



# Ordinary Council Meeting

## Notice of Meeting & Agenda 25 February 2016

**Bunbury-Harvey Regional Council**

Old Railway Station Complex  
Carmody Place  
Bunbury WA 6230  
Western Australia

*Correspondence to:*  
Post Office Box 21  
Bunbury WA 6231

## Ordinary Council Meeting Notice of Meeting

Dear Chairman and Councillors

The next Ordinary Meeting will be held at the *Shire of Harvey Administration Building, Mulgara Street, Australind*, on Thursday 25 February 2016 at 15:00pm.

Signed:

**Tony Battersby**  
Chief Executive Officer

### Agenda 25 February 2016

*Council Members:*

Member Name	Representing
Cr Judy Jones	City of Bunbury
Cr Jaysen Miguel	City of Bunbury
Cr Murray Cook	City of Bunbury
Cr Peter Monagle	Shire of Harvey
Cr Bill Adams	Shire of Harvey

*Ex-officio Members (non-voting):*

Member Name	Representing
Mr Tony Battersby	Chief Executive Officer (BHRC)
Mr Michael Parker	Chief Executive Officer (Shire Of Harvey)

*Support Staff:*

Name	Title
Ms Martinette Pieterse (minute taker)	Secretary
Chris Welham	Accountant

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**ATTACHMENTS:**

Attachment 1 - Draft Quality Management System Policy

Attachment 2 - Draft Occupational Safety and Health Policy

Attachment 3 - Draft Smoking in the Workplace Policy

Attachment 4 - Draft Injury Management Return to Work Policy

Attachment 5 - BHRC Letter to DER 160129

Attachment 6 - Draft First Aid Procedure

Attachment 7 - Draft Harassment, Discrimination and Equal Opportunity Procedure

Attachment 8 - Letter of Appreciation

Attachment 9 - BHRC Gantt Chart

1. Attendances

1.1 **Apologies**

Chris Welham apology for this meeting, David Ransom (COB – Finance Manager) to attend on his behalf.

1.2 **Approved Leave of Absence**

2. Public Question Time

3. Summary of Response to previous Questions taken on notice

4. Applications for Leave of absence

Council Decision:      Moved \_\_\_\_\_                      Seconded \_\_\_\_\_

CARRIED/LOST

5. Confirmation of Minutes

Council Decision:      Moved \_\_\_\_\_                      Seconded \_\_\_\_\_

The minutes of the Ordinary meeting of Council held on 17 December 2015, are confirmed as a true and accurate record.

CARRIED/LOST

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Council Decision:      Moved \_\_\_\_\_                      Seconded \_\_\_\_\_

The minutes of the Special meeting of Council held on 28 January 2016, are confirmed as a true and accurate record.

CARRIED/LOST

6. **Petitions and Memorials**

7. **Declarations of Interests**

8. **Announcements (by the presiding member without discussion)**

9. **Reports of Committees**

10. **Business of Previous Meeting**

11. **Reports of Officers**

11.1 **Financial Statements for the period ending 31 December 2015**

Reporting Officer: Chris Welham, Accountant  
File Number:  
Attachments: Appendices 1 to 8

**Summary**

The following comments are provided on the key elements of Council's financial performance.

1. Statement of Comprehensive Income (**attached** at Appendix 1)

a. Year-to-date Financial Performance to 31 December 2015

	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	
• Year-to-date income	1,755,686	2,087,826	(332,140)	<i>unfavourable</i>
• Year-to-date expenditure	1,518,356	2,267,635	749,279	<i>favourable</i>
• Year-to-date operating surplus	237,330	(179,809)	417,139	<i>favourable</i>

2. Capital Works (**attached** at Appendix 4)

• Year-to-date capital expenditure	195,265	195,144	(121)	<i>unfavourable</i>
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3. Balance Sheet (**attached** at Appendix 5)

