

Annual Report 2020/2021



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KEY RESULT AREA 1

KEY RESULT AREA 2

KEY RESULT AREA 3



About the EMRC



OUR VISION

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



OUR MISSION

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



OUR VALUES

The values that govern the EMRC are:

- EXCELLENCE** – Striving for excellence through the development of quality and continuous improvement.
- RECOGNITION** – Valuing staff in a supporting environment that focuses on their wellbeing.
- INNOVATION** – Focus on innovative approaches in project and service delivery.
- RESPONSIVENESS** – Dynamic and flexible service delivery.
- INTEGRITY** – Accountability and consistency in all that we do.

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

The EMRC is an incorporated body established under the Western Australian Local Government Act 1995. The EMRC's operations are governed by its Council under an Establishment Agreement.

In brief, the Establishment Agreement states that the EMRC will:

Work collaboratively with member Councils to facilitate local government to enhance its service delivery to the community;

Be efficient and effective in delivering quality services and facilities;

Maintain a framework which allows the members to promote and market the role of local government;

Implement a strategic plan that is regularly reviewed; and

Avoid providing any service or facility that adversely impacts on the services or facilities of any member Council

In line with this brief, the EMRC provides a broad range of services across the Region including waste management and education, resource recovery, urban and natural environmental management and regional development.

Working in partnership with our member Councils and other stakeholders, the EMRC delivers local and regional scale projects across each of these areas for the benefit of the Region.

The EMRC Council is responsible for setting the EMRC's strategic direction. EMRC management implements this direction, ensures the organisation's values are sustained and provides an environment that encourages all staff to reach their full potential.

About Perth's Eastern Region

The Region is a major gateway to greater Perth, hosting major air, road and rail transport hubs. Significant recent investment in transport infrastructure has driven rapid improvements in freight capability and has enhanced the Region's attractiveness to national and international businesses seeking well-connected locations.

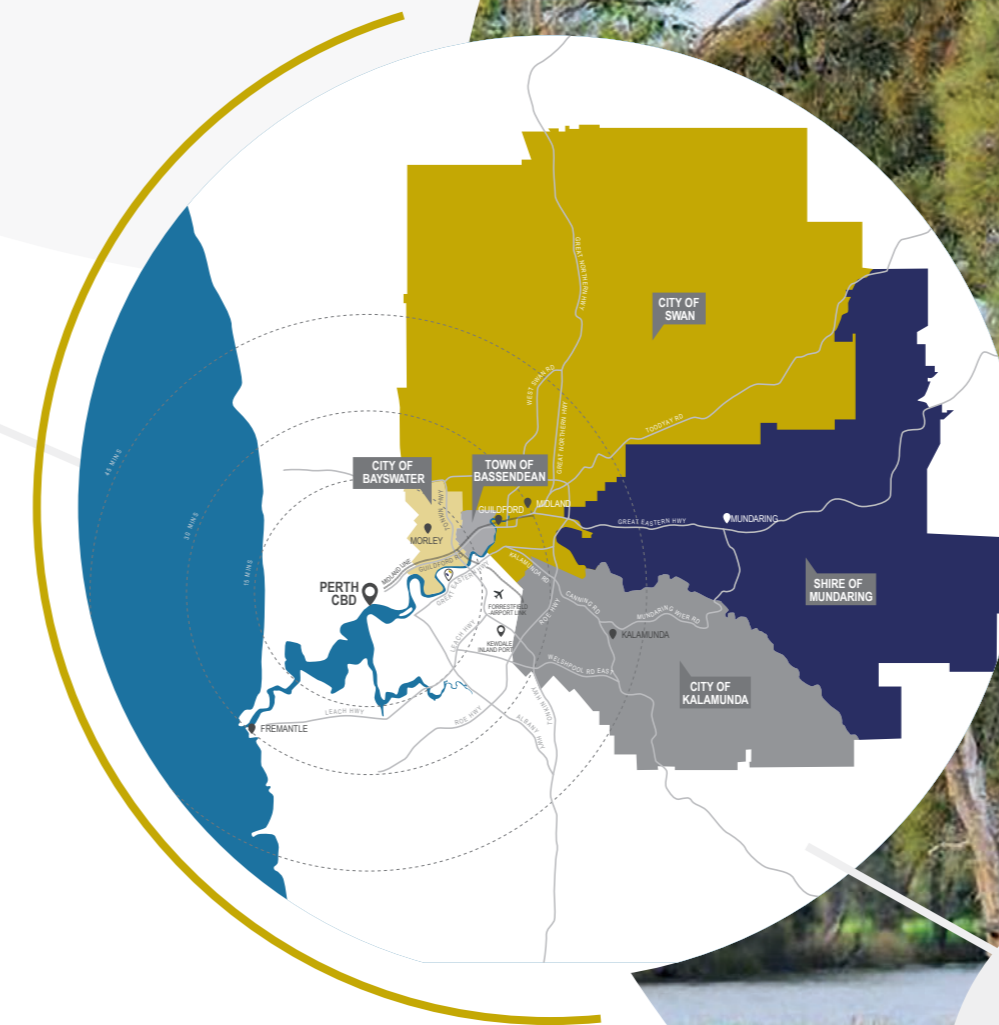
Major industrial areas at Malaga, Kewdale, Hazelmere, Forrestfield, Bayswater, Ashfield and Bassendean play key roles in transport, storage, manufacturing and logistics servicing the state's vital construction and resource sectors.

Development of Perth Airport, Midland Health and University Campus and NorthLink WA continue to provide support for future growth. Developments including Metronet and EastLink WA will further support regional development.

The Region's environment provides a high quality of life for its residents. Amenities include national parks, walking and cycling trails and reserves on the banks of the Swan River. Heritage, culture and arts attractions include one of the oldest settled areas in WA and the ever-popular Swan Valley and boutique wineries in the Perth Hills.

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

Perth's Eastern Region is home to
339,000
people



Perth's Eastern Region is an area bounded by the EMRC's five member Councils: Town of Bassendean, City of Bayswater, City of Kalamunda, Shire of Mundaring and City of Swan. At 2,065 square kilometres, the Region is approximately one-third of Perth's metropolitan area and is home to 339,000 people.

2,065
km²

total area of Perth's Eastern Region

122,000

Number of households

900kg

of waste generated per household



141,000 tonnes
of household waste generated annually in our region

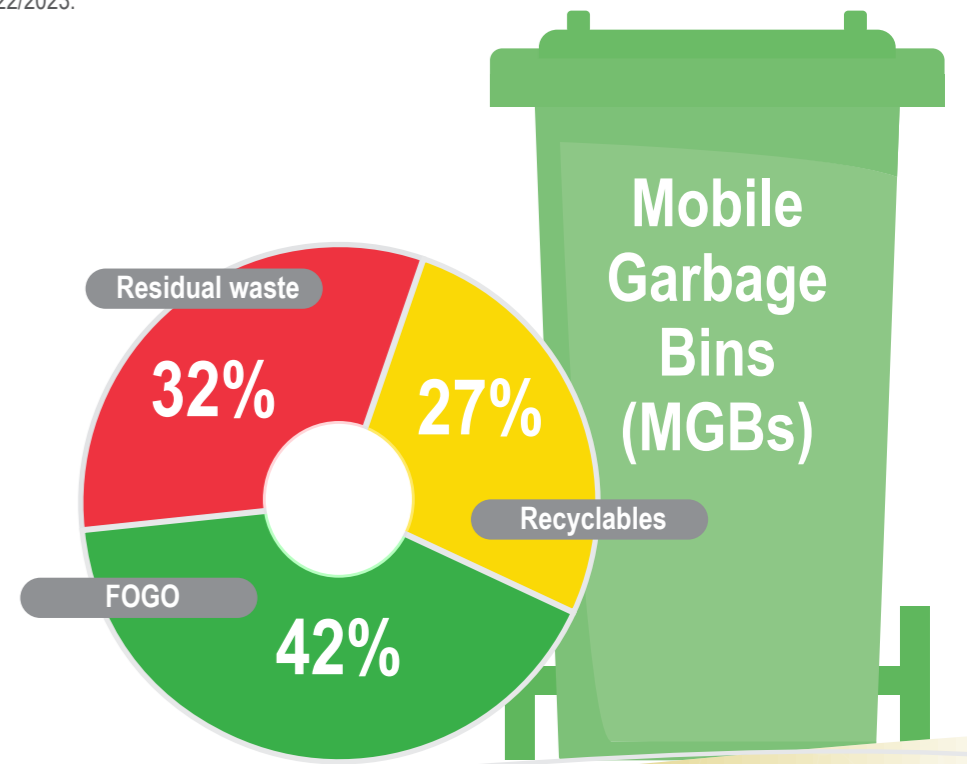
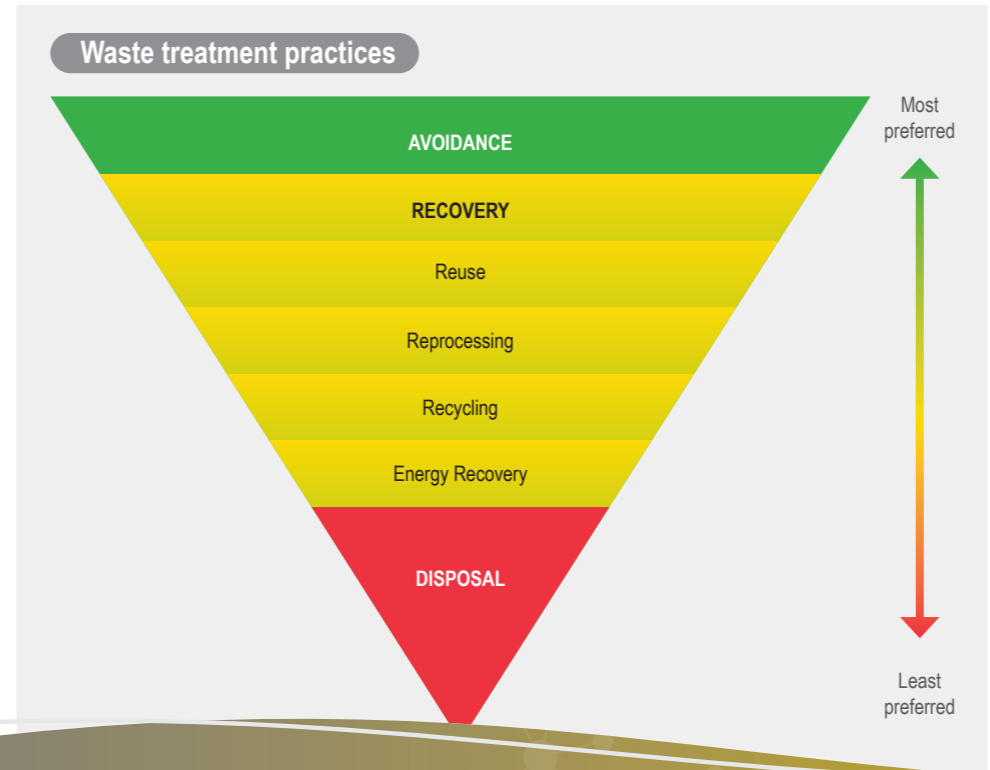
OUR VISION FOR WASTE MANAGEMENT IN PERTH'S EASTERN REGION

Traditionally a landfill operator, for the last 30 plus years the EMRC has been transforming its waste management practices. In step with other leaders in the waste management industry, the EMRC has continually explored options to extend its waste treatment practices up the waste hierarchy, with the aim of feasible material recovery rather than landfill disposal, losing the embedded energy and value. This has led to the development of innovative facilities and processes to recover those resources.

