF REPORT

Chief Financial Officer

BACKGROUND

- 1 Providing information to the public is fundamental to the principles of section 1.3(2) of the *Local Government Act 1995*.
- 2 The EMRC acknowledges the sensitivity of confidential information that is received as a public authority to conduct its business that may relate to individual ratepayer details, commercial proposals, contractual and legal constraints.
- 3 Access to such confidential information is generally restricted to authorised individuals who are required to be aware of the information to be able to properly perform their function. Such authorised persons are determined by the EMRC CEO.
- 4 The EMRC has items classified as confidential dating back to 2001 and because of the passage of time the declassification of the confidential items is due and shall be done on a project basis. Further reports to Council to declassify confidential items will be prepared in due course.

REPORT

- 5 Confidential information may be in the form of anything oral, written or printed matter, maps, plans or photographs, sounds or visual images, processes of a personal or commercial nature.

- 6 Where the access to such confidential information is part of the individual's duty whilst representing the EMRC, it is the individual's responsibility to ensure that confidential information is treated as such, so as not to harm, prejudice and compromise the interests of the EMRC or any individual or organisation, or to gain any advantage by them or to another party by having access to such confidential information.
- 7 Section 5.23 of the *Local Government Act 1995* allows meetings to be held in a 'closed' environment where access to such confidential matters is restricted to certain individuals or groups.
- 8 Sections 5.95(6) and 5.95(7) of the *Local Government Act 1995* state:
- (6) Subject to subsection (7), a person's right to inspect information referred to in section 5.94 does not extend to the inspection of information —*
- (a) referred to in a paragraph of that section that is prescribed as being confidential information for the purposes of this subsection; or*
- (b) referred to in that section of a type prescribed as confidential for the purposes of this subsection, for the period of time prescribed in relation to the information.*
- (7) Subsection (6) does not apply in respect of information in relation to a local government if —*
- (a) the information is prescribed as information that is confidential but that may be available for inspection if the local government so resolves; and*
- (b) the local government has resolved that the information is to be available for inspection.*
- 9 The list of confidential items scheduled for declassification in accordance with section 5.95(7) of the *Local Government Act 1995* forming the attachment to this report is related to all EMRC tenders from 2001 to 2014 (inclusive) as well as any confidential items relating to the Resource Recovery Facility dating from 2001 to 2014 (inclusive).
- 10 There is a total of 35 confidential items relating to EMRC tenders and the Resource Recovery Facility in the period 2001 to 2014 to be declassified as part of this round of declassifications. Access to each of the identified confidential items for review has been issued to Council members.
- 11 Please note that there are no confidential items relating to EMRC tenders and the Resource Recovery Facility in the period 2001 to 2005 inclusive.

STRATEGIC/POLICY IMPLICATIONS

- 12 Key Result Area 3 – Good Governance
- 3.3 To provide responsible and accountable governance and management of the EMRC

FINANCIAL IMPLICATIONS

- 13 Nil

SUSTAINABILITY IMPLICATIONS

- 14 Nil

RISK MANAGEMENT

Risk – Non Compliance with the *Local Government Act 1995*

Consequence	Likelihood	Rating
Moderate	Unlikely	Moderate
Action/Strategy		
➤ Council approval is required to declassify the identified documents in the schedule attachment		

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

List of documents scheduled for declassification (D2021/16960)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the confidential items listed in the schedule forming the attachment to this report be declassified and available for public inspection in accordance with section 5.95(7) of the *Local Government Act 1995*.

COUNCIL RESOLUTION(S)

MOVED

SECONDED

List of Documents Scheduled for Declassification

- Resource Recovery Facility 2001 -2014
- All Requests for Tender (RFT) 2001 - 2014

No.	Year	Title of Confidential Document	Description	Document No.
1	2014	RRC - Resource Recovery Committee - Report - Item 14.1/Item 19.1 Confidential - Power Purchase Agreement - 19/06/2014	To seek Council approval for delegated authority for the CEO to enter into an agreement for the sale of power from the proposed Hazelmere Wood Waste to Energy plant.	D2014/06931
2	2014	RRC - Resource Recovery Committee - Confidential Report Final - 5/6/2014	For the Resource Recovery Committee to seek Council approval for delegated authority for the CEO to enter into an agreement for the sale of power from the proposed Hazelmere Wood Waste to Energy plant.	D2014/06495
3	2014	RRC - Resource Recovery Committee - Report - Item 14.1 Confidential - Power Purchase Agreement - 5/6/2014	To seek Council approval for delegated authority for the CEO to enter into an agreement for the sale of power from the proposed Hazelmere Wood Waste to Energy plant.	D2014/06186
4	2013	Confidential Report - RRC Item 14.1 Resource Recovery Facility, Red Hill - Tender Process - 5 September 2013	To advise Council of the options available for the tender process for the Resource Recovery Facility (RRF).	DMDOC/183560
5	2011	Confidential Report - RRC - Resource Recovery Committee - Item 10.1 Resource Recovery Facility Acceptable Tenderers – 9 June 2011	To advise Council of changes to the Acceptable Tenderer list for the Resource Recovery Project.	DMDOC/145966
6	2011	Confidential Report - CEOAC - CEO Advisory Committee - Item 10.1 Tender for the Receipt & Disposal of Waste Late Item - 8 February 2011	To seek Council's authority for the Chief Executive Officer to submit a tender for the receipt and disposal of waste from the Southern Metropolitan Regional Council (SMRC).	DMDOC/142792
7	2011	Confidential Report Attachment to TAC Item 9.3 Tender 2010-05 Supply and Installation of Transportable Administration Office at Red Hill - 3 February 2011	Recommendation Report – Supply and installation of transportable administration building for the Red Hill Waste Management Facility.	DMDOC/142280