• Current Assets of \$7,372,112 includes:	<b>Actual</b>
○ Cash and Cash Equivalents	6,950,741
○ Trade and Other Receivables	419,570
○ Inventories	1,801
• Current Liabilities of \$207,594 includes:	
○ Trade and Other Payables	111,862
○ Provisions	95,732
• Working Capital (Current Assets <i>less</i> Current Liabilities) is	7,164,518
• Equity (Total Assets <i>less</i> Total Liabilities) is	9,957,680
• Reserves of \$5,520,375 includes:	
○ Plant and Infrastructure Reserve	328,547
○ Site Post Closure Rehabilitation Reserve	3,061,479
○ Waste Minimisation Reserve	615,742
○ Stanley Road Lined Cell Construction Reserve	523,611
○ Site Acquisition and Investigation Reserve	990,996

4. Investments

• Total of \$6,883,771 includes:	
○ ANZ Banking Group	2,765,742
○ Commonwealth Bank	819,354
○ National Australia Bank	3,298,675

### Background

A financial management report is provided to Councillors on a monthly basis which includes the following summaries:

- Statement of Comprehensive Income (**attached** at Appendix 1)
- Banksia Road Operations (**attached** at Appendix 2)
- Statement of Financial Activity (**attached** at Appendix 3)
- Capital Works Expenditure Summary (**attached** at Appendix 4)
- Balance Sheet Summary (**attached** at Appendix 5)
- Statement of Net Current Assets (**attached** at Appendix 6)
- Fees and Charges Summary (**attached** at Appendix 7)
- Debtors Report (**attached** at Appendix 8)

### Legislative Compliance

In accordance with the provisions of Section 6.4 of the Local Government Act 1995 and Regulation 34(1) of the Local Government (Financial Management) Regulations 1996, a Local Government is to prepare each month a Statement of Financial Activity (Attached at Appendix 3) reporting on the revenue and expenditure as set out in the annual budget under Regulations 22 (1) (d) for this month.

At the Council Meeting on 16 July 2015, Council adopted that a variance between actual and budget-to-date of greater than or equal to 10% and \$15,000 is considered to be a material variance for reporting purposes in the Statement of Financial Activity for 2015/16.

The following is an explanation of significant variances identified in the Statement of Comprehensive Income and the Statement of Financial Activity. These variances will be addressed in the February 2016 Budget Review and are reflected in the Forecast figures:

Statement of Comprehensive Income	YTD Actual to YTD Budget Variance
<b>Operating Income</b>	
<b>Fees and Charges</b>	
<b>Casual Tipping Fees</b> - Casual tipping revenue is less than budget mainly due to diversion of waste from the Perth area by Perthwaste into their own landfill in Bannister. It's expected that there will be a significant increase in tipping revenue following the recent fires in the Shire of Harvey.	\$ (364,622) (40)%
<b>Sale of Scrap Metal</b> Ferrous Scrap metal is being stockpiled rather than sold because the demand from dealers has reduced and the price per tonne is down to \$30 or less. There is still a market for non-ferrous (aluminium, copper etc.) metals.	\$(40,841) (91)%
<b>Disposal – Shire of Harvey</b> Shire of Harvey tipping tonnages are above budget because waste has been diverted from the Richardson Road landfill.	\$56,664 28%
<b>Banksia Road Organics Tipping Fees</b> These are less than budget because the Shire of Collié's third bin operation has been deferred until April this year.	\$(17,763) (10)%
<b>Income CoB Support Staff</b> The agreement to supply CoB Support Staff ceased on 31/10/15.	\$(29,034) (31)%
<b>Other Revenue</b>	
<b>Landfill Levy Income</b> - Income from the levy (which is levied at \$55 per tonne) is favourable compared to budget. This will be addressed in the Budget Review.	\$ 26,570 106%
<b>Operating Expenditure</b>	
<b>Employee Costs</b>	
<b>Organics Expenditure</b> This favourable variance includes savings of \$29,258 because the agreement to supply CoB Support Staff ceased on 31/10/15.	\$33,123 21%
<b>Materials and Contracts</b>	
<b>Site Rehabilitation</b> Site rehabilitation expenditure has been deferred until DER approval of the Stanley Road cell capping plan has been received. The forecast expenditure to the end of the current year has been reduced by \$1,000,000 and this amount has been transferred to the forecasted balance of the Site Post Closure Rehabilitation Reserve.	\$651,520 98%
<b>Depreciation</b>	
<b>Depreciation on Vehicles, Plant and Equipment</b> This is favourable because the purchase of new equipment has occurred later than expected in the original budget timeline.	\$33,671 16%
<b>Other Expenditure</b>	
<b>Landfill Levy Expenditure.</b> Note that this variance is offset by the additional income received year to date.	\$ (23,994) (102)%