Key among these are the EMRC's Hazelmere Resource Recovery Park which housed WA's first mattress recycling facility and waste timber recycling facility. A wood waste to energy facility using waste timber and producing biochar and electricity to power its own and neighbouring facilities, is under development. Since 2002, the EMRC has undertaken a careful and considered exploration of resource recovery options to deal with the remaining household waste.

Our region generates approximately 141,000 tonnes of this waste annually. Adoption of an avoidance strategy is clearly an important message. To maximise materials recovery and deal with the household waste generated in line with the Waste Hierarchy, two solutions are being progressed. In 2018, the EMRC in conjunction with four of its member Councils, entered into an agreement with the Hitachi Zosen Inova (HZI) consortium for residual household waste to be processed at its waste to energy facility (W2E) in East Rockingham from 2022/2023.

In 2019 the EMRC commenced the journey towards the recovery of Food Organics and Garden Organics (FOGO) material. Of the 141,000 tonnes of household waste that our region produces annually, approximately 42% is food and organic waste. If each household can separate out this material very carefully to minimise contamination levels, this FOGO material can be efficiently and successfully reprocessed into compost and potentially biogas.





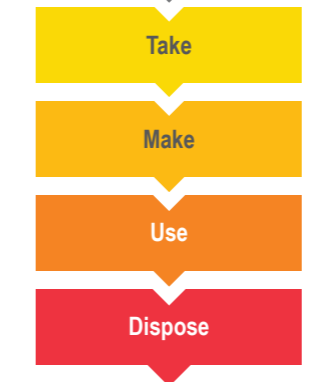
Alignment with the State Waste Strategy targets

In February 2019 the WA Waste Authority released its new *Waste Avoidance and Resource Recovery Strategy 2030 and Action Plan*. The Waste Hierarchy is one of the guiding concepts in the strategy. Complementing the Waste Hierarchy is the concept of the Circular Economy which proposes a move away from the linear 'take, make, use and dispose' model to one which keeps materials circulating in the economy for as long as possible.

The EMRC Council passed the following resolution at its 21 March 2019 Ordinary Council Meeting:

“That Council notes the release of the Western Australian Waste Avoidance and Resource Recovery Strategy 2030 and Action Plan and commits to aligning the EMRC waste practices where possible.”

Current approach



Circular Economy



Alignment with the EMRC's Strategic Goals

Alignment with the EMRC's Corporate Business Plan

The EMRC's aim for Key Result Area One, in its Corporate Business Plan, is to provide best practice waste management services which are sustainable, efficient and meet the needs of the region. Further, the EMRC's position is that waste is a valuable resource that should be used in a sustainable and efficient way to meet the evolving needs of the region and protect the environment. Education to drive behaviour is critical to removing barriers to behaviour change.

Alignment with the EMRC's Regional Environmental Strategy and Sustainable Development Goals (SDGs)

The EMRC's Regional Environment Strategy 2016-2020 was developed using the global United Nations Sustainable Development Goals (SDG) framework. Governments worldwide including the Australian Government have agreed to these goals. SDGs are important globally, nationally and locally. The SDGs are embedded in the Food Organics Garden Organics (FOGO) Recovery Strategy. The EMRC found that in developing the Regional Environment Strategy eight of the challenges most important to the EMRC region aligned with seven of the global drivers (SDGs) and of these seven SDGs, six are relevant to waste management. Sustainable and effective waste management therefore directly contributes to achievement of six of the EMRC's strategic objectives for environmental management in the region. The following page shows this interrelationship.





FOGO

Recyclables

- ✓ Glass bottles & jars
- ✓ Plastic bottles & containers
- ✓ Aluminium & steel cans
- ✓ Paper (not shredded)
- ✓ Cardboard (flattened)

FOGO

- ✓ Food organics
- ✓ Garden organics
- ✓ Compostable liners
- ✓ Soiled paper products

General waste

- ✓ Soft plastics
- ✓ Polystyrene



Chairman's Report

The Eastern Metropolitan Regional Council is a shining example of how people can use democracy to come together in a spirit of cooperation to solve shared problems.

Nearly 40 years ago, the local governments of Perth's Eastern Region decided to pool resources to create a community-owned waste management organisation.

The EMRC was established to efficiently process and recover resources for the benefit of our member Councils and communities.

In time, initiatives such as safety management, regional development advocacy, and expertise in sustainability issues were among the value-creating initiatives added to the EMRC's portfolio.

The four-year term I served as a Councillor of the EMRC, with two of those years serving as Chairman, taught me that our communities are the beneficiaries of the wise decisions and collectivist approach our member Councils chose to take all those years ago.

I have been honoured to work with dedicated and hard-working Councillors from member Councils across our region to develop and implement our Food Organics Garden Organics (FOGO) strategy.

I would like to pay special thanks to the hard-working staff of the EMRC who consistently demonstrate best-practice in governance.

Having now served my time as Chairman of this organisation, I wish my successor, the CEO, and all the members of his team all the very best as they work together with Council and the EMRC's stakeholders to conquer the challenges ahead.

I am certain that success in this task will be achieved through developing a shared vision for a better future in the knowledge that we are stronger together.

Cr Jai Wilson
EMRC Chairman





Chief Executive Officer's Report

I am pleased to report that the EMRC, with the support of our member Councils and stakeholders, continues to take a leading role in the journey towards net zero – a balance between the amount of greenhouse gas entering and the amount removed from the atmosphere. On a global scale, achieving net zero is one of the key challenges of the next few decades.

Among a number of significant positive developments in 2020/2021, the EMRC laid a strong foundation for widespread adoption of net zero with a Strategic Review, developed in consultation with member Councils.

The Review acknowledges community expectations of a strategic approach towards building and expanding community-owned infrastructure, while emphasising

a requirement for greater sustainability in waste management practices, particularly in the fields of waste avoidance, waste separation at the source, the use of recycled products and decarbonisation.

I am also pleased to report that the EMRC Team has continued its unstinting commitment to safety. No-one - employees, customers, contractors or visitors - should be harmed or hurt on any EMRC controlled site. I would like to acknowledge the passion and drive of everyone involved towards ensuring a safe workplace. No Lost Time Injuries (LTI) were recorded in 2020/2021.

In June, the EMRC opened a dialogue connecting State and other Local Government agencies with the EMRC, enabling a leadership position in the move towards a Circular Economy. Attendees at our Circular Economy Masterclass explored ways of improving material efficiency and commercial opportunities, to bring about meaningful jobs and positive environmental outcomes which will flow from adoption of the Circular Economy.

In short, the EMRC continues to evolve with multiple initiatives in place to assist not only Perth's Eastern Region, but the whole of WA, towards the achievement of Net Zero and achieving the objectives and targets of our State Waste Avoidance and Resource Recovery Strategy 2030.

Further positive developments in 2020/2021 include the commencement of FOGO material processing at the Red Hill Waste Management Facility in August 2020, permitting an impressive landfill diversion rate of 70%. Polystyrene collection and compacting services and an empty aerosol collection network were introduced at all EMRC operated Community Recycling Centres.

An important component of transparency is a commitment to a two-way, open dialogue with the communities we serve. With the trust of our stakeholders and an understanding of their needs, we look forward to achieving great things together.

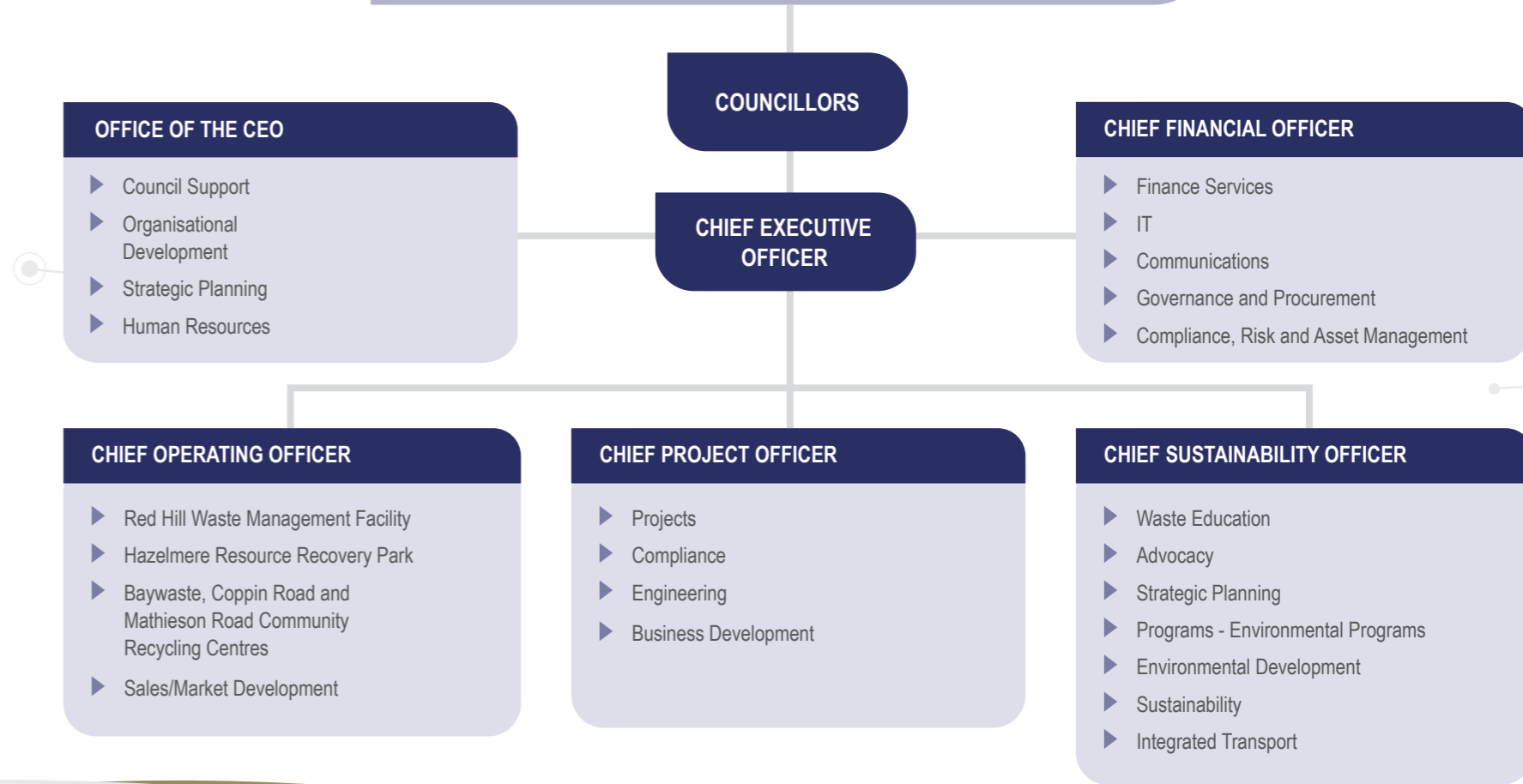
In closing, I would like to thank our 2020/2021 Chairman Jai Wilson for his energy and enthusiasm,

the dedication of the EMRC's staff and the valuable support provided by the EMRC's Executive Leadership Team of Hua Jer Liew, Chief Financial Officer; Brad Lacey, Chief Operating Officer; Doug Bruce, Chief Project Officer and Wendy Harris, Chief Sustainability Officer and I invite you to peruse through the many achievements displayed in this Annual Report.