8	2010	Confidential Report - RRC - Resource Recovery Committee - Item 10.1 Confidential Discussion on Confidential Attachment to Item 9.5 Resource Recovery Facility Site Location Study - 18 November 2010	Record of confidential discussion to confidential attachment to item 9.5 Resource Recovery Facility - Site Location Study.	DMDOC/140010
9	2010	Confidential Report Attachment to RRC Item 10.1 - Task 6 Resource Recovery Facility Red Hill Site Placement Study - 18 November 2010	Red Hill site placement study.	DMDOC/139502
10	2010	Confidential Report attachment to RRC Item 9.2 - Visit to Resource Recovery Facilities, January 2010 PDF - 8 April 2010	Resource Recovery Facility visits report, January 2010	DMDOC/129184
11	2009	Confidential Report - RRC - Resource Recovery Committee - Item 10.1 Progress Report on Expression of Interest Process – 13 August 2009	Progress report on expression of interest process.	DMDOC/118747
12	2009	Confidential Report Attachment to RRC Item 10.1 - EMRC Resource Recovery Facility Expressions of Interest TEC Evaluation – 13 August 2009	EMRC Resource Recovery Facility Expression of Interest TEC evaluation report version 2a.	DMDOC/118102
13	2009	Confidential Report Attachment 1 to RRC Item 9.4 - EMRC Resource Recovery Facility Expression of Interest TEC Evaluation Report - 13 August 2009	EMRC Resource Recovery Facility Expression of Interest TEC evaluation report version 2.	DMDOC/117978
14	2009	Confidential Report - Ordinary Council - Item 15.3 Confidential Discussion RRC Agenda Item 9.1 Progress Report Resource Recovery Facility Expression of Interest Process – 25 June 2009	Confidential discussion – RRC agenda item 9.1 progress report - Resource Recovery Facility expressions of interest process.	DMDOC/116020
15	2008	Confidential Report - TAC - Technical Advisory Committee - Item 9.2 Recommendation Report for the Supply & Delivery of 14 Tonne Excavator - 4 September 2008	Recommendation Report - Supply and Delivery of a 14Tonne Excavator with extended warranty and maintenance option.	DMDOC/89150
16	2008	Confidential Discussion - RRC - Item 6.1 Confidential Presentation on EMRC Risk Assessment Resource Recovery Project	Confidential presentation on EMRC risk assessment Resource Recovery Project.	DMDOC/84357
17	2008	Confidential discussion - RRC - Item 6.1 Mary-Ann's Rough Notes	Notes on confidential presentation on EMRC risk assessment Resource Recovery Project.	DMDOC/84230

18	2008	Confidential Report - Ordinary Council - Item 19.3 Item 10.1 of Resource Recovery Committee Minutes - EMRC Preferred Resource Recovery Facility Options Progress Report - 20 March 2008	To advise Council on the preferred options for the Resource Recovery Facility (RRF) in terms of the siting of a facility, technology type, type of contract and staging of the facility.	DMDOC/79902
19	2008	Confidential Report Attachment to Resource Recovery Committee Item 10.1 - Task 4 Consultation Feedback - 13 March 2008	Consultation feedback report.	DMDOC/79676
20	2008	Confidential Report - RRC - Resource Recovery Committee - Item 10.1 EMRC Preferred Resource Recovery Facility Options Report - 13 March 2008	EMRC preferred Resource Recovery Facility (RRF) options progress report.	DMDOC/79045
21	2008	Confidential Report - RRC - Resource Recovery Committee - Item 9.1 Attendance at the 2007 ISWA and Sardinia Conferences & Visits to London Remade and Resource Recovery Facilities - 13 March 2008	To advise Council of the outcomes from attendance at the waste management conferences ISWA World Congress (Amsterdam), Sardinia Landfill Symposium (Italy) and visits to London Remade and resource recovery facilities in Europe.	DMDOC/79043
22	2008	Confidential Report Attachment to Council Item 19.2 - EMRC Preferred Resource Recovery Facility Options - 21 February 2008	Draft copy of the EMRC preferred Resource Recovery Facility options.	DMDOC/78731
23	2008	Confidential Report - RRC - Resource Recovery Committee - Item 6.1 Confidential Presentation on EMRC Preferred Resource Recovery Facility Options Report - 7 December 2008	Confidential presentation on EMRC preferred Resource Recovery Facility options report.	DMDOC/78321
24	2008	Confidential Report Attachment to RRC Item 10.1 - EMRC Preferred Resource Recovery Facility Options - 7 February 2008	Draft copy of the EMRC preferred Resource Recovery Facility options presented to the RRC.	DMDOC/77835
25	2008	Confidential Report - Resource Recovery Committee - RRC - Item 10.1 EMRC Preferred Resource Recovery Facility Options Report - 7 February 2008	To advise Council on the preferred options for the Resource Recovery Facility (RRF) in terms of the siting of a facility, technology type, type of contract and staging of the facility.	DMDOC/77293
26	2008	Confidential Report - RRC - Resource Recovery Committee - Item 9.3 Attendance at the 2007 ISWA and Sardinia Conferences & Visits to London Remade and Resource Recovery Facilities - 7 February 2008	To advise Council of the outcomes from attendance at the waste management conferences ISWA World Congress (Amsterdam), Sardinia Landfill Symposium (Italy) and visits to London Remade and resource recovery facilities in Europe.	DMDOC/77292

27	2007	Confidential Report Attachment to RRC Item 9.1 - Executive Summary - 18 October 2007	Executive Summary – Cardno BSD/Meinhardt Joint Venture	DMDOC/73340
28	2007	Confidential Report - RRC - Resource Recovery Committee - Item 10.1 Task 5 Report Assessment of Sites & Technologies - 18 October 2007	To advise Committee and Council of the results and recommendations of the Cardno BSD Meinhardt Task 5 Report - Assessment of Sites and Technologies Final Report.	DMDOC/71563
29	2007	REPORT Confidential - RRC - Resource Recovery Committee - Item 10.1 Resource Recovery Project Review - Mary-Ann's Rough Notes	To advise Council of the outcome of a review of the project due to concerns about available resource recovery technologies (rough notes).	DMDOC/68217
30	2007	Confidential Report Attachment to RRC Item 10.1 - Cardno BSD Meinhardt Consultancy Contract - 14 June 2007	Cardno BSD Meinhardt Consultancy Contract	DMDOC/67662
31	2007	Confidential Report - RRC - Resource Recovery Committee - Item 10.1 Resource Recovery Project Review - 14 June 2007	To advise Council of the outcome of a review of the project due to concerns about available resource recovery technologies.	DMDOC/66038
32	2006	Confidential Report - TAC -Technical Advisory Committee - Item 10.2 Tender 2006-8 Construction of Landfill & Leachate Pond - 7 September 2006	The purpose of this report is to advise Council of the results of Tender No 2006/8 – Construction of Landfill and Leachate Pond to recommend a preferred tenderer and propose that the base price around which Class III and Class IV contaminated soil disposal prices are negotiated to be increased (PDF version).	DMDOC/150360
33	2006	REPORT Confidential - TAC/COUNCIL - Item 10.2 - Mary-Ann's Rough Notes	The purpose of this report is to advise Council of the results of Tender No 2006/8 – Construction of Landfill and Leachate Pond, to recommend a preferred tenderer and propose that the base price around which Class III and IV contaminated soil disposal prices are negotiated be increased. Draft notes.	DMDOC/56778
34	2006	Confidential Report Attachment to TAC Item 9.4 - Tender Assessment - 7 September 2006	Tender assessment matrix	DMDOC/56736
35	2006	Confidential Report - TAC - Technical Advisory Committee - Item 10.2 Tender 2006-8 Construction of Landfill & Leachate Pond - 7 September 2006	The purpose of this report is to advise Council of the results of Tender No 2006/8 – Construction of Landfill and Leachate Pond, to recommend a preferred tenderer and propose that the base price around which Class III and IV contaminated soil disposal prices are negotiated be increased.	DMDOC/56085
NA	2005-2001	Nil	Nil	NA