Statement of Financial Activity	YTD Actual to YTD Budget Variance
<b>Revenues by Nature and Type</b>	
<b>Fees and Charges</b> Please refer above to the comments on Fees and Charges for the Statement of Comprehensive Income.	(393,298) (21)%
<b>Other Revenue</b> Please refer above to the comments on Landfill Levy Income for the Statement of Comprehensive Income.	\$ 46,411 78%
<b>Expenses by Nature and Type</b>	
<b>Materials and Contracts</b> Please refer above to the comments on Site Rehabilitation Expenditure for the Statement of Comprehensive Income.	\$689,585 60%
<b>Depreciation</b> Please refer above to the comments on Depreciation on Vehicles, Plant and Equipment for the Statement of Comprehensive Income.	\$38,385 16%
<b>Other Expenditure</b> Please refer above to the comments on Landfill Levy Expenditure for the Statement of Comprehensive Income.	\$ (33,415) (25)%

**Officer Recommendation**

Council Decision: Moved \_\_\_\_\_ Seconded \_\_\_\_\_

That the Financial Statements for the period ending 31 December 2015 be received.

CARRIED/LOST

**11.2 Financial Statements for the period ending 31 January 2016**

Reporting Officer: Chris Welham, Accountant  
 File Number:  
 Attachments: Appendices 1 to 8

**Summary**

The following comments are provided on the key elements of Council's financial performance.

1. Statement of Comprehensive Income (**attached** at Appendix 1)

a. Year-to-date Financial Performance to 31 January 2016

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date income	1,997,714	2,437,389	(439,675)	<i>unfavourable</i>
• Year-to-date expenditure	1,752,852	2,607,403	854,551	<i>favourable</i>
• Year-to-date operating surplus	244,862	(170,014)	414,876	<i>favourable</i>
2. Capital Works ( <b>attached</b> at Appendix 4)				
• Year-to-date capital expenditure	300,672	295,501	5,261	<i>unfavourable</i>

3. Balance Sheet (**attached** at Appendix 5)

- |  | <b>Actual</b> |
|--|---------------|
| • Current Assets of \$7,279,064 includes:    |               |
| ○ Cash and Cash Equivalents                  | 6,783,558     |
| ○ Trade and Other Receivables                | 493,705       |
| ○ Inventories                                | 1,801         |
| • Current Liabilities of \$177,210 includes: |               |
| ○ Trade and Other Payables                   | 91,332        |
| ○ Provisions                                 | 85,879        |

Working Capital (Current Assets *less* Current Liabilities) is 7,101,854

- |   |           |
|---|-----------|
| • Equity (Total Assets less Total Liabilities) is | 9,965,212 |
| • Reserves of \$5,520,375 includes:               |           |
| ○ Plant and Infrastructure Reserve                | 328,547   |
| ○ Site Post Closure Rehabilitation Reserve        | 3,061,479 |
| ○ Waste Minimisation Reserve                      | 615,742   |
| ○ Stanley Road Lined Cell Construction Reserve    | 523,611   |
| ○ Site Acquisition and Investigation Reserve      | 990,996   |

4. Investments

- |                                  |           |
|----------------------------------|-----------|
| • Total of \$6,775,737 includes: |           |
| ○ ANZ Banking Group              | 2,765,742 |
| ○ Commonwealth Bank              | 710,375   |
| ○ National Australia Bank        | 3,299,620 |

### Background

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### Legislative Compliance

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The following is an explanation of significant variances identified in the Statement of Comprehensive Income and the Statement of Financial Activity. These variances will be addressed in the February 2016 Budget Review and are reflected in the Forecast figures.