Marcus Geisler
Chief Executive Officer



Organisational Structure



Elected Representatives

The EMRC's Establishment Agreement specifies that two Councillors from each member Council be appointed to the EMRC's Council, while a third Councillor is appointed to deputise in their absence. Appointed Council members at 30 June 2021 were:

DEPUTY COUNCILLORS

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

COUNCILLORS

- Cr Jai Wilson – Town of Bassendean – EMRC Chairman
- Cr Doug Jeans – Shire of Mundaring – EMRC Deputy Chairman
- Cr Kathryn Hamilton – Town of Bassendean
- Cr Lorna Clarke – City of Bayswater
- Cr Giorgia Johnson – City of Bayswater
- Cr Dylan O'Connor – City of Kalamunda
- Cr Lesley Boyd – City of Kalamunda
- Cr John Daw – Shire of Mundaring
- Cr Mel Congerton – City of Swan
- Cr Charlie Zannino – City of Swan
- Cr Robert Rossi - City of Belmont - from February 2021



Back row: Cr Mel Congerton, Cr Kathryn Johnson, Cr John Daw, Cr Lorna Clarke, Cr Charlie Zannino, Cr Giorgia Johnson, Cr Dylan O'Connor
Front row: Cr Lesley Boyd, Cr Jai Wilson (Chairman), Cr Doug Jeans (Deputy Chairman), Cr Janet Powell. Inset: Cr Robert Rossi.

Councillor Attendance

COUNCILLORS	MEMBER COUNCIL	COUNCIL* (10)				COUNCIL AGENDA BRIEFING REVIEW (4)				AUDIT COMMITTEE (3)				CEO PERFORMANCE REVIEW COMMITTEE (1)				WASTE ADVISORY COMMITTEE (2)				LEGAL COMMITTEE (5)			
		✓	A	D	L	✓	A	D	L	✓	A	D	L	✓	A	D	L	✓	A	D	L	✓	A	D	L
Cr Jai Wilson	Town of Bassendean	10				4	1							1								5			
Cr Kathryn Hamilton	Town of Bassendean	9	1			3	1			3								2							
Cr Lorna Clarke	City of Bayswater	8	2			2	2			3				1										5	
Cr Giorgia Johnson	City of Bayswater	10				4											2								
Cr Janet Powell	City of Belmont	8	2			3	1			3			X												
Cr Steve Wolff	City of Belmont	4				-				1							2								
Cr Phil Marks	City of Belmont	4				2																			
Cr Dylan O'Connor	City of Kalamunda	10				3								1			1	1						5	
Cr Lesley Boyd	City of Kalamunda	10				3	1			3							1								
Cr John Daw	Shire of Mundaring	10				3	1							1											
Cr Doug Jeans	Shire of Mundaring	8	2			4				3							2							5	
Cr Mel Congerton	City of Swan	9	1			4				3				1			2							5	
Cr Charlie Zannino	City of Swan	9	1			4																			

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

Note: The total number of meetings held during 2020/2021 are shown in brackets next to the meeting title.

*Including Special Meetings of Council held on 21 January 2021 and 8 February 2021.

Councillor Attendance

COUNCILLORS	MEMBER COUNCIL	COUNCIL* (10)				COUNCIL AGENDA BRIEFING REVIEW (4)				AUDIT COMMITTEE (3)				CEO PERFORMANCE REVIEW COMMITTEE (1)				WASTE ADVISORY COMMITTEE (2)				LEGAL COMMITTEE (5)			
		✓	A	D	L	✓	A	D	L	✓	A	D	L	✓	A	D	L	✓	A	D	L	✓	A	D	L
Cr Hilary MacWilliam	Town of Bassendean	1																							
Cr Filomena Piffaretti	City of Bayswater	1																							
Cr Phil Marks	City of Belmont	1	1			3				1															
Cr Robert Rossi	City of Belmont	1				1																			
Cr Cameron Blair	City of Kalamunda																								
Cr Amy Collins	Shire of Mundaring	2																							
Cr Ian Johnson	City of Swan	2																							

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Executive Leadership Team



Left to right: Chief Operating Officer Brad Lacey, Chief Financial Officer Hua Jer Liew, Chief Sustainability Officer Wendy Harris, Chief Project Officer Doug Bruce, Chief Executive Officer Marcus Geisler.

EMRC Services

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



Office of the CEO

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

Business Support

Business Support provides administration, information services, financial management, communications, risk management and procurement support to the organisation. It is also tasked with ensuring that EMRC operations comply with relevant statutory obligations.

Operations

Operations is responsible for the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park, the Baywaste Community Recycling Centre on behalf of the City of Bayswater, and the Coppin Road and Mathieson Roads Community Recycling Centres on behalf of the Shire of Mundaring. Operations undertakes activities to aid diversion of waste from landfill including composting and mulch processing of greenwaste, timber and mattress recycling, supported by sales and marketing initiatives.

Projects

The EMRC's Projects team aims to develop and implement resource recovery solutions that maximise the social, environmental and economic benefits to Perth's Eastern Region in order to minimise waste being directed to landfill and ensure maximum resource recovery.

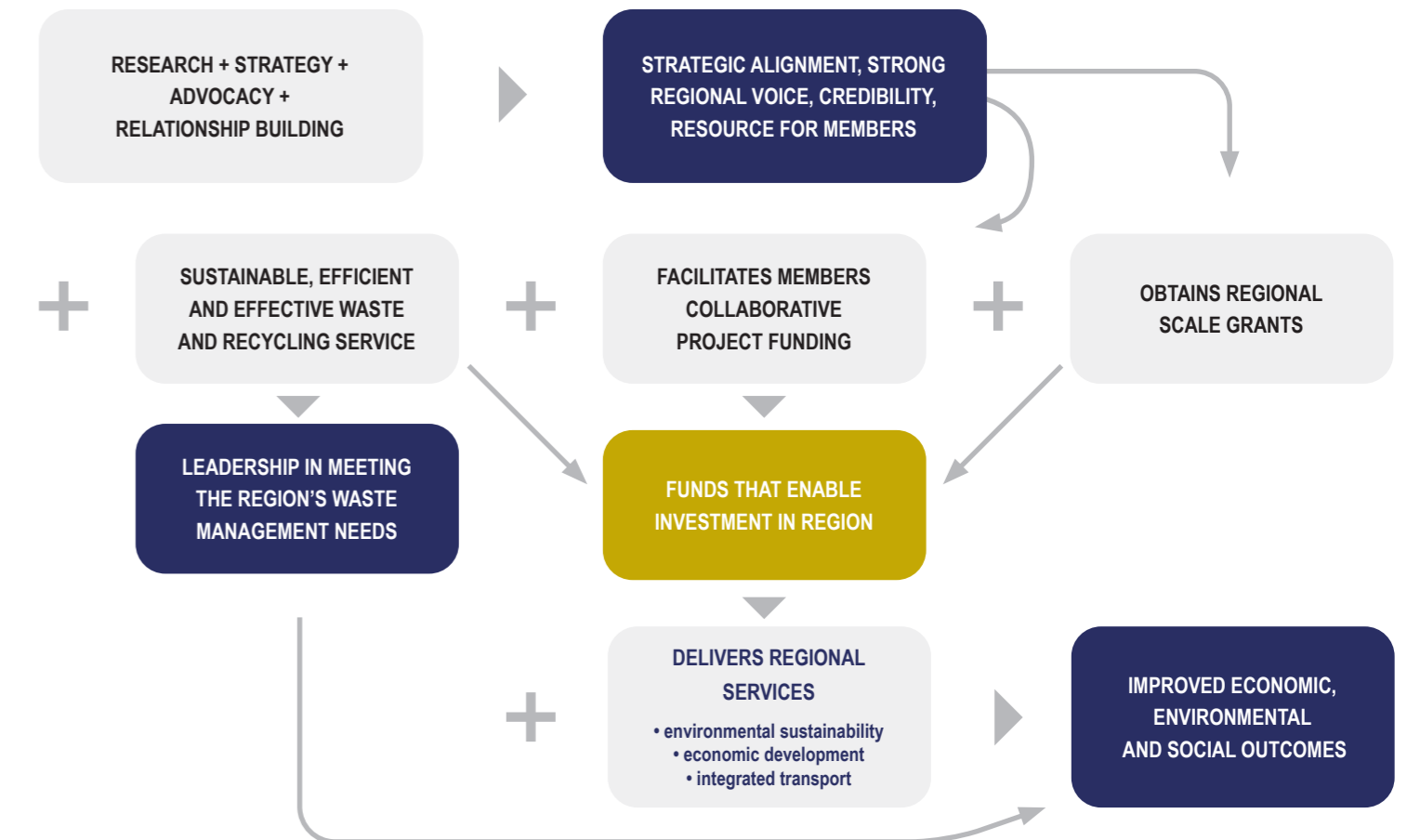
Sustainability

The core focus of the Sustainability team is to work with EMRC's member Councils and regional stakeholders to create sustainable economic growth to facilitate regional development, create employment opportunities, increase community participation in arts, culture and recreation and stimulate regional economic development. Sustainability also drives initiatives aimed at promoting the concept and implementation of the Circular Economy. Waste Education team provides practical support and advice on waste avoidance and resource recovery and the progressive rollout of the FOGO waste collection system.

EMRC Service Delivery Model

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

The EMRC initiates and leads projects for its member Councils that deliver real benefits to the region in the areas of waste management and resource recovery, environmental sustainability and regional economic development. These services enable member Councils to enhance outcomes for their communities and for Perth's Eastern Region as a whole. The EMRC's governance and service delivery model is sufficiently robust and flexible enough to enable the delivery of services to its member Councils on a regional scale. The EMRC also has a geographical advantage in that its members form a cluster. This grouping enables the EMRC to provide services at a scale which is beneficial to a region containing a huge variety of interests.