5.5 UPDATE ON THE CIRCULAR ECONOMY IN WA

D2021/16779

PURPOSE OF REPORT

To provide Council with an update on the Circular Economy in WA and the likely next steps.

KEY POINT(S)

- The EMRC prepared a draft submission to DWER on Closing the loop waste reforms for a circular economy which was endorsed by Council in July 2020
- The EMRC was awarded grant funding in November 2020 through the Department of Water and Environmental Regulation (DWER) Waste Sorted grants to run a Circular Economy Masterclass.
- The Circular Economy Masterclass was held in June 2021
- A WA Masterclass Alumni was created as a result of the Circular Economy Masterclass series
- A series of Webinars are being developed to showcase some of the Masterclass key presentations
- A Circular Economy WA (CEWA) not for profit is being established in WA.
- Circular Economy not for profits have recently been established by the states of South Australia and Victoria.

RECOMMENDATION(S)

That Council notes the Circular Economy report and the EMRC’s preliminary involvement in the establishment of a Circular Economy WA (CEWA) entity.

SOURCE OF REPORT

Chief Executive Officer

BACKGROUND

1 Council, at its July 2020 meeting, approved two EMRC’s draft submissions to DWER, including; *Closing the Loop Waste Reforms for a Circular Economy*:

2 *THAT COUNCIL ENDORSES:*

1. *THE DRAFT ‘REVIEW OF THE WASTE LEVY’ SUBMISSION FORMING ATTACHMENT 1 OF THIS REPORT, AS AMENDED AND BE SUBMITTED TO THE DEPARTMENT OF WATER AND ENVIRONMENTAL REGULATION ON FRIDAY 24 JULY 2020.*
2. *THE DRAFT ‘WASTE REFORMS FOR A CIRCULAR ECONOMY’ SUBMISSION FORMING ATTACHMENT 2 OF THIS REPORT, AS AMENDED AND BE SUBMITTED TO THE DEPARTMENT OF WATER AND ENVIRONMENTAL REGULATION ON FRIDAY 24 JULY 2020.*

CARRIED UNANIMOUSLY

3 In November 2020, the EMRC applied for and was subsequently awarded grant funding through the Department of Water and Environmental Regulation (DWER) Waste Sorted grants to run a Circular Economy Masterclass series, which was held in June 2021

- 4 The WA Circular Economy Masterclass, held in June 2021, was supported by the WA Government, opened by the Hon Amber-Jade Sanderson, Minister for the Environment, Climate Action and Commerce and supported by DWER's Director General, Michelle Andrews and the Chair of the Waste Authority, Reg Howard-Smith.
- 5 The Masterclass achieved a number of key outcomes:
 1. It brought together key people from the government and achieved a common understanding of circular economy.
 2. It exposed the participants to Circular Economy Principles, Global Trends, Best Practices, and Opportunities.
 3. It highlighted significant environmental and economic opportunities for WA by transitioning to a circular economy.
 4. It provided a strong inspiration to the participants to work together in accelerating the transition to the circular economy.
 5. It highlighted the critical importance for WA to be part of a national and global alliance to leverage intellectual and financial capital.
 6. A WA Masterclass Alumni was created as a result of the Circular Economy Masterclass series.
- 6 Interviews with the United Nations, the World Bank and the Global Green Growth Institute provided insights on the global movement for the transition to a circular economy, to meet climate change obligations and to address the UN Sustainable Development Goals (SDGs). It also represented an economic opportunity of US\$4.5 trillion dollars per annum.

REPORT

- 7 In terms of the next steps since the WA Circular Economy Masterclass, the EMRC will be holding a series of webinars to continue to get the message out in WA about the Circular Economy. With the WA state government announcing a Net Zero target by 2050, embracing a Circular Economy is going to be critical for the state to achieve its Net Zero target.
- 8 As direct result of the Masterclass there has been some interest to develop a dedicated Circular Economy not for profit organisation in Western Australia, 'Circular Economy WA' (CEWA).
- 9 This follows on from the newly established not-for-profit 'Global Centre of Excellence in Circular Economy' in South Australia with government and private sector funding and the development of a Victorian not for profit; 'Circular Economy Victoria' (CEV), which has also just been developed. There are significant opportunities for partnerships and knowledge sharing between the states to create a strong Circular Economy alliance and collaboration between WA, SA and Victoria.
- 10 The EMRC administration has provided some very preliminary support towards the establishment of CEWA and recognises the opportunity of consultancy, or fee for service work to CEWA once it has been formed. To date there has been interest in CEWA from a number of WA agencies and it is likely that the CEWA not for profit organisation may be created in the coming months.
- 11 Should CEWA be interested in the EMRC providing consultancy work for the not for profit agency such work would be bound by a Memorandum of Understanding (MOU) or similar agreement which would result in a further report back to Council for endorsement.

STRATEGIC/POLICY IMPLICATIONS

- 12 Key Result Area 1 - Environmental Sustainability
 - 1.5 To contribute towards improved regional air, water & land quality, regional biodiversity conservation and address climate change
- Key Result Area 2 - Economic Development
 - 2.2 To facilitate and advocate for regional economic development activities
- Key Result Area 3 - Good Governance
 - 3.2 To manage partnerships and relationships with stakeholders

FINANCIAL IMPLICATIONS

- 13 Nil at this stage, however the provision of consultancy services may result in increased income for the EMRC.

SUSTAINABILITY IMPLICATIONS

- 14 The EMRC operates in pursuit of sustainability objectives which are integrated wherever possible in all activities undertaken by the organisation.