Statement of Comprehensive Income	YTD Actual to YTD Budget Variance
<b>Operating Income</b>	
<b>Fees and Charges</b>	
<b>Casual Tipping Fees</b> Casual tipping revenue is less than budget mainly due to diversion of waste from the Perth area by Perthwaste into their own landfill in Bannister. It expected that there will be a significant increase in tipping revenue following the recent fires in the Shire of Harvey.	\$ (448,260) (42)%
<b>Sale of Scrap Metal</b> Ferrous Scrap metal is being stockpiled rather than sold because the demand from dealers has reduced and the price per tonne is down to \$30 or less. There is still a market for non-ferrous (aluminium, copper etc.) metals.	\$(48,338) (92)%
<b>Disposal – Shire of Harvey</b> Shire of Harvey tipping tonnages are above budget because waste has been diverted from the Richardson Road landfill.	\$65,069 28%
<b>Banksia Road Organics Tipping Fees</b> These are less than budget because the Shire of Collie's third bin operation has been deferred until April this year	\$(22,835) (11)%
<b>Income CoB Support Staff</b> The agreement to supply CoB Support Staff ceased on 31/10/15.	\$(44,742) (41)%
<b>Interest Earnings</b>	
Interest Earnings are better than expected due to interest rates being higher than budget, and the deferment of capital expenditure, and site rehabilitation expenditure.	\$16,166 18%
<b>Other Revenue</b>	
<b>Landfill Levy Income</b> Income from the levy (which is levied at \$55 per tonne) is favourable compared to budget. This has been addressed in the Budget Review.	\$ 23,671 81%
<b>Operating Expenditure</b>	
<b>Employee Costs</b>	
<b>Waste Education Operations</b> Employee cost savings due to later than expected appointment of the second education officer.	25,682 32%
<b>Organics Expenditure</b> This favourable variance includes savings of \$31,713 because the agreement to supply CoB Support Staff ceased on 31/10/15.	\$33,575 19%
<b>Materials and Contracts</b>	
<b>General Administration Other.</b> Costs are above budget due to CEO advertising costs vehicle running costs which has been addressed in the budget review.	\$(16,119) (55)%
<b>Site Rehabilitation</b> Site rehabilitation expenditure has been deferred until DER approval of the Stanley Road cell capping plan has been received. The forecast expenditure to the end of the current year has been reduced by \$1,200,000 .This expenditure was to have been funded from Municipal funds. It is proposed to transfer an extra \$600,000 to the Site Post Closure Rehabilitation Reserve and to allocate \$150,000 for the new Administration Office at Stanley Road as detailed in the budget review.	\$752,366 97%
<b>Depreciation</b>	
<b>Depreciation on Vehicles, Plant and Equipment</b> Savings have been realised due to deferment of or delays in capital projects.	\$44,289 15%
<b>Other Expenditure</b>	
<b>Landfill Levy Expenditure.</b> Note that this variance is offset by the additional income received year to date.	\$ (20,029) (73)%

Statement of Financial Activity	YTD Actual to YTD Budget Variance
<b>Revenues by Nature and Type</b>	
<b>Fees and Charges</b> Please refer above to the comments on Fees and Charges for the Statement of Comprehensive Income.	(496,102) (23)%
<b>Interest Earnings</b> are better than expected due to interest rates being higher than budget, and the deferment of capital expenditure, and site rehabilitation expenditure.	16,166 18%
<b>Other Revenue</b> Please refer above to the comments on Landfill Levy Income for the Statement of Comprehensive Income. This variance also includes Parental Leave income of \$11,900.	\$ 40,148 56%
<b>Expenses by Nature and Type</b>	
<b>Materials and Contracts</b> Please refer above to the comments on Site Rehabilitation Expenditure for the Statement of Comprehensive Income.	\$757,746 58%
<b>Other Expenditure</b> Please refer above to the comments on Landfill Levy Expenditure for the Statement of Comprehensive Income. This variance also includes \$(13,682) for Shire of Harvey Tonnage rebate which has increased in line with higher tipping volumes as detailed above in the comments on Fees and Charges for the Statement of Comprehensive Income.	\$(22,421) (14)%
<b>Depreciation</b> Please refer above to the comments on Depreciation on Vehicles, Plant and Equipment for the Statement of Comprehensive Income.	\$44,289 15%

**Officer Recommendation**

Council Decision:      Moved \_\_\_\_\_      Seconded \_\_\_\_\_

That the Financial Statements for the period ending 31 January 2016 be received.