Committees

Council has appointed the following committees to assist with planning and decision making.

Audit Committee

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

Chief Executive Officer Performance Review Committee (CEOPRC)

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

Legal Committee (LC)

The Legal Committee undertakes actions to address legal matters arising out of the EMRC Establishment Agreement.

Grants

The EMRC's Community Grants Program

The EMRC's Community Grants Program provides financial support for communities in the vicinity of the Red Hill Waste Management Facility. In 2020/2021 a total of \$15,000 was awarded to X Speed Australia Cycle Club, Gidgegannup Primary School P&C Association, Gidgegannup Scout Group, Silvertree Steiner School, Gidgegannup JFC and the Stoneville-Parkville Progress Association. A cheque presentation was held on 30 October 2020.



Environmental Sustainability

KEY RESULT AREA

01



To provide sustainable waste disposal operations

Minimise the environmental impact of waste management operations.

Following an audit in April 2021, the EMRC's Environmental Management System for the Red Hill Waste Management Facility was recertified to the international ISO 14001:2015 standard for general and contaminated waste management, greenwaste composting and earth materials supply in relation to the Red Hill Waste Management Facility. The EMRC continued to implement the Environmental Management System at the Red Hill Waste Management Facility in line with this new certification. The Environmental Management System assures the EMRC's stakeholders and the wider community of the organisation's commitment to best practice and continual improvement in the area of waste management.

The EMRC publicly reports its environmental performance in annual monitoring and compliance reports to the Department of Water and Environmental Regulation.

Throughout 2020/2021 the EMRC undertook works to minimise the environmental impact of operations on site including a wide range of environmental monitoring, research and consulting to member Councils, ground water remediation, plume management, community engagement and site rehabilitation. A review of the landfill area at the Red Hill Waste Management Facility documented rehabilitation works undertaken since 1992 and identified areas for future rehabilitation.

“

The EMRC's core objective is to provide sustainable waste management. To implement this objective, the EMRC follows an accredited Environmental Management System designed to produce continuous site improvement whilst minimising environmental impact.”



Provide a waste disposal service at Red Hill Waste Management Facility

The Red Hill Waste Management Facility is one of Western Australia's largest municipal waste landfills and is acknowledged as one of the best in Australia. The Red Hill Waste Management Facility has a total area of 352 hectares and receives approximately 236,000 tonnes of waste per annum.

The Red Hill Waste Management facility site includes:

An approved Class I to IV landfill;

A transfer station;

A Household Hazardous Waste Collection Facility;

A compost and mulch processing facility;

A landfill gas recovery system operated by a third party; and

An interim food organics and green organics processing facility.

The Red Hill Waste Management Facility contains one of Western Australia's local government composting operations which produces mulch and compost which meets Australian Standard AS4454. The facility's on-site power station run by Energy Developments Limited generates up to four megawatts of electricity from recovered landfill gas for export into the grid. Currently, all non-recycled waste collected by the EMRC's member Councils is landfilled at the Red Hill Waste Management Facility.

The Red Hill Waste Management Facility continued to operate in compliance with Department of Water and Environment Regulation Licence Conditions. The Department of Water and Environment Regulation carried out a Site Licence Compliance and Landfill Levy Inspection in August 2020 and the site passed this inspection without any major compliance issues raised.

The interim FOGO processing facility commenced operation in August 2020 to accept and process household FOGO collections from the Town of Bassendean and produce compost to the Australian Standard AS 4454. In March 2021, the City of Bayswater commenced their FOGO collections and this is also being processed at the interim facility.

The facility uses a forced mobile aeration floor system with a biofilter to capture odourous air during the early stages of composting. A tender process for a permanent FOGO processing facility at the Red Hill Waste Management Facility for all member Councils' FOGO waste is currently underway.

Review and implement the Red Hill Waste Management Facility Development Plan.

The Red Hill Waste Management Facility Development Plan was fully updated by the Project team Engineering and Operations team in conjunction with engineering consultants as required and endorsed by Council.

Operate member Council Community Recycling Centres where appropriate.

The year 2020/2021 marked the successful first year's operation of the Baywaste Community Recycling Centre on behalf of the City of Bayswater. In addition to the Community Recycling Centre at the Red Hill Waste Management Facility, the EMRC also operates the Coppin Road and Mathieson Road Community Recycling Centres on behalf of the Shire of Mundaring.

In October 2020 the EMRC's Container Deposit Scheme was launched at the Coppin Road Community Recycling Centre, which is operated by the EMRC on behalf of the Shire of Mundaring. The purpose-built facility has been warmly welcomed by the community and has registered a steady increase in the number of containers received for recycling. All materials collected are processed and onsold, providing an additional source of revenue.

Waste accepted at the Community Recycling Centres includes general waste, greenwaste, scrap metal, cardboard, motor oil (limit of 20 litres), white goods, mattresses, televisions, computers, batteries, tyres (fees payable), clothing and blankets, fluorescent lights, aluminium cans, glass and bottles; and paper and plastic. A Grab and Go facility at the Mathieson Road Community Recycling Centre has continued to encourage residents to reuse household items.

Provide a Waste Management Advisory Service.

The EMRC undertakes a range of consulting works relating to waste management on behalf of its member Councils and other local government bodies. These works have included undertaking contaminated site investigations at decommissioned landfills, groundwater and surface water monitoring, landfill gas assessments and site remediation.



To improve regional waste management

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

The EMRC's Battery Collection program is promoted to schools and public places throughout Perth's Eastern Region to help meet growing concern about household batteries going to landfill. In 2020/2021 the EMRC's Battery Collection program collected approximately 1.7 tonnes of household batteries from 110 schools and 44 public places including libraries, shopping centres and Council offices.

Compact Fluorescent Lamps (CFLs) contain small amounts of mercury which may be absorbed into the environment if not correctly disposed of. In 2020/2021 the EMRC collected and recycled approximately 0.1 tonnes of Compact Fluorescent Lamps from 31 public places across the Region.

The implementation of local government waste plans, which align local government waste planning processes to the objectives and targets of the Waste Strategy 2030 is a Headline Strategy of the Waste Strategy 2030. Prior to the waste plan submission deadline (April, 2021), the EMRC created the role of Project Officer Waste Plans to complete the EMRC's plan and facilitate the generation of member Council waste plans.

The EMRC and member Council waste plans were successfully received and endorsed by DWER. The next phase is to track the progress of the actions outlined in the respective Implementation Plans in preparation for the first annual report to DWER in October 2022. The EMRC, in a consultancy basis, is also assisting regional Councils outside the Perth and Peel Region with the generation of their waste plans.



EMRC's Battery Collection program collected approximately

1.7 tonnes

of household batteries

EMRC collected and recycled approximately

100 kilograms

of Compact Fluorescent Lamps

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

The EMRC's Waste Education Program continues to offer support to school and community groups through training courses and talks, provision of a variety of loan boxes, information brochures and tours of the Red Hill Waste Management Facility. Additionally, Waste Education staff worked with member Councils to develop and distribute initiatives predominately focused on waste avoidance, reuse, recycling and circular economy principles. The 'R-Gang' waste education website continues to promote these concepts through the provision of online information and useful weblinks.

The Waste Education Program's scope of activities have expanded in conjunction with the introduction of Food Organics and Garden Organics trial processing operations at the Red Hill Waste Management Facility. Staff numbers have been bolstered to assist in the behaviour-change aspects of the FOGO rollout in the Town of Bassendean and the City of Bayswater, in line with the State Government's 'Waste Sorted' messaging materials for kerbside bin systems.

24 attendees

registered for the Earth Cares training course

The Earth Carers training course, normally run twice a year, was cancelled in 2020 due to COVID-19 restrictions. The course in May 2021 comprised five sessions over three weeks. A total of 24 attendees registered for the course, with 14 (58%) completing the four core sessions. Earth Carers alumni volunteered at several events including The Perth Garden Festival (four volunteers) and the EMRC Tree Planting Day (seven volunteers).

During 2020/2021, the Waste Education team attended 17 events at the request of member Councils, 13 school engagements and 22 community presentations or other events. The team also undertook 89 networking and partnership-building activities.

The Red Hill Environmental Education Centre continued operating throughout 2020/2021 and a 'Virtual Tour' of Red Hill was also created. A total of 31 school and community groups were provided a tour of the site with 1,120 people participating in tours and educational activities. These and other Waste Education programs saw significantly less participation during 2020/2021 as a result of the COVID-19 pandemic.

The 2020/2021 Waste and Recycling guides were developed in partnership with the five member Councils. These guides provide important information for residents within Perth's Eastern Region on how to reduce household waste and manage it correctly. A total of 150,500 guides were printed for distribution and an electronic version was provided to each member Council.

31 schools and community groups

were provided a tour of the site

1,120 people

participated in tours and educational activities

150,500 Waste and Recycling guides

were printed for distribution



To provide Resource Recovery and Recycling solutions in partnership with member Councils



Develop the Hazelmere Resource Recovery Park.

2020/2021 saw significant progress in the next stages of the Hazelmere Resource Recovery Project with the construction of a new administration office and workshop to improve facilities for staff and plant maintenance.

The EMRC's current timber recycling activities involve processing untreated wood waste (such as pallets, packaging and crates, off-cuts and cable reels) into woodchip fines and woodchip. The woodchip fines are sold as an 'end product' to established markets in the broiler grower and livestock industries for animal bedding, whilst the woodchip remains as residual waste for which there are currently limited markets. In September 2020 the EMRC began accepting waste power poles from Western Power and processing them onsite on a new concrete pad to segregate the various categories of timber with class IV category timber being disposed of at Red Hill Waste Management Facility, class V category material being sent to a suitable facility offsite and the remainder of the pole timber being shredded on-site and recycled as woodchip.

Significant quantities of steel bolts and bracing from the power poles are recovered and recycled.

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

Used mattresses are accepted and aggregated at Hazelmere before being consigned to Soft Landing Mattress Recycling for recovery of recyclables.

The next major development at the site, the Wood Waste to Energy Plant, is currently nearing mechanical completion which will be followed by commissioning and performance testing before handover to the EMRC from the contractor.

The facility will convert woodchip to renewable electricity and biochar. The electricity generated will be partly used as a power source for the onsite facilities and the bulk of the electricity will be exported to Perth Airport Pty Ltd via a dedicated power cable. The biochar will be sold to the market following a tender process.

The design and approval for a connection to the WaterCorp sewer is well advanced and will be implemented in 2021/2022 to take on-site sewerage and waste water from the Wood Waste to Energy plant.

Identify markets and develop Resource Recovery and markets in order to reduce waste going to landfill.