RISK MANAGEMENT

Risk – Non Compliance with Financial Regulations		
Consequence	Likelihood	Rating
Moderate	Unlikely	Moderate
Action/Strategy		
➤ To ensure that any consultancy work is costed at the approved Council rates		

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Simple Majority



RECOMMENDATION(S)

That Council notes the report and the EMRC's preliminary involvement in the establishment of Circular Economy WA (CEWA) entity.

COUNCIL RESOLUTION(S)

MOVED

SECONDED

5.6 MEETING DATES FOR 2022

D2021/16518

PURPOSE OF REPORT

The purpose of this report is for Council to consider and adopt the dates for the Eastern Metropolitan Regional Council (EMRC) Ordinary Council and Committee meetings for 2022.

KEY POINT(S)

- Section 5.25(1)(g) of the *Local Government Act 1995* and r.12 of the *Local Government (Administration) Regulations 1996* requires that at least once each year local public notice is to be given of all Ordinary Council meetings and Committee meeting dates, times and places that are to be open to the public and are to be held in the next twelve (12) months.
- Proposed dates for the EMRC's Ordinary Council, Agenda Briefing Sessions, Information Sessions, Audit Committee and Chief Executive Officer Performance Review Committee for the 2022 calendar year are as detailed within this report.

RECOMMENDATION(S)

That:

- 1 Council adopts the Ordinary Council meeting and Committee meeting dates, times and places for 2022 as outlined in the report.
- 2 Notice be given in accordance with r.12 of the *Local Government (Administration) Regulations 1996*.

SOURCE OF REPORT

Chief Financial Officer

BACKGROUND

- 1 The EMRC develops a meeting calendar each year and when selecting suitable dates ensures that, where possible, there are no clashes with member Councils' meetings.
- 2 At the Ordinary Meeting of Council on 22 October 2020, Council (D2020/22101):
 1. *ENDORSES THE EMRC MEETING STRUCTURE FORMING ATTACHMENT 1 TO THIS REPORT.*
 2. *BY ABSOLUTE MAJORITY DISBAND THE CHIEF EXECUTIVE OFFICER ADVISORY COMMITTEE.*
 3. *BY ABSOLUTE MAJORITY DISBAND THE INVESTMENT COMMITTEE.*
 4. *BY ABSOLUTE MAJORITY DISBAND THE WASTE ADVISORY COMMITTEE.*
 5. *ADOPTS THE MEETING PROCEDURES FOR AGENDA BRIEFING FORUMS AND INFORMATION SESSIONS, FORMING THE ATTACHMENT TO THIS REPORT.*

REPORT

- 3 **Council's Governance Framework**
- 4 Council historically sets a number of fixed meeting dates a year with the remaining meetings scheduled as "if required".

5 Following the decision by Council at its 22 October 2020 meeting, Council has two remaining Committees to assist in its decision-making. The role of the Committees is to consider matters within their terms of reference and provide advice to the Council.

6 The Ordinary Meeting of Council will be held on the fourth Thursday as required.

7 The Agenda Briefing Forums and the Information Sessions will be held on the second Thursday as required.

8 The Audit Committee meetings are to be held on the first Thursday as required.

9 The Chief Executive Officer Performance Review Committee meeting dates will be arranged and convened as required.

10 2022 Meeting Schedule

11 The schedule below sets out the proposed meeting dates for the 2022 calendar year. January is a recess period when EMRC Council and Committee meetings are not held. December is also a recess period due to the Christmas festive season. Meeting dates are therefore set for February through to November. Per s.5.3(2) of the *Local Government Act 1995*, Ordinary meetings are to be held not more than three months apart. Consequently, the February meeting is a required meeting.

12 The March meeting will be required for the Half Year Review and the Annual Compliance Order Return, while the June meeting is required to consider the Annual Budget.

13 As with prior years, the proposed meeting dates have taken into consideration the normal meeting calendar of member Councils.

14 Ordinary Council Meetings commencing at 6:00pm:

Ordinary Council meetings will be held on the fourth Thursday of each month for February to November.

Thursday	24 February		at	EMRC Administration Office
Thursday	25 March		at	EMRC Administration Office
Thursday	28 April	(if required)	at	EMRC Administration Office
Thursday	26 May	(if required)	at	EMRC Administration Office
Thursday	23 June		at	EMRC Administration Office
Thursday	28 July	(if required)	at	EMRC Administration Office
Thursday	26 August	(if required)	at	EMRC Administration Office
Thursday	22 September	(if required)	at	EMRC Administration Office
Thursday	27 October	(if required)	at	EMRC Administration Office
Thursday	24 November	(if required)	at	EMRC Administration Office

15 Agenda Briefing Forums commencing at 6:00pm:

The Agenda Briefing Forums will be held on the second Thursday of each month for February to November. The April Agenda Briefing Forum will be held on the third Thursday as the second Thursday is the day before Good Friday and Easter Long Weekend.

Thursday	10 February		at	EMRC Administration Office
Thursday	10 March		at	EMRC Administration Office
Thursday	21 April	(if required)	at	EMRC Administration Office
Thursday	12 May	(if required)	at	EMRC Administration Office
Thursday	9 June		at	EMRC Administration Office
Thursday	14 July	(if required)	at	EMRC Administration Office
Thursday	11 August	(if required)	at	EMRC Administration Office
Thursday	8 September	(if required)	at	EMRC Administration Office
Thursday	13 October	(if required)	at	EMRC Administration Office
Thursday	10 November	(if required)	at	EMRC Administration Office

16 Information Sessions commencing following the Agenda Briefing Forums:

The Information Sessions will be held on the second Thursday of each month for February to November except for April due to the Easter long weekend.

Thursday	10 February		at	EMRC Administration Office
Thursday	10 March		at	EMRC Administration Office
Thursday	21 April	(if required)	at	EMRC Administration Office
Thursday	12 May	(if required)	at	EMRC Administration Office
Thursday	9 June		at	EMRC Administration Office
Thursday	14 July	(if required)	at	EMRC Administration Office
Thursday	11 August	(if required)	at	EMRC Administration Office
Thursday	8 September	(if required)	at	EMRC Administration Office
Thursday	13 October	(if required)	at	EMRC Administration Office
Thursday	10 November	(if required)	at	EMRC Administration Office

17 Audit Committee (AC) meetings commencing at 6:00pm:

AC meetings are generally held on the first Thursday of each month from March to November. The March meeting will be required for the Half Year Review and the Annual Compliance Audit Return, while the June meeting is required to consider the Annual Budget.