CARRIED/LOST

**11.3 Summary of Accounts paid for December 2015**

Reporting Officer:                      Chris Welham, Accountant  
 File Number:  
 Attachments:

**Summary**

Section 13 (2) of Government (Financial Management) Regulations 1996 require that where Local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing detail for each account paid since such list was prepared. This item is presented to Council to advice of payments made for December 2015.

**Background**

As noted above

**Officer Comment**

The attachment details all payments made for December 2015.

**Consultation**

Nil

**Financial Implications**

As per the declaration within the schedule summary, the accounts have been checked and are fully supported by vouchers and invoices and which have been duly certified as to the receipt of goods and the rendition of service and as to prices, computations and costings. Sufficient allocations are contained within the 2015/2016 budget to cover payment of the accounts.

**Statutory Environment**

Sections 12 and 13 of the Local Government (Financial Management) Regulations 1996 Apply.

**Strategic Implications**

Nil

**Policy Implications**

Nil

**Voting Requirement**

Simple Majority

**Officer Recommendation**

Council Decision:        Moved \_\_\_\_\_                                        Seconded \_\_\_\_\_

That the attached summary of accounts paid for December 2015 be received.

CARRIED/LOST

**11.4 Summary of Accounts paid for January 2016**

Reporting Officer:                                        Chris Welham, Accountant

File Number:

Attachments:

**Summary**

Section 13 (2) of Government (Financial Management) Regulations 1996 require that where Local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing detail for each account paid since such list was prepared. This item is presented to Council to advice of payments made for January 2016.

**Background**

As noted above

**Officer Comment**

The attachment details all payments made for January 2016.

**Consultation**

Nil

**Financial Implications**

As per the declaration within the schedule summary, the accounts have been checked and are fully supported by vouchers and invoices and which have been duly certified as to the receipt of goods and the rendition of service and as to prices, computations and costings. Sufficient allocations are contained within the 2015/2016 budget to cover payment of the accounts.

**Statutory Environment**

Sections 12 and 13 of the Local Government (Financial Management) Regulations 1996 Apply.

**Strategic Implications**

Nil

**Policy Implications**

Nil

**Voting Requirement**

Simple Majority

**Officer Recommendation**

Council Decision:        Moved \_\_\_\_\_                                Seconded \_\_\_\_\_

That the attached summary of accounts paid for January 2016 be received.

CARRIED/LOST

**11.5 Budget Review 2015-2016**

Reporting Officer:                                Chris Welham, Accountant

File Number:

Attachments:                                        Appendices 1 to 6

**Purpose**

To consider and adopt the Budget Review as presented in the Statement of Financial Activity for the period 1 July 2015 to 31 January 2016.

**Background**

A Statement of Financial Activity incorporating year to date budget variations and forecasts to 30 June 2016 for the period ending 31 January 2016 is presented for Council to consider. The *Local Government (Financial Management) Regulations 1996*, regulation 33A as amended, requires that local governments conduct a budget review between 1 January and 31 March in each financial year. A copy of the review and determination is to be provided to the Department of Local Government within 30 days of the adoption of the review.

### Details

The budget review has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. Council adopted a 10% and a \$15,000 minimum for the reporting of material variances to be used in the Statement of Financial Activity and the annual budget review. The review will change the Operating Deficit of \$336,466 to an Operating Surplus of \$689,013, an increase of \$1,025,479. Capital Expenditure has decreased by \$109,415.

As a result of the above changes the budgeted funds as at 30 June 2016 will increase from a surplus of \$416,997 to a surplus of \$475,599, an increase of \$58,602.