A range of high-quality products make use of materials recovered during the creation of landfill cells. These products include mulch, ferricrete, woodchip, coloured woodchip, woodchip fines, soil improver and clay. The EMRC maintained accreditation to Australian Standard AS4454 for mulch at the Red Hill Waste Management Facility and produces ferricrete similar to Main Roads specification.

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

To investigate leading edge waste management practice

Undertake research into Integrated Waste Management.

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

Provide leadership in the development of waste policy and practices.

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

Identify, investigate and develop new waste management practices and services.

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



To contribute towards improved regional air, water and land quality and regional biodiversity conservation



Review and implement the Regional Environment Strategy 2016-2020.

In implementing the Regional Environment Strategy 2016–2020 the EMRC became one of the first organisations in Australia to progress regional environmental management under the Agenda 2030 Sustainable Development Goals framework. The Sustainable Development Goals, ratified by the Australian Government, provide a new and exciting strategic method for the EMRC to work effectively with member Councils and stakeholders towards achieving excellence in environmental protection and management.

The EMRC is taking an active and innovative leadership role in environmental management in Perth's Eastern Region by embracing the Sustainable Development Goals and continuing ongoing partnerships with external agencies.

Implement the Eastern Region Catchment Management Program (ERCMP).

The Eastern Region Catchment Management Program (ERCMP) is a partnership between the Shire of Mundaring, City of Swan, Department of Biodiversity, Conservation and Attractions and the EMRC that has operated for over 20 years to support the Councils and their community groups in protecting and managing the biodiversity, waterways and catchments of the area.

The ERCMP provides opportunities for regional advocacy, grant applications and implementation, coordinated community engagement for natural area enhancement and strengthening of messaging for sustainability, biodiversity and conservation.

Highlights from 2020/2021 include the continuation of projects under the Swan and Alcoa Landcare Program, assisting the Shire of Mundaring to finalise the Black Cockatoo Reserves Management Plan, conducting photo-monitoring for various Landcare groups including Katharine Street River Gang,

Friends of Lion Mill Creek, and Friends of Wangalla Brook, and conducting photo-monitoring on behalf of City of Swan for Murdoch University studying *Eucalyptus rudis* decline along the Helena River,

The "Farm dams as refuges for freshwater plants and animals in a drying climate" project progressed to the next stage with the development of an Expression of Interest (EOI) for the State NRM Community Collaboration grant for "New methods for managing drought refuges for imperilled freshwater species".

The devastating effects of the 2021 Wooroloo Bushfires were felt throughout the Region. The ERCMP provided assistance with planning and coordination of meetings and site visits for the development of a State NRM Community Stewardship Grant, 'Post fire restoration of the Wooroloo Brook catchment'. The ERCMP also conducted site visits to property owners seeking landcare advice in fire-affected areas within Gidgegannup and Wooroloo.

The program also included the delivery of the award-winning Bush Skills 4 Youth (BS4Y) program. Bush Skills 4 Youth was added to the program in the 2019/2020 period and was developed in response to member Council priorities for community education and engagement to support environmental stewardship.

The program adapted to the temporary shift to online learning due to COVID-19. The ERCMP developed and provided seven online training modules while some schools transitioned back to face-to-face learning as the year progressed. In the remaining school terms, the ERCMP provided 50 BS4Y workshops across the Region.

The Greenpage Newsletter continued to be published bi-monthly providing information to landcarers including stories on community group projects, plant and weed identification, and articles to enrich the knowledge of the ERCMP's landcarers.

Bush Skills for the Hills workshops included technical landcare skills, native grasses walk and talk, native plant propagation, native bees, successful grant writing, dieback treatment training, and a fire and the ecology seminar.

The success of the program is largely due to the support of an active and diverse group of volunteer landcarers and landcare groups. The ERCMP hosted its traditional End of Year Volunteer function to recognise and celebrate the achievements of the Region's volunteers.

Review and implement the Water Quality and Conservation Program.

The EMRC's Water Quality and Conservation program offers support and guidance to increase water efficiency and quality across Perth's Eastern Region. The program takes a structured approach, monitoring and reporting water consumption, enabling local government leadership in sustainable water management. The program provides opportunities to improve water efficiency and water quality to ensure a sustainable and water sensitive city future for local governments, the community and the environment. Through this program, the EMRC assists member Councils and the Town of Victoria Park to maintain Waterwise Council status, including Gold Waterwise Council accreditation.

Review and implement the Regional Climate Change Adaptation Action Program (RCCAAP).

The EMRC continues to monitor regional climate action, and assists member Councils with climate change adaptation and risk management. The EMRC assisted member Councils to participate in WALGA's Energy Sustainability and Renewable Energy Project of which the first stage includes a sustainable energy power purchase agreement for local governments. On behalf of our member Councils, EMRC has been an active participant in the DWER Climate Science Initiative and participates in WALGA's Climate Change Collaborative group.

As a part of the research to assist member Councils to achieve their Net Zero goals, the EMRC has researched national and global climate actions, and compared to those actions made by our member councils; this will form part of the Regional Net Zero Tracker.





Review and implement the Achieving Carbon Emissions Reduction (ACEr) Program.

The Achieving Carbon Emissions Reduction program (ACEr) provides a structured approach to monitor, mitigate, reduce and report on corporate carbon emissions and enables member Councils to achieve continual improvement in carbon emission management to work towards their Net Zero goals.

The EMRC provides technical information and a range of assistance to support participating Councils in reviewing and developing energy efficiency and emissions reduction strategies, plans and emissions targets, as well as supporting the implementation of actions such as solar PV system and LED lighting installations.

The EMRC also maintains Home Energy Audit Kits and Power-Mate devices at relevant member Council libraries and provides media articles to assist with community awareness.

As part of both ACer and the Water Quality Conservation Plan (WQCP), participating Councils monitor emissions and energy and water consumption through the Azility platform with the assistance of the EMRC. The Azility software enables the EMRC and participating Councils to identify and address increase consumption at facilities and monitor the effectiveness of efficiency measures. EMRC's support includes coordinating quarterly performance and service level reviews to identify participating Councils' top consuming assets of water and energy, identifying any anomalies, analysing current performance and undertaking data analysis of energy and water consumption, including tracking towards their reduction targets.

Review and implement the Swan and Helena Rivers Framework.

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

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

The 'Understanding and Managing Flood Risk' final phase (Stage 4) was completed in late 2020. The project delivered updated floodplain mapping for a range of flood scenarios, Flood Risk and Vulnerability Assessments and an Adaptation Plan for each participating Council and a revised Floodplain Development Strategy.

Review and Implement the Benchmarking Building Efficiency Project.

In recent years, member Councils have been proactive in undertaking energy and water efficiency retrofits and upgrades, supported by the EMRC's Sustainability Programs and external grants. For many Council facilities, the most easily identified actions have now been completed such as LED lighting retrofit, air conditioning upgrade and solar PV installation. The next step to achieve long term sustainability require a deeper understanding of facility performance.

Member Councils also identified that cost benefit analysis of retrofitting opportunities and the benefits to assess financial return on investment is a gap in existing programs and services.

The Regional Benchmarking Building Efficiency Project involved facilitating the completion of energy audit reports for 80 council facilities of various types across the Region; participating Councils were the Cities of Belmont, Bayswater and Swan, the Town of Bassendean and the Shire of Mundaring. The audit reports identified areas of success and highlighted areas for potential improvement by facility and facility type, enabled the development of a regional database and benchmarks for building performance, provided recommendations that quantified the benefits including emission reduction and financial savings potential. The information produced by this project provides a foundation for the next steps for councils to upgrade and retrofit their facilities for energy efficiency and enables grant funding opportunities.



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The Swan and Helena Rivers are iconic landscapes in Perth's Eastern Region, recognised for their natural, cultural and social values. They provide a regional resource in terms of ecosystem functions, access to the natural environment and recreation, social and historic links.

Economic Development

02

KEY RESULT AREA



To facilitate and advocate for increased investment in regional infrastructure

“The EMRC provides a range of services and projects designed to stimulate economic development and advocate for a safe and efficient regional transport network, all aimed at supporting social outcomes for the Region. Programs and projects are delivered within key strategies that provide a flexible response to emerging regional issues and the needs of member Councils.”

Three key strategies guiding the EMRC are the Regional Integrated Transport Strategy 2017-2021; the Economic Development Strategy 2017-2021 and the Environmental Strategy 2016-2020. These three strategies will soon be reviewed and evaluated to help guide the EMRC with the upcoming Sustainability Strategy.

Review and implement the Regional Integrated Transport Strategy (RITS).

Perth's Eastern Region is WA's key air, rail and road transport hub. An efficient and safe regional transport network is of critical importance, particularly with predicted population and transport growth. The EMRC works closely with key stakeholders to identify opportunities to address the future transport needs of residents and visitors under the Regional Integrated Transport Strategy (RITS) 2017-2021.

The strategy promotes finding solutions for various issues including safety and congestion by planning to implement behaviour change, route optimisation and travel demand management. The strategy also focuses on sustainability by promoting use of active and public transport and intelligent transport solutions.

During 2019/2020 the EMRC also developed a Regional Congestion Action Management Plan and a Regional Road Safety Plan in consultation with Regional Integrated Transport Implementation Advisory Group. The members of the group are drawn from the EMRC and its member Councils, the Department of Transport, Main Roads WA, Public

Transport Authority, Department of Planning, Perth Airport Pty Ltd, Western Roads Federation, WA Road Safety Commission, RAC, Westcycle and the Western Australian Local Government Association (WALGA). The group met regularly in 2020/2021 to progress the actions in the transport strategy, plans and initiatives.

The high priority actions from these plans including advocacy, reporting and behaviour change campaigns have been advocated for 2020/2021. To report the crash details; the Regional Road Safety Report Card was produced in consultation with the RITS IAG. Share The Space, a travel behaviour campaign concentrating on the use of shared path and with a focus on the aged and disabled population, ran from September to November 2020. The campaign was endorsed by local governments outside the Perth's Eastern Region. The EMRC has also participated in the Net Zero Cities Collaboration and the light rail consortium to implement responsible transport for the Region. The topics discussed during the RITS IAG presentations included opportunities for the development of a hydrogen highway, Net Zero Cities Collaboration and update on freight industry in the Region.

To facilitate and advocate for regional economic development activities

Review and implement the Regional Economic Development Strategy.

Within the boundaries of Perth's Eastern Region are a multitude of economic centres supporting a vast range of businesses and industries. Each of these centres, the businesses within and the community surrounding them require different levels of support, intervention and regulation. The EMRC has supported member Councils and industry stakeholders to achieve economic development outcomes since 1998.

The EMRC works with member Councils and other key stakeholders to ensure the Region capitalises on its strategic advantages, attracts investment and develops a diverse industry base, as outlined in the Regional Economic Development Strategy 2017-2021 and the Investing in Perth's Eastern Region Prospectus 2020.