Thursday	3 March		at	EMRC Administration Office
Thursday	7 April	(if required)	at	EMRC Administration Office
Thursday	5 May	(if required)	at	EMRC Administration Office
Thursday	2 June		at	EMRC Administration Office
Thursday	7 July	(if required)	at	EMRC Administration Office
Thursday	4 August	(if required)	at	EMRC Administration Office
Thursday	1 September	(if required)	at	EMRC Administration Office
Thursday	6 October	(if required)	at	EMRC Administration Office
Thursday	3 November	(if required)	at	EMRC Administration Office

18 Chief Executive Officer Performance Review Committee (CEOPRC) commencing following the Council Meeting

The CEOPRC meeting will be held on the fourth Thursday following the Ordinary Meeting of Council.

Thursday	24 February		at	EMRC Administration Office
Thursday	23 June		at	EMRC Administration Office

STRATEGIC/POLICY IMPLICATIONS

19 Section 5.25(1)(g) of the *Local Government Act 1995* and r.12 of the *Local Government (Administration) Regulations 1996* requires that at least once each year local public notice is to be given of all Ordinary Council meetings and Committee meeting dates, times and places that are to be open to the public and are to be held in the next twelve (12) months.

FINANCIAL IMPLICATIONS

20 The costs of running the meetings have been included in the adopted budget.

SUSTAINABILITY IMPLICATIONS

21 Nil

Risk – Non Compliance with the EMRC’s responsibility to maintain responsible and accountable governance and management of the organization.

Consequence	Likelihood	Rating
Moderate	Unlikely	Moderate
Action/Strategy		
➤ Council to adopt the proposed 2022 meeting dates and advertising of the 2022 meeting dates.		

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

EMRC 2022 Meeting Dates Calendar (D2021/16518)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That:

- 1 Council adopts the Ordinary Council meeting and Committee meeting dates, times and places for 2022 as outlined in the report.
- 2 Notice be given in accordance with r.12 of the *Local Government (Administration) Regulations 1996*.

COUNCIL RESOLUTION(S)

MOVED

SECONDED



EMRC MEETING DATES 2022

January						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

February						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24*	25	26
27	28					

March						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

April						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

May						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

June						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23*	24	25
26	27	28	29	30		

July						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

August						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			


September						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	


October						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					


November						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

December						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

 Council Meeting

 Audit Committee Meeting

 Agenda Briefing Forums and Information Sessions

 WA Public Holidays

*CEO Performance Review Committee

All meetings are held at 226 Great Eastern Highway unless otherwise notified.

WA Public Holidays 2022
 Sat 1 Jan New Year's Day
 Weds 26 Jan Australia Day
 Mon 7 Mar Labour Day
 Fri 15 Apr Good Friday
 Mon 18 Apr Easter Monday
 Mon 25 Apr ANZAC Day
 Mon 6 Jun WA Day
 Mon 26 Sep Queen's Birthday
 Sun 25 Dec Christmas Day
 Mon 26 Dec Boxing Day
 Tues 27 Dec Boxing Day Holiday

5.7 MATTRESS RECYCLING

D2021/17308

PURPOSE OF REPORT

To seek Council affirmation of the contractual agreement with Community Resources Limited T/A Soft Landing for the provision of mattress collection and recycling services from the Hazelmere Resource Recovery Park awarded under quotation from the WALGA Preferred Supplier Program.

KEY POINT(S)

- A request for quote (RFQ) was issued on the WALGA Preferred Supplier Program for the Provision of Mattress Recycling Services in December 2020.
- Based on the anticipated volume over the one year contract, the total value of the contract would be under \$400,000 ex GST.
- Under the CEO's delegation of authority, the CEO exercised his powers to award Community Resources Limited T/A Soft Landing with a contract to the maximum value of the CEO's delegated authority limit of \$400,000 ex GST, commencing 15 February 2021 until 14 February 2022
- Over the recent months, the number of mattresses as recycled have surged and it is forecast that the total value of the contract will now exceed the initial forecast of under \$400,000 ex GST.
- As a result, Council is requested to affirm the contract awarded by the CEO.

RECOMMENDATION(S)

That Council:

- 1 Affirms the CEO exercise of delegated authority to award the RFQ for the provision of mattress collection and recycling services to Community Resources Limited T/A Soft Landing.
- 2 Confirms the contractual agreement with Community Resources Limited T/A Soft Landing for a period of 12 months commencing 15 February 2021 until 14 February 2022 awarded through the WALGA Preferred Supplier Program.

SOURCE OF REPORT

Chief Operating Officer

BACKGROUND

- 1 The mattress processing operation at Hazelmere Resource Recovery Park (HRRP) has been operational since 2008.
- 2 Since December 2019 the EMRC has outsourced the mattress recycling to a third party contractor, Community Resources Limited T/A Soft Landing.
- 3 Following a review of Mattress Processing, at its meeting held on 18 June 2020 Council resolved that (Ref: D2020/05568):
 1. *COUNCIL ADOPTS OPTION 1 AS THE EMRC'S PREFERRED OPTION FOR PROCESSING MATTRESSES GOING FORWARD.*

2. COUNCIL BY ABSOLUTE MAJORITY IN ACCORDANCE WITH SECTION 6.16 OF THE LOCAL GOVERNMENT ACT 1995 ADOPTS THE 2020/2021 FEES AND CHARGES FOR THE MATTRESS DISPOSAL AS OUTLINED IN TABLE 3 IN THE REPORT.
3. COUNCIL IN ACCORDANCE WITH S.6.19 OF THE LOCAL GOVERNMENT ACT 1995, GIVES PUBLIC NOTICE THAT THE FEES AND CHARGES FOR THE MATTRESS DISPOSAL AS OUTLINED IN TABLE 3 IN THE REPORT ARE EFFECTIVE FROM 1 JULY 2020.
4. THE REPORT REMAINS CONFIDENTIAL AND BE CERTIFIED BY THE CHAIRMAN AND CEO.

REPORT

- 4 In December 2020, EMRC issued a request for quote (RFQ) through the WALGA Preferred Supplier Panel seeking the services of a suitable contractor to collect, process and recycle mattresses from the Hazelmere Resource Recovery Park for a 12 month period.
- 5 In accordance with s.11(2)(b) of the *Local Government (Functions & General) Regulations 1996*, tenders do not have to be publicly invited if the supply of goods or services is obtained through the WALGA Preferred Supplier Program.
- 6 The anticipated expenditure to the EMRC would have been under \$400,000 ex GST based on the anticipated volumes.