The following supporting documents are attached for the period ending January 2016:

- Statement of Comprehensive Income (**attached** at Appendix 1)
- Banksia Road Operations (**attached** at Appendix 2)
- Statement of Financial Activity (**attached** at Appendix 3)
- Capital Works Expenditure Summary (**attached** at Appendix 4)
- Balance Sheet Summary (**attached** at Appendix 5)
- Statement of Net Current Assets (**attached** at Appendix 6)

Features of the budget review include:

	\$
<b>Current Adopted Budgeted Closing Funds</b>	
Variance between actual and budgeted opening funds	<b>(102,050)</b>
<b>Budget Review Changes:</b>	
<b>Operating Income</b>	\$
<b>Fees and Charges</b>	
<b>Casual Tipping Fees</b> Casual tipping revenue is less than budget mainly due to diversion of waste from the Perth area by Perthwaste into their own landfill in Bannister. It expected that there will be a significant increase in tipping revenue following the recent fires in the Shire of Harvey.	(300,000)
<b>Sale of Scrap Metal</b> Ferrous Scrap metal is being stockpiled rather than sold because the demand from dealers has reduced and the price per tonne is down to \$30 or less. There is still a market for non-ferrous (aluminium, copper etc.) metals. This revenue is expected to be realised in future years when the demand and price for scrap metal increases again.	(82,000)
<b>Disposal – Shire of Harvey</b> Shire of Harvey tipping tonnages are above budget because waste has been diverted from the Richardson Road landfill.	109,400
<b>Recycle Shop Income</b> The trash and treasure shop has received higher turnover than expected	4,200
<b>Banksia Road Organics Tipping Fees</b> The budget has been adjusted to reflect year to date tipping being less than budget because the Shire of Collie's third bin operation will now not begin until April this year.	(22,800)
<b>Income COB Support Staff.</b> The agreement to supply CoB Support Staff ceased on 31/10/15. This adjustment is offset by a saving of \$101,900 in wages as detailed below.	(123,400)

<b>Interest Earnings</b>	
<b>Interest Earnings</b> are better than expected due to interest rates being higher than budget, and the deferment of capital expenditure, and site rehabilitation expenditure.	61,200
<b>Other Revenue</b>	
<b>Insurance Reimbursements.</b> This extra revenue is made up of Good driver rebates on premiums, a member dividend and a reduction in workers compensation premium based on updating salary estimates with actuals.	7,200
<b>Misc Refunds &amp; Reimbursements.</b> Parental leave funding has been received from Centrelink	11,900
<b>Landfill Levy Income</b> Actual income received is above budget by \$22,405 but is expected to reduce for the remainder of the financial year.	9,000
<b>Bad Debts Recovered.</b> Adjusting for unexpected payouts from debtors previously written off.	750
<b>Operating Expenditure</b>	\$
<b>Employee Costs</b>	
Administration Employee costs include parental leave payments which have been fully funded as per above.	(11,900)
Waste Education Operations Employee cost savings due to later than expected appointment of the second education officer.	15,000
Recycling Operations Employee cost savings because Skip Bin Recycling will not proceed this year.	35,313
Organics Employee cost savings because the agreement to supply CoB Support Staff ceased on 31/10/15.	102,000
<b>Materials and Contracts</b>	
<b>Members of Council</b> This adjustment includes extra costs from the Staff Christmas function which is offset by other savings in refreshments costs	(600)
<b>COB Accounting/Professional Fees</b> The original budget allowed for 3 months of the CEO management package. This amount is for one extra month (October 2015) because the full-time CEO position did not commence until 1 November 2015.	(5,655)
<b>General Administration Other.</b> Costs are above budget due to advertising costs for the full-time CEO position (\$10K), CEO vehicle running costs (\$2K), CEO Vehicle FBT (\$5K)	(17,179)
<b>Waste Education Operations.</b> Savings from Employee costs have been diverted to increase the Waste Education advertising budget.	(15,000)
<b>Organic Expenditure</b> An increase is required due to payments to C-Wise for Equipment rental until the New Aerators have been installed.	(10,000)
<b>Site Rehabilitation</b> Site rehabilitation expenditure has been deferred until DER approval of the Stanley Road cell capping plan has been received. The forecast expenditure to the end of the current year has been reduced by \$1,200,000 .This expenditure was to have been funded from Municipal funds. It is proposed to transfer an extra \$600,000 to the Site Post Closure Rehabilitation Reserve and to allocate \$150,000 for the new Administration Office at Stanley Road. (see below)	1,200,000
<b>Skip Bin Waste Recycling</b> will not proceed this year.	38,350
<b>Other Materials and Contracts.</b> This is an allowance for year to date increase General maintenance costs.	(800)