The EMRC continued to provide REMPLAN and Profile.id subscriptions to enable member Councils and the EMRC to obtain relevant regional economic and social-demographic profiling data. The data sourced from REMPLAN and Profile.Id allowed EMRC to report on our member Councils economic situation through economic report cards for the Town of Bassendean, City of Belmont and the Shire of Mundaring. These report cards provide an overview to the Councils and community of existing industries, total businesses within each area as well as values and comparisons on exports, imports and expenditure in the Region.

In 2020/2021, the EMRC offered support to businesses through its Business Exemplar project, presenting award-winning regional businesses with free public relations packages and providing additional promotion for business associations and groups within Perth's Eastern Region. The EMRC celebrated successful local businesses with support for the Belmont Business Awards.

Identify and investigate strategic regional development project and investment opportunities.

The EMRC's Investing in Perth's Eastern Region Prospectus 2020 provides insights into competitive advantages in the Region. With expansion and growth in major capital investments including intermodal freight terminal development, the Metronet project, extensive road improvements, major airport and city centre redevelopments, the Region is presenting further opportunities for development and business investment.

The Connect Perth's East proposal comprised two distinct themes, Productivity and Liveability, which recognised the complementary and integrated competitive advantages of an enhanced and integrated Region over the next 15 years. The proposal continues to deliver significant federal and state government funding to major road and rail infrastructure projects in the Region.

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The Connect Perth's East proposal lodged with the WA State Government in January 2018 continues to leverage existing and new markets via improved connectivity, clustering and innovation and aligns with local, state and federal government initiatives.”

To facilitate regional cultural and recreational activities

Continue the coordination, marketing and promotion of regional events.

The EMRC's regional events program sets out to leverage local community events, designed to attract a relatively local market, and support these events through a wider audience and coordination of grant funding and regional marketing. Through its regional approach, the program provides a cost-effective mechanism for promoting events to a much wider audience.

The EMRC's participating member Councils, alongside non-member Councils the Shire of Toodyay and Shire of Northam, contributed to organising the regional Avon Descent Family Fun Days 2020 both financially and through collaboration and cross promotion of each other's activities. Due to the impact of COVID-19 the Avon Descent Family Fun Day events in 2020 were cancelled.

The EMRC facilitates regional youth advocacy through information sharing and collaboration across our Councils by coordinating, facilitating and supporting regional youth meetings, forums and briefings sessions. In October 2020 the EMRC provided a successful Youth Leadership Workshop to our member Councils youth advisory councils, coordinated by EMRC and run by Zero2Hero to enhance employability and leadership skills.



Good Governance

KEY RESULT AREA

03



To provide advice and advocacy on issues affecting Perth's Eastern Region

Review and implement the Regional Advocacy Strategy 2016 – 2020.

The EMRC's Regional Advocacy Strategy 2016 – 2020 has provided a collective voice and opportunities for regional priorities to be progressed. The EMRC initiates and develops relationships with individuals, organisations, state and federal governments and other key agencies. This strategy is outward-focused with the capacity to deliver broad scale, big picture outcomes.



“

The priorities, focus areas and intended actions identified in the *Regional Advocacy Strategy 2016 – 2020* respond to emerging issues and opportunities for Perth's Eastern Region.

To manage partnerships and relationships with stakeholders



Continue to foster and advance relationships with member Councils and all key stakeholders.

The EMRC manages its relationships with stakeholders in accordance with its Stakeholder Relationship Plan 2020.

The EMRC actively engaged with its member Councils, relevant ministers, local members

of parliament, government agencies and key stakeholders on the delivery of services in waste management, resource recovery, regional integrated transport, economic development, natural resource management, sustainability and climate change.

The EMRC is regarded as a credible partner for regional projects and the EMRC model is held in high regard by other Councils and the state and federal government and their agencies.

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

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

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



To improve organisational culture, health, welfare and safety

100%
of team
members

attended one or more
training sessions

Implement the EMRC's Workforce Plan.

The EMRC continued to implement its Workforce Plan in 2020/2021 to further enhance the EMRC's culture and provide an environment of innovation, creativity and customer service. The Plan complies with the Department Local Government, Sport and Cultural Industries Integrated Planning Framework standards.

A new Performance Review Process was introduced supported by a Competency Framework. The new process was designed to ensure that all team members have clear and achievable objectives and that behaviour is also measured as a key output.

An updated internal training program continued to provide team members with skills in internal process and procedures such as procurement, records management and safety. Training interventions in technology and project management were key focus areas for the EMRC during this period with over 40% of all team members attending these activities.

Team members also continued to enhance their skills and knowledge by attending relevant training courses, identified as a result of their annual performance reviews.

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

These included:

- 100% of team members attended one or more training sessions
- Team Talk sessions held with the CEO and all team members
- Group training sessions held at Ascot Place and Red Hill Waste Management Facility for all team members;
- Regular CEO and executive leadership attendance at Toolbox meetings at the Red Hill Waste Management Facility and Hazelmere Resource Recovery Park;
- The annual EMRC Team Tree Planting Day at Red Hill Waste Management Facility, which saw team members plant seedlings as part of rehabilitation of the site;
- Long serving team members continued to be recognised for completing five-year service interval milestones;
- The Rewards and Recognition Program was reviewed and continues to be successful culminating in the Employee of the Year being awarded in December 2020;
- Health and well-being initiatives continued to be offered to all employees; and
- An employee survey was undertaken and those results are currently being utilised to develop new employee benefits and strategies.

Innovation and Continuous Improvement.

Management Guidelines continue to be developed and reviewed and a Misconduct Control Campaign was launched including the introduction of a confidential employee helpline.

The HR team have been instrumental in digitalizing its forms and processes. All HR forms are now entirely 100% paperless and the HR Induction has been fully automated with the facility for sound activated functionality for team members with language/literacy challenges.

The new Competency Framework has been aligned with a full bank of behavioural based questions which is also fully automated.

Several small restructures have been undertaken to ensure that the organisation is fit for purpose, agile and responsive to business needs.



COVID-19 Response.

COVID-19 began to impact WA in early to mid-March 2020. The EMRC responded to the pandemic by mobilising its workforce for safety reasons. This included developing Working From Home Management Guidelines, procedures and risk assessments and updating the EMRC's Business Continuity Plan. Protocols were introduced to ensure that all team members could work effectively remotely and had defined objectives, prioritised activities and streamlined communication mechanisms.

Diversity and Inclusion

The EMRC continues on its journey to Reconciliation and a number of educational sessions on understanding Indigenous culture and heritage were held for all employees. The EMRC ensures that Acknowledgement of Country are given at all significant events and meetings and that all dates of indigenous importance are celebrated and acknowledged.

The EMRC continues to work with disability service providers to increase and provide opportunities for candidates/prospective employees with a disability.

Work experience opportunities were also offered to multiple students across the organisation to provide a pathway for young people to enter into the waste, recovery and recycling sector.

All employees were requested to complete an Equal Opportunity Survey to compile information for the EMRC's Equal Opportunity Management Plan which is then submitted to the Equal Opportunity Commission.

Review and implement the Occupational Safety and Health Plan.

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

Key achievements for 2020/21 were -

Managing contractor safety

- Updated the Safety Management Guideline - Contractors Management
- Published Contractors Safety Handbook, essentially an operational site rule book to be reviewed and signed off by contractors before they attend site to ensure they are aware of EMRC safety expectations.
- Training provided to relevant stakeholders in regards to contractor management.
- Contractor Safety Inspections – Completed before contractors attempt any work to ensure they have the required safety documentation / safety equipment.

Training Matrix now on Velpic software package

- EMRC focused on identifying training / skill gaps.
- Closing gaps through training programs.

Chain of Responsibility.

- Procedure updated.
- Training provided to required employees.
- Focus on incident reporting and communication / notification to relevant transport organisations.

Managers / supervisors OSH responsibilities

- Managers / supervisors were assigned safety related key performance indicators.
- Monthly monitoring of safety related key performance indicators to ensure they were achieved.

Update of all Safety Management guidelines

- Safety Management guidelines reviewed.
- Emergency Management Plans updated.
- SWMS / Risk assessments (operational level) reviewed.

The EMRC as at the 30th June 2021 has recorded

676 days

without a lost time injury a significant achievement in creating a Safety First Culture.

Statutory Reports



Register of Complaints

The *Local Government Act 1995* s.5.53(2) (hb) contains a provision that requires complaints made against any council member during the financial year under s.5.121 of the *Local Government Act 1995*, must be reported annually.

There were no registered complaints against EMRC Council members during the 2020/2021 financial year.

Statutory Compliance Return

The Statutory Compliance Return for the year ending 31 December 2020 was completed and referred to the Audit Committee meeting held on 4 March 2021. A certified copy of the completed Statutory Compliance Return was submitted to the Department of Local Government, Sport and Cultural Industries by 31 March 2021. Council was able to advise that it achieved a high level of compliance with all matters applicable to the EMRC's operations.

National Competition Policy

The Competition Principles Agreement is a contractual agreement between the federal government and all state and territory governments. As a result, local government is committed to the Competition Principles Agreement, which aims to ensure all public enterprises operate in a transparent manner and in the best interests of the public.

Under the Competition Principles Agreement, public enterprises are required to review their operations to ensure that they have no competitive advantage, or disadvantage, in comparison to the private sector.

The EMRC supports the Competition Principles Agreement concept and, as such, a cost benefit analysis of operations was conducted. The analysis concluded that none of the core services – operation of the Red Hill Waste Management

Facility, Hazelmere Resource Recovery Park, and environmental services – should be subject to competitive neutrality principles.

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

Public Interest Disclosure Act 2003

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

During 2020/2021 the EMRC received no public interest disclosures.

The EMRC received no Freedom of Information applications during the 2020/2021 financial year and no applications relating to the amendment of personal information were received.

State Records Act 2000

During 2020/2021, the EMRC carried out its recordkeeping in accordance with the provisions of the State Records Act 2000 and the EMRC's Recordkeeping Plan (RKP).

A total of 27,483 documents and 560 new files were created in the EMRC's records management system "Content Manager".

A review of the EMRC's Recordkeeping Plan was completed during the year and submitted to the State Records Commission. The Recordkeeping Plan was approved on 2 December 2020.

A review of records management procedures continues in an ongoing basis and is updated in the Records Procedure Manual.

An online Records Management course was implemented during the period. This introduces recordkeeping obligations under the State Records Act 2000 and was offered to all staff as a refresher and to new employees as part of their Records Induction.

Training on recordkeeping responsibilities and the use of the Electronic Document Management System was provided to staff by request. Training was also provided tailored to particular business units.

The EMRC's training program was assessed by the Records Officer via a staff survey. The survey results indicated the training program was working well, however some gaps were identified. Information addressing the gaps was made available on the EMRC's Intranet and will be incorporated in future training.

The EMRC's records induction programme is provided to all new staff within one week of commencement. This focusses on recordkeeping responsibilities as outlined in the EMRC's Recordkeeping Plan and is followed up with training targeted to the organisations Records Management System.