Under the CEO's delegation of authority, the CEO exercised his powers to award the RFQ to Community Resources Limited T/A Soft Landing with a contract to the maximum value of the CEO's delegated authority limit of \$400,000 ex GST, commencing 15 February 2021 until 14 February 2022. As a result, Community Resources Limited T/A Soft Landing continued providing the service to the EMRC.
- 7 Since the contract award date, the number of incoming mattresses has increased significantly due to various factors including increased discretionary domestic spend over the past year that has seen a higher number of residents and commercial entities disposing of mattresses as well as other local government organisations choosing to dispose of their residents' mattresses at the HRRP.
- 8 As 85% of the materials in a mattresses can be recycled, this increase in mattress recycling is a fantastic environmental outcome.
- 9 Community Resources Limited T/A Soft Landing Is a not-for-profit organisation that employs disability workers and the increase in work is also a great social outcome.
- 10 By the end of August 2021, the total expenditure expenditure under the agreement has achieved more than 65% of the anticipated volume in six months. It is anticipated that at the current run rate, 100% of the anticipated volume would be achieved by November 2021.
- 11 As the RFQ was previously awarded by the CEO under delegated authority limit of \$400,000 ex GST, and cognisant that there will be no Ordinary Meeting of Council in October 2021, to ensure compliance and continuity of the mattress recycling service under the existing contractual agreement, Council's endorsement is sought to affirm the contractual arrangement with Community Resources Limited T/A Soft Landing for the provision of mattress recycling at the HRRP.

STRATEGIC/POLICY IMPLICATIONS

- 12 Key Result Area 1 – Environmental Sustainability
 - 1.1 To provide sustainable waste disposal operations
 - 1.2 To provide resource recovery and recycling solutions in partnership with member Councils

FINANCIAL IMPLICATIONS

13 The costs of the mattress recycling has been included in the Council approved 2021/2022 budget. The increase in cost is offset by the corresponding increase in revenue collected from the disposal fee.

SUSTAINABILITY IMPLICATIONS

14 EMRC will continue to recycle mattresses with a materials recovery rate of approximately 85% through Community Resources Limited T/A Soft Landing.

RISK MANAGEMENT

Risk – Non Compliance with a Delegation of Authority if contract value exceeds the \$400k threshold		
Consequence	Likelihood	Rating
Moderate	Unlikely	Moderate
Action/Strategy		
➤ Council to affirm the CEO’s exercise of delegated authority and confirms the contractual agreement		

MEMBER COUNCIL IMPLICATIONS

Member Council

- Town of Bassendean
- City of Bayswater
- City of Kalamunda
- Shire of Mundaring
- City of Swan

Implication Details

Council approval is sought to ensure continuity of service under the contractual agreement.

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council:

- 1 Affirms the CEO exercise of delegated authority to award the RFQ for the provision of mattress collection and recycling services to Community Resources Limited T/A Soft Landing.
- 2 Confirms the contractual agreement with Community Resources Limited T/A Soft Landing for a period of 12 months commencing 15 February 2021 until 14 February 2022 awarded through the WALGA Preferred Supplier Program.

COUNCIL RESOLUTION(S)

MOVED

SECONDED

5.8 INFORMATION BULLETIN - COFFS HARBOUR WASTE CONFERENCE 2021

D2021/16781

PURPOSE OF REPORT

The purpose of this report is to update Council on the recent attendance by the CEO at the Coffs Harbour Waste Conference held 4 – 6 May 2021.

KEY POINTS AND RECOMMENDATIONS

- A requirement of the 6.3 Attendance at Events Policy is that following an attendance at a conference a written report is to be prepared for Council's information.

SOURCE OF REPORT

Chief Executive Officer

BACKGROUND

- 1 The CEO, Marcus Geisler, attended the Coffs Harbour Waste Conference held on 4 – 6 May 2021. The key focus of the conference was on local government waste and resource recovery activities.
- 2 The conference report covers key points on the topics presented at the conference including energy from waste, education, alternative recycling pathways, regional issues, circular economy, key waste issues and strategy, plastics technology, product stewardship, indigenous waste management, organics, litter and illegal dumping.

REPORT

- 3 The attached conference report has been prepared to give an overview of the key topics and issues covered at the conference for Council's information.

STRATEGIC/POLICY IMPLICATIONS

- 4 Key Result Area 3 – Good Governance
 - 3.3 To provide responsible and accountable governance and management of the EMRC

FINANCIAL IMPLICATIONS

- 5 As reported.

SUSTAINABILITY IMPLICATIONS

- 6 As reported.

Risk – Non Compliance with EMRC’s responsibility to maintain responsible and accountable governance and management of the organisation.

Consequence	Likelihood	Rating
Moderate	Unlikely	Moderate
Action/Strategy		
➤ Update to be provided to Council to comply with 6.3 Attendance at Events Policy		

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

Conference Report – Coffs Harbour Waste Conference 2021 (D2021/17466)



Coffs Harbour Waste Conference 2021

Conference Report

As part of my personal growth and development focus (KPI 1.1) I attended the Coffs Harbour Waste Conference held on the 4th, 5th and 6th of May 2021. The Coffs Harbour Conference focusses on local government waste and resource recovery activities.

In its 25th year, the conference welcomed delegates and speakers from all over Australia, many who were glad to be back in each other's company as last year's conference was moved to an online format. Due to Covid restrictions, the conference ran at a lower capacity however with the ability for people who could not be in attendance, the live stream was accessed by many.

Keynote speaker Cate McQuillen opened the conference with an inspiring reflection about what we produce should ultimately go back to nature, and invited everyone to reminisce to get back to nature. Known for her producer role in the kid's TV series dirtgirlworld and Get Grubby TV, Cate and character scrapboy took the opportunity to interview key presenters throughout the conference, featuring the work they do around waste and resources.

Two streams ran concurrently throughout the conference covering topics of: Energy from Waste, Education, Alternative Recycling Pathways, Regional Issues, Circular Economy, Key Waste Issues and Strategy, Plastics, Technology, Product Stewardship, Indigenous Waste Management, Organics, Litter and Illegal Dumping. Below are the key points from each topic overall.

Tuesday 4 May

Energy from Waste (EfW)

Policy and project updates were presented by the Queensland and New South Wales governments, highlighting changes and links to existing waste strategies. Key EfW projects were presented from New South Wales, Queensland and Western Australia.

Western Australia will have the East Rockingham EfW facility completed by the end of 2022 whilst New South Wales have been presented with challenges due to the recent changes of the NSW EPA policies. QLD EfW policy will be reviewed in 2022 in line with the statutory review of the existing waste strategy.

There was a clear message that energy from waste should be seen as an alternative from landfill, not an alternative from recycling. Presenters did emphasise that the circular economy principles of: designing out waste and pollution, keeping products and materials in use as long as possible and regenerating natural systems all playing a part in work done before waste is considered as an input for an EfW facility.

Education

With a growing importance of education in all areas of waste communication, presentations focused on education were presented over three sessions. A wide range of topics and projects were covered from: community art, education in childcare centres, waste communication at public events, school education and community adult education. Case studies of behaviour change, linked with long standing campaign successes were presented with long standing initiatives such as Plastic Free July and localised litter campaigns.

The use of technology plays an important tool for education and communication, especially in various lockdowns experienced locally over the past year that impacted on councils and organisations community engagement.

The issue of disposable baby nappies was presented with solutions and approaches for local councils to tackle this waste.

Alternative Recycling Pathways

Landfill sites are filling up faster than before. BINGO's recently opened Sydney processing facility is the 4th largest producer of scrap metal however not a scrap metal processor.

Community Recycling Centres play a part in engaging with local communities to better sort and realise the waste being produced.

Clean Up Australia surveyed consumers and found that 64% of people are actively looking for recycled content products.

Whole bailed tyre export coming into effect in December 2021. 90% of passenger tyres are exported. Mining tyres make up 40% of Australia's tyre waste.

Regional Issues

A variety of regional Australian Issues were presented from different states. In essence, the issue stemmed from residents and businesses having access to waste collection services due to their location and proximity to a truck collection point.

Unmanned transfer stations in remote areas demonstrated case studies using technology and data collection to improve issues such as access, illegal dumping and problematic items. Unmanned transfer stations also present problems from outside waste travelling into the areas. Using technology and data collection, unmanned waste transfer stations are able to comply with and have accountability in legislation, especially when determining the amount of commercial and domestic waste. A barrier to these remote transfer station sites is access to power, with many sites relying on solar PV to operate their security and data collection systems.

Councils with residents living in remote areas on private roads without truck access found solutions with bin banks to service a large catchment of properties at once.

The 2025 National packaging targets are to make 100% of packaging recyclable, reusable or compostable; 70 % target of plastic packaging recycled or compostable; 50% average recycled content across all packaging. APCO recognised more complex issues as there is no collection or end markets in outer regional and very remote areas. The reality is that 18.2% of Australian live in regional areas and 10.2% of Australian live in outer regional, remote and very remote areas.

Wednesday 5 May

Key Waste Issues and Strategy

Australia generates around 62 million tonnes of waste each year (2018/19) and councils are responsible for about 21% of that. The Australian recycling and resource recovery market is worth ~\$15b and has grown at ~6% over the past 10 years.

Policies and targets which are not always well aligned and are voluntary. The fact that natural events such as fires, floods, pandemics plus export bans are likely to happen again, it was recognised that there is no point having such a tight waste system when we need to be able to be flexible to deal with these events. In transitioning to a circular economy that doesn't just use recyclable material but designs out non-recyclable waste, it was recognised that modernised legislation is needed that incentivises better design, that waste avoidance is front of mind and that materials stay in the system as long as possible.

A challenge of the waste export ban is to procure products to drive the pull-through from kerbside plus the need to develop social licences to utilise the materials which will require certifications and standards.

Waste Nationalism is upon us with a minister for waste reduction. There is increasing recognition that countries need to deal with their own waste resulting in import/export bans of the China Sword and subsequent policies. Not one option will solve everything, this needs to be a coordinated approach and all of the players nationally to be working together.

With the UN Sustainability Goals and climate targets it was recognised that never before has there been this drive for change. The COAG waste bans have put pressure on the industry but the opportunity to build a circular economy. Government procurement is essential to create a circular economy. The purchasing market needs to be present for repurposed items.

Circular Economy

State Governments are allocating resources in their commitment to transition to a circular economy, assisting local governments and organisations.

Planet Ark's ACE Hub is being developed as a centralised platform and knowledge bank to bring together the application of the circular economy and support new initiatives. It will be a marketplace for local governments to connect buyers and organisations to distribute unwanted materials.

Yume Foods has also developed a similar tech platform for the sale of surplus food from production and transport such as discontinued varieties, incorrect packaging and changed ingredients.

The Victorian Government's Recycling Victoria's policy for circular economy has set targets for all households to have glass collection services by 2027 and FOGO by 2023. Under this policy, there will also be a new waste law and new waste authority established to represent industry standards.

A collaborative of South Sydney Councils has joined in a procurement partnership for and have developed a closed loop market for crushed glass. Years of trailing crushed glass in roads as a substitute for sand has found to be a suitable, safe alternative.

Plastics

Problematic plastics and phasing out single-use plastics were a discussion point with the mixed waste plastic ban occurring 1 July 2021. It was detailed that exemptions for plastics can be applied at the Minister's discretion to include needs for medical or personal application.

Ocean plastic pollution was the primary focus of this topic, detailing the emerging impact our plastic consumption habits have on ocean pollution.

Technology

Technology can have benefits for waste disposal and protect assets such as landfills to ensure these are available to use in the long term. It is recognised that the value of data collection can be beneficial for monitoring, reporting regulation and increasing efficiency of a waste service. The technology of sensors and qualitative reports from waste infrastructure can increase efficiency for logistics and future planning. With data and technology associated with waste infrastructure, issues of data security, software compatibility, not all real time, sensors need to be compatible with the bin. However, it was outlined that the costs and up front investments can be high but beneficial in the long run

Smart bin sensors record how full the bin is, movement, temperature, solar power, compactor, alert lights, and close off features when full. The advantages of smart bins are to identify critical areas of full bins.

Landfill vouchers have since replaced hard-waste kerbside collections, however moving from a paper base system to online is needed due as other council business aspects move online. Issues for tenant's vs homeowners and how these householders receive their landfill voucher are present. Changing to a digital approach presented similar overheads when compared to the paper-based approach with further benefits of moving away from the manual administration

With 20% of household waste unable to be dealt with in the kerbside waste collections (e-waste, clothes, soft plastics etc) the app Recycle Smart is the 'Uber' for waste. By booking collections online, uber-style collectors will collect waste from

residents' front doors and transport this to a nearby recycling centre. Residents take responsibility for what is collected with reporting feedback on how much overall the resident has diverted from landfill. Currently Recycle Smart services 6 Sydney based councils or as a user pay system further afield.