Freedom of Information Act 1992

The EMRC received one Freedom of Information application during the 2020/2021 financial year. This was a third-party consultation referral, referred by the Office of The Information Commissioner. The application was processed in accordance with the EMRC's Management Guideline on Freedom of Information and the provisions of the Freedom of Information Act 1992.

Plan for the future

Section 5.53(2)(e) of the *Local Government Act 1995* requires local governments to provide an overview of the 'plan for the future', including the major initiatives that are proposed to commence, or to continue, in the next financial year. Full details are contained within the EMRC's Corporate Business Plan 2021/2022 to 2025/2026.

Payments to Employees

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

EMPLOYEES' REMUNERATION	
SALARY RANGE \$	No.
130,000 – 139,999	1
140,000 – 149,999	1
170,000 – 179,999	5
270,000 – 279,999	1
TOTAL:	8

Annual Financial Report

For the year ended
30 June 2021



Local Government Act 1995
Local Government (Financial Management) Regulations 1996

Statement by Chief Executive Officer

The attached financial report of the Eastern Metropolitan Regional Council for the financial year ended 30 June 2021 is based on proper accounts and records to present fairly the financial position of the Eastern Metropolitan Regional Council at 30 June 2021 and the results of the operations for the financial year then ended in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 11th day of November 2021.

A handwritten signature in black ink, appearing to read 'Marcus J. Geisler', is written over a light blue horizontal line.

Marcus J. Geisler
Chief Executive Officer



STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2021

BY PROGRAM	NOTE	ACTUAL 2020/2021 \$	BUDGET 2020/2021 \$	ACTUAL 2019/2020 \$
REVENUE				
Governance		228	122,650	6,594
General Purpose Funding		831,457	1,099,974	2,166,724
Community Amenities		43,505,127	43,306,285	41,315,591
Other Property and Services		753,904	1,018,955	881,261
TOTAL REVENUE		45,090,716	45,547,864	44,370,170
EXPENSES				
Governance		1,350,757	912,930	589,641
Community Amenities		28,667,104	34,473,775	48,271,827
Other Property and Services		4,315,909	4,530,907	2,831,991
TOTAL EXPENSES		34,333,770	39,917,612	51,693,459
INCREASE / (DECREASE)		10,756,946	5,630,252	(7,323,289)
DISPOSAL OF ASSETS				
Profit on Sale		0	22,262	71,728
Loss on Sale		(460,575)	0	0
PROFIT / (LOSS) ON DISPOSALS	22	(460,575)	22,262	71,728
NET RESULT		10,296,371	5,652,514	(7,251,561)
OTHER COMPREHENSIVE INCOME				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in Revaluation of Non-Current Assets	14	(4,009,286)	0	1,189,840
TOTAL OTHER COMPREHENSIVE INCOME		(4,009,286)	0	1,189,840
TOTAL COMPREHENSIVE INCOME/(DEFICIT)		6,287,085	5,652,514	(6,061,721)

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

STATEMENT OF FINANCIAL POSITION
As at 30 June 2021

BY NATURE AND TYPE	NOTE	ACTUAL 2020/2021 \$	BUDGET 2020/2021 \$	ACTUAL 2019/2020 \$
REVENUE				
Fees and Charges	4	39,656,921	41,059,484	38,848,340
Grants, Subsidies and Contributions	5	2,736,473	1,899,345	1,575,633
Interest Earnings	2	824,582	1,099,975	2,157,757
Other Revenue	2	1,872,740	1,489,061	1,788,440
TOTAL REVENUE		45,090,716	45,547,865	44,370,170
EXPENSES				
Employee Costs		9,871,582	10,801,281	9,221,519
Materials and Contracts		7,406,870	7,183,205	5,461,014
Utility Expenses		293,908	356,911	374,806
Interest Expenses	16	227,467	0	164,883
Insurance Expenses		345,508	318,484	315,363
Other Expenditure	2	9,736,261	15,720,035	32,331,532
Depreciation Expenses on Non-Current Assets	2	6,452,174	5,537,697	3,824,342
TOTAL EXPENSES		34,333,770	39,917,613	51,693,459
INCREASE / (DECREASE)		10,756,946	5,630,252	(7,323,289)
DISPOSAL OF ASSETS				
Profit on Sale		0	22,262	71,728
Loss on Sale		(460,575)	0	0
PROFIT / (LOSS) ON DISPOSALS	22	(460,575)	22,262	71,728
NET RESULT		10,296,371	5,652,514	(7,251,561)
OTHER COMPREHENSIVE INCOME				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in Revaluation of Non-Current Assets	14	(4,009,286)	0	1,189,840
TOTAL OTHER COMPREHENSIVE INCOME		(4,009,286)	0	1,189,840
TOTAL COMPREHENSIVE INCOME/(DEFICIT)		6,287,085	5,652,514	(6,061,721)

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

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2021

	NOTE	RETAINED SURPLUS \$	RESERVES \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 30 June 2019		62,308,230	91,958,292	41,247,080	195,513,602
Net Result		(7,251,561)	0	0	(7,251,561)
Total Other Comprehensive Income		0	0	1,189,840	1,189,840
Revaluation Surplus Reversal	14	305,755	0	(305,755)	0
Transfer (from) / to Reserves		15,990,202	(15,990,202)	0	0
Dividend Distribution to Member Councils		(5,000,000)	0	0	(5,000,000)
Balance as at 30 June 2020		66,352,626	75,968,090	42,131,165	184,451,881
Net Result		10,296,371	0	0	10,296,371
Total Other Comprehensive Income		0	0	(4,009,286)	(4,009,286)
Revaluation Surplus Reversal	14	963,987	0	(963,987)	0
Transfer (from) / to Reserves		10,014,480	(10,014,480)	0	0
Dividend Distribution to Member Councils		(4,985,988)	0	0	(4,985,988)
Balance as at 30 June 2021		82,641,476	65,953,610	37,157,892	185,752,978

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

STATEMENT OF CASH FLOWS
For the year ended 30 June 2021

NOTE	ACTUAL 2020/2021 \$	BUDGET 2020/2021 \$	ACTUAL 2019/2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Fees and Charges	43,631,279	41,059,485	42,808,221
Grants, Subsidies and Contributions	2,736,473	1,899,345	1,575,633
Interest Earnings	1,025,687	1,099,974	2,732,151
Other Revenue	1,872,741	2,440,311	1,788,439
Total Receipts	49,266,180	46,499,115	48,904,444
Payments			
Employee Costs	(9,879,220)	(10,771,368)	(8,949,596)
Materials and Contracts	(3,347,561)	(8,010,388)	(6,951,131)
Utility Expenses	(293,908)	(356,911)	(374,806)
Insurance Expenses	(345,508)	(318,484)	(315,363)
Other Expenditure	(14,947,026)	(14,943,443)	(29,549,428)
Goods and Services Tax paid	(2,002,015)	0	(2,205,285)
Total Payments	(30,815,238)	(34,400,594)	(48,345,609)
NET CASH PROVIDED BY OPERATING ACTIVITIES	18(ii) 18,450,942	12,098,521	558,835
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	276,636	275,000	326,137
Payments for purchase of property, plant and equipment	(11,982,569)	(19,616,115)	(13,781,612)
NET CASH USED IN INVESTING ACTIVITIES	(11,705,933)	(19,341,115)	(13,455,475)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Movement to Other Financial Assets	32,000,000	0	3,500,000
Dividend distribution to Member Councils	(4,985,988)	0	(5,000,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES	27,014,012	0	(1,500,000)
SUMMARY OF CASH FLOWS			
Cash and cash equivalents at the beginning of the year	21,602,124	14,935,085	35,998,764
Net Increase/(Decrease) in Cash Held	33,759,021	(7,242,594)	(14,396,640)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	18(i) 55,361,145	7,692,491	21,602,124

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2021

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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

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

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Prior to 1 July 2019, Regulation (Reg) 16 arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Council. This was not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

From 1 July 2019, the Council has applied AASB 16 Leases which requires leases to be included by lessees in the statement of financial position. Also, the *Local Government (Financial Management) Regulations 1996* have been amended to specify that vested land is a right of use asset to be measured at cost. All right of use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the Statement of Financial Position) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Council to measure any vested improvements at zero cost.

As the Council does not currently hold any leases this has not had any impact on the Council's financial statements.

The Local Government Reporting Entity

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

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

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

(a) Trust Funds

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

The EMRC currently does not hold any trust fund monies for the year ended 30 June 2021.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Cash and Cash Equivalents

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

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

The EMRC does not have any bank overdrafts for the year ended 30 June 2021.

(c) Fixed Assets

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

Mandatory Requirements to Revalue Non-Current Assets

In accordance with the amended *Local Government (Financial Management) Regulations 1996*, the Council is required to revalue land, buildings, infrastructure and investment properties of the local government whenever the Council is of the opinion that the fair value of the asset is likely to be materially different from its carrying amount and, in any event, within a period of no more than 5 years after the day on which the asset was last valued or revalued. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the EMRC. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with the amended *Local Government (Financial Management) Regulations 1996* which requires the land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

The EMRC has elected to undertake asset revaluations on its land, buildings and infrastructure assets on a 4 year rotational cycle, or in the year when the Council is of the opinion that the fair value of the asset is likely to be materially different from its carrying amount.

The revaluation of the land, buildings and infrastructure classes of assets was undertaken during the 2020/2021 financial year. It is proposed to undertake the next revaluation in the 2024/2025 financial year.

Initial Recognition and Measurement between Mandatory Revaluation Dates

All assets are initially recognised at cost where the fair value of the asset at date of acquisition is equal to or above \$5,000. All assets are subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 30 June 2021

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Fixed Assets (continued)

Initial Recognition and Measurement between Mandatory Revaluation Dates (continued)

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

Revaluation

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

Depreciation

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

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

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

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

• Buildings	1.00 - 13.33% (based on components)
• Structures	
General	0.95 - 6.67%
Class III and IV Waste Cells	% of actual usage
• Plant	4.17 - 33.33%
• Furniture and fittings	4.00 - 33.33%
• Equipment	4.00 - 33.33%

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

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Fixed Assets (continued)

Capitalisation Threshold

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

(d) Fair Value of Assets and Liabilities

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

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

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

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

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

Fair Value Hierarchy

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

Level 1

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

Level 2

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Fair Value of Assets and Liabilities (continued)

Fair Value Hierarchy (continued)

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair value of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation Techniques

The Council selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Council are consistent with one or more of the following valuation approaches:

Market Approach

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

Income Approach

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

Cost Approach

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

Each valuation technique requires inputs which reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Grants, Donations and Other Contributions

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

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

(f) Trade and Other Payables

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

(g) Impairment

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

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

(h) Inventories

General

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

(i) Goods and Services Tax

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Provisions

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

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

(k) Provision for Site Rehabilitation

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

Increments/decrements in the provision are calculated annually based on the change in the net present value of the future cash outflows of costs for site rehabilitation. The unwinding of the discount is expensed as incurred and recognised in the statement of comprehensive income as an interest expense.