Product Stewardship

There is more recycled content in packaging today than is being recycled by the kerbside system, mostly made up of clean, post industrial packaging material. Industry is reliant on this however targets are aimed at post consumer products for a circular economy.

Flexible packaging a third on the packaging on the market. Food standards restrict recycled food packaging to be reused with foods. The only way to process this for reuse in food packaging is to chemical recycle to create bio oil.

Collections for soft plastics are growing exponentially however reports are saying that end markets are still needed to be developed.

Mattress Recycling is starting to make way in partnerships with responsible brands. Drum Muster is an initiative coordinated by the chemical manufactures. About 2 million containers are collected every year, which represents only half of the market. Collections run in rural and regional areas.

Thursday 6 May

Indigenous Waste Management

Addressing waste issues experienced in Aboriginal communities and housing areas of waste accumulation, bin infrastructure and access to correct information were presented in this stream. Previous short-term campaigns resulted in little impact. By establishing working groups of different agencies used to collaborate to address a project with the community showed success in waste clean-up for amenities and the local environment.

Engaging with communities recognised that there is no one size fits all approach and engagement needed to happen with all involved in waste management. To approach with a long-term plan to increase safety and reduce health risks by cleaning up the surrounding environment. Examples of work has been done to regenerate the old dumping sites and clean up illegal dumping areas. Flow on effects of clean-up work has allowed the development of land for orchids and chook houses, creating access to fresh food plus new skills within these communities. The approach of a slow and long-standing approach resulted in positive change.

Organics

Organics present the big piece of the waste diversion from landfills. All local governments are signatories of the national waste target. National targets aim to halve the amount of organic waste heading to landfill by 2030 of which FOGO is needed to achieve this target. Of the municipal solid waste stream making up 70% of waste headed to landfill. Currently only 16% of councils within Australia offer FOGO collections.

There is the driver from the public to make compost commercially available. However currently, the risk of contamination outweighs the cost of the end product and therefore agricultural or rehabilitation applications are preferred by industry.

FOGO marketing campaigns presented case studies of councils communicating the change to new FOGO services and found success in reducing contamination by only communicating the items that could go in the FOGO as opposed to what not to put in the bin.

Collecting organics in multi-unit dwellings can pose issues of logistics and different collection and on-site processing methods looked at innovative infrastructure as a way of addressing this. Multi-unit dwellings presented similar contamination rates to that of single unit dwelling. The message was about engaging with the community and use of infrastructure in innovative approaches.

Litter

Since 2014, the NSW EPA has had a target to reduce litter volume by 40% by 2020 and has reached this milestone by reducing litter by 43%.

Litter audits inform behaviour change and campaign effectiveness. Community events and community engagement to promote reporting litters, life cycle of plastics processing, beach litter clean ups demonstrating sampling microplastic audits to enable citizen science. Another angle to approach people to remind people to use the bin. A single ranger could talk to up to 400 people in a shift, feedback was that the environment public place was cleaner.

A zero waste event guide developed by a collective of Victorian Councils helps event organisers and patrons eliminate waste and prevent litter at all types and sizes of events. The guide uses a step by step process to consider the planning, delivery and evaluation of events when eliminating waste. The guide also presents case studies of past events and their successes of waste elimination. The Zero Waste Event Guide is available for download here <https://www.reducerecycle.com.au/community/event-guide/>

Cigarette butt litter was also addressed with cigarettes butt filters now included in the Federal Government's Plastic Plan. An approach of a product stewardship is considering the issue of plastic filters and alternatives.

Illegal Dumping

Illegal dumping issues, projects and initiatives were presented from across NSW. "Combating illegal dumping is a key priority for the NSW Government and local communities. The government is committed to protecting local environments from pollution by reducing all types of illegal dumping incidents across the state by 30% by 2020".

Detection technology using a concealed system was shown to be an effective way of detecting offenders.

Regional efforts with multiple councils, running coordinated campaigns and clean-up efforts were presented. Waste generation increases with the population growth and presents data reporting issues ongoing. Recognising data collection for the number of incidents vs population and land space has the ability to paint a better picture of the data. E.g. High populated areas in small land size catchments.

Using a reporting waste app and website widget for the community to report illegal dumping to make it easy for the community to report. The data can create a heat map of hot spots to inform future decision making.

An example of a price drop for kerbside pick up, increased kerbside pick ups greatly as an alternative to illegal dumping.

Overall Takeaways

Technology and innovation will override historical ways of managing waste and resource recovery. With more access to smart devices and mobile technology, solutions are appearing for better ways of approaching more complex products.

The Federal Government's push of waste bans coming into play plus the investment in the circular economy will see this space evolve out of necessity. This can only be seen as a positive step forward taking action opposed to none at all.

Marcus Geisler
Chief Executive Officer EMRC
25 May 2021

6 CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

RECOMMENDATION (Closing Meeting to the Public)

That with the exception of, the meeting be closed to members of the public in accordance with Section 5.23 (2) of the *Local Government Act 1995* for the purpose of dealing with matters of a confidential nature.

COUNCIL RESOLUTION(S)

MOVED CR

SECONDED CR

6.1 APCr BUSINESS PLAN (D2021/16780)

This item is recommended to be confidential because it contains matters of a commercial-in-confidence nature.

See Confidential Item circulated with the Agenda under Separate Cover.

6.2 PROGRESS REPORT ON EMRC REQUEST FOR TENDER 2021-002, PERMANENT FOGO PROCESSING FACILITY (D2021/16177)

This item is recommended to be confidential because it contains matters of a commercial-in-confidence nature.

See Confidential Item circulated with the Agenda under Separate Cover.

RECOMMENDATION (Meeting Re-opened to the Public)

That the meeting be re-opened, the members of the public be invited to return to the meeting and the recommendations passed behind closed doors be recorded.

COUNCIL RESOLUTION(S)

MOVED CR

SECONDED CR

7 FUTURE AGENDA BRIEFING FORUMS

The next meeting of Agenda Briefing Forum will be held on Thursday 11 November 2021 (if required) at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, Ascot WA 6104 commencing at 6.00pm.

Future Meetings 2021

Thursday 11 November (If Required) at EMRC Administration Office

8 DECLARATION OF CLOSURE OF MEETING