As per the independent engineers report from June 2020, the current value for the rehabilitation of the site has been calculated to be \$7,089,399 and has been deemed sufficient for post closure management purposes. This value will be reviewed on a five yearly cycle.

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

(l) Provision for Environmental Monitoring

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

Increments/decrements in the provision are calculated annually based on the change in the net present value of the future cash outflows of costs for environmental monitoring. The unwinding of the discount is expensed as incurred and recognised in the statement of comprehensive income as an interest expense.

As per the independent engineers report from June 2020, the current value for the environmental monitoring of the site has been calculated to be \$3,403,950 and has been deemed sufficient for post closure management purposes. This value will be reviewed on a five yearly cycle.

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

(m) Critical Accounting Estimates

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Trade and Other Receivables

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

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairments).

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

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. Expected credit losses is an allowance of receivables, measured at the lifetime expected credit losses at each reporting date. The Council has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Please refer to Note 6 - Reconciliation of changes in the allowance for impairment of Receivables.

Impairment and risk exposure information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 25.

(o) Employee Entitlements

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

(i) Short-term Employee Benefits

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

(ii) Other long-term Employee Benefits

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

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Employee Entitlements (Continued)

(iii) Superannuation Fund

The Council contributes to the WA Local Government Superannuation Plan (LGSP) and other choice funds for qualifying employees as per statutory requirements (9.50% for 2020/2021). It also contributes an additional amount to the LGSP and other choice funds for full scheme members (5% for 2020/2021). Contributions to defined contribution plans are recognised as an expense as they become payable.

(p) Rounding Off Amounts

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

(q) Comparative Figures

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

(r) Budget Comparative Figures

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

(s) Leases

At inception of a contract, the Council assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Council uses its incremental borrowing rate.

Right of use assets are subsequently measured under the cost model.

Right of use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right of use asset reflects that the Council anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Leases for right of use assets are secured over the asset being leased.

The EMRC does not currently have any leases.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Other Financial Assets

(i) Other Financial Assets at Amortised Cost

The Council classifies financial assets at amortised cost if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect the contractual cashflows, and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

(ii) Financial Assets at Fair Value through Profit and Loss

The Council classifies the following financial assets at fair value through profit and loss:

- Debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- Equity investments which the Council has not elected to recognise fair value gains and losses through other comprehensive income.

(iii) Impairment and Risk

Information regarding impairment and exposure to risk can be found at Note 25.

(u) Current and Non-Current Classification

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

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

(v) Landfill Cells

There are three general components of cell construction:

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

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

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Expenses

Revenue Recognition Policy

Recognition of revenue is in line with *AASB15 - Revenue from Contracts with Customers* and *AASB 1058 - Income of Not-for-Profit Entities* and is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Fees and Charges	Waste treatment, recycling and disposal services at the waste disposal facilities and consulting services	At time of waste disposal or at time of consultancies	Cash or 14 days from invoice date or as negotiated	Not applicable	Fees and charges set by Council	At time of disposal or at time of consultancy	Not applicable	Recognised upon disposal of waste at the waste disposal facilities or when consultancy obligations have been met.
Grants, Subsidies and Contributions	Grants	Over time based on grant conditions	Based on grant conditions set by funding body	Unexpended grants based on grant conditions.	As allocated by grant provider	Based on grant requirements	Not applicable	Recognised upon fulfilment of grant conditions
	Contributions	Completion of project or project milestone	Set by mutual agreement with the funding body	Not applicable	Set by mutual agreement with the funding body	Set by mutual agreement with the funding body and budget requirements	Not applicable	Recognised upon fulfilment of contribution conditions
Interest Earnings	Interest Earnings	Based on accruals over time up to and including maturity	Upon maturity of investment	Not applicable	Interest rates set by bank	Accruals based on principal and interest rate up to and including maturity	Not applicable	Recognised on the monthly balance date of the financial report
Other Revenue	Reimbursements	Based on reconciliation of monthly income and expenditure or submission of insurance claims	14 days from invoice date or settlement of insurance claims	Not applicable	Based on reconciliation of monthly income and expenditure or on insurance claim value	Based on progress of income received and outlay of expenditure	Not applicable	Recognised when the monthly income and expenditure at the Transfer Stations managed by the EMRC has been reconciled or upon settlement of insurance claims.
	Sales of Products	At time of product sales	Cash or 14 days from invoice date or as negotiated	Upon faulty product only	Fees and charges set by Council	At time of purchase	Not applicable	Recognised upon the sale of products from EMRC facilities
	Royalty Income	At time of electricity generation by third party	Quarterly for royalty payments and as and when Renewable Energy Certificates are sold	Not applicable	Royalty payments as per contract and Renewable Energy Certificates as per market	As per contract and as per market	Not applicable	Recognised upon receipt of funds based on the electricity generation from landfill gas by third party
	Rebate Income	Annually for insurance rebates and monthly for diesel fuel rebates	Reduction on monthly Business Activity Statement return and as distributed by insurance company	Not applicable	As set by legislation for diesel fuel rebates and as per annual reviews by insurance company	As per monthly reconciliation for diesel fuel rebate and as determined by the insurance company for insurance rebates	Not applicable	Recognised when the monthly diesel fuel rebate is calculated based on diesel usage during the month and upon receipt of funds for insurance rebates

2. REVENUE AND EXPENSES

Note	ACTUAL 2020/2021 \$	BUDGET 2020/2021	ACTUAL 2019/2020 \$
Net Result			
The Net Result includes:			
(i) Crediting as Revenue:			
Interest Earnings			
	686,498	929,975	1,882,908
	47,345	80,000	190,865
	90,739	90,000	83,984
	824,582	1,099,975	2,157,757
Other Revenue			
	1,482,180	872,061	1,159,634
	143,587	400,000	385,626
	246,973	217,000	243,180
	1,872,740	1,489,061	1,788,440
(ii) Charging as an Expense:			
Auditors Remuneration			
	31,000	33,000	31,000
	1,200	1,000	1,400
	32,200	34,000	32,400
Depreciation and Amortisation Expense			
	113,559	165,949	112,736
	1,778,294	2,561,713	2,026,344
	149,720	234,622	110,646
	8,630	4,575	8,950
	3,832,264	1,665,305	1,002,617
	569,707	905,533	563,049
	6,452,174	5,537,697	3,824,342
Interest Expenses			
	227,467	0	164,883
	227,467	0	164,883
Other Expenditure			
	13,749,750	14,504,393	14,326,231
	1,197,273	268,834	1,433,997
	16 (629,955)	613,227	2,019,337
	16 (309,203)	333,581	762,767
	0	0	13,789,200
	13,14 (4,271,604)	0	0
	9,736,261	15,720,035	32,331,532

* A conditional contribution of \$13,789,200 was made to the EMRC's member Councils in 2019/2020 for the implementation of the FOGO (food organics and garden organics) collection process. In the event that a member Council does not implement a FOGO collection process the contribution paid to the member Council is to be refunded to the EMRC.

3. COMPONENT FUNCTIONS/ACTIVITIES

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

EASTERN METROPOLITAN REGIONAL COUNCIL (EMRC) MISSION STATEMENT

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

Governance

Objective:

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

Activities:

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

General Purpose Funding

Objective:

To provide responsible and accountable financial management practices.

Activities:

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

Community Amenities

Objective:

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

Activities:

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

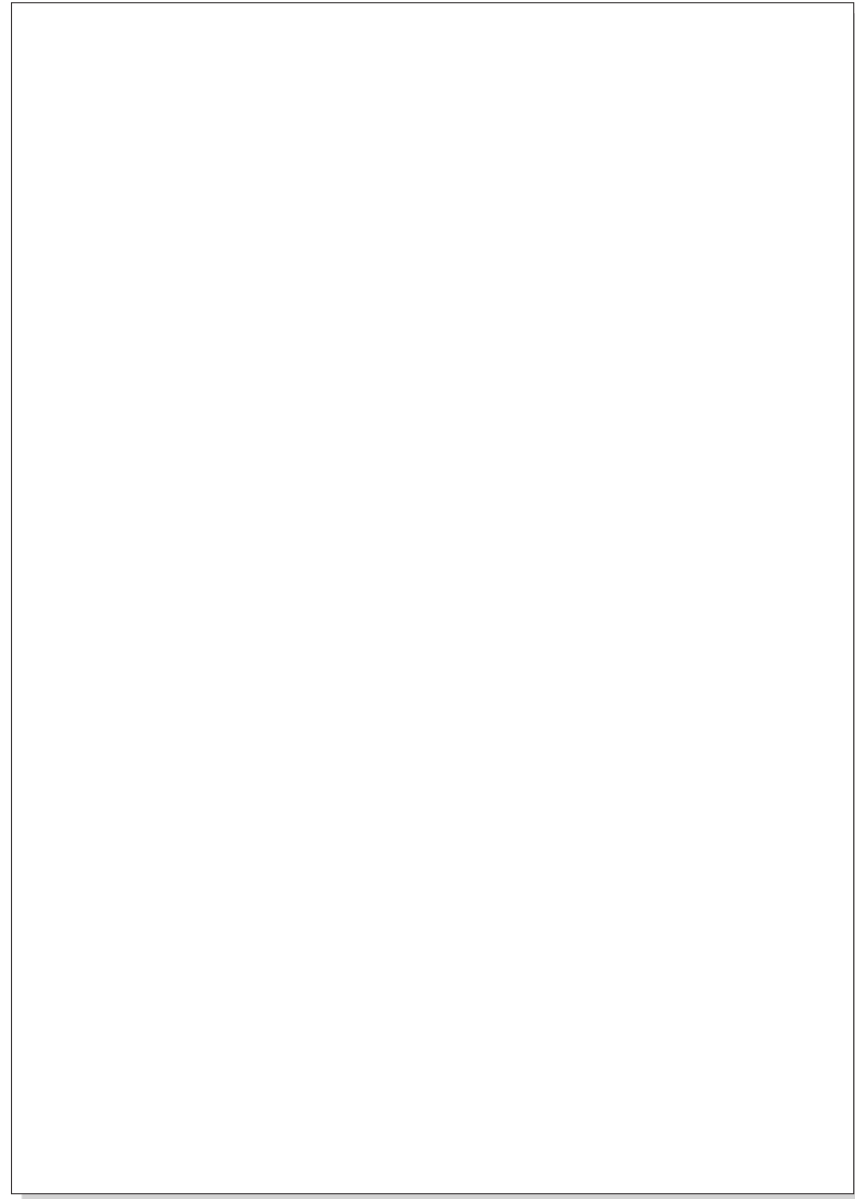
Other Property and Services

Objective:

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

Activities:

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





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