<b>Insurance</b>	
Actual Premium adjustment because the budget was based upon estimates.	(2,300)
<b>Depreciation</b>	
Savings have been realised due to deferment of or delays in capital projects.	53,500
<b>Other Expenditure</b>	
<b>Landfill Levy Paid</b> – Note that this variance is offset by the additional income received year to date because the levy is fully recouped from customers	(7,000)
<b>Shire of Harvey Tonnage Rebate</b> This rebate has increased in line with increased revenue received from Harvey as detailed above.	(23,700)
<b>Capital Expenditure</b>	
Increase in cost of CEO vehicle - Jeep Cherokee	(2,219)
Savings on purchase of Laptop Computer. (Not required)	2,500
Increase in cost of Office Equipment (Photocopier, Fridge, Tablet etc).	(9,952)
Savings on purchase of Semi-automatic Bin Tarpaulins.	5,500
Savings on purchase of Hookbin Truck.	2,000
Savings on purchase of 14 Tonne Excavator. (not required)	175,000
Savings on purchase of Track Skid Steer. (not required)	90,000
Increase in cost of Compost Aerator units.	(100)
Savings in cost of Concrete Bunkers.	1,186
<b>New Capital Expenditure:</b>	
4 x new computers for the new Stanley Road administration building	(4,500)
New Stanley Road Administration Building	(150,000)
<b>Transfers to or from Reserves</b>	
Transfers to reserve included in interest adjustment above	(50,700)
Increase in transfers to reserve as per capital and operating adjustments above	(598,683)
Decrease in transfers from reserve as per capital adjustments above	(271,358)
<b>Reconciling the above adjustments to the Statement of Financial Activity by nature and type:</b>	
<b>Add Back:</b>	
Depreciation savings due to timing/deferment of capital approvals.	(53,500)
<b>Increase in Budget surplus closing Funds as at 30 June 2016</b>	<b>58,602</b>

Due to the adjustments above the closing funds have increased by \$58,602 from \$416,997 to \$475,599.

#### **Consultation**

Tony Battersby - Chief Executive Officer.

#### **Statutory Environment**

Regulation 33A of the *Local Government (Financial Management) Regulations 1996* requires:

(1) Between 1 January and 31 March in each year a local government is to carry out a review of its annual budget for that year.

(2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.

(3) A council is to consider a review submitted to it and is to determine whether or not to adopt the review, any parts of the review or any recommendations made in the review.

*\*Absolute majority required.*

(4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

**Policy Implications**

None.

**Financial Implications**

Specific financial implications are as outlined in this report.

**Voting Requirement**

Absolute Majority required

**Comment**

The closing funds remain in surplus as a result of this budget review with an increase of \$58,602. Estimated closing surplus is now \$475,599.

**Officer Recommendation**

Council adopt the budget review with the following variations for the period 1 July 2015 to 31 January 2016 and amend the budget accordingly:

	\$
<b>Current Adopted Budgeted Closing Funds</b>	
Variance between actual and budgeted opening funds	(102,050)
<b>Operating Income</b>	
Decrease in Casual Tipping fees	(300,000)
Decrease in Scrap Metal Sales	(82,000)
Increase in Shire of Harvey Disposals Income	109,400
Increase in Recycle Shop Income	4,200
Decrease in Banksia Road Organics Tipping Fees	(22,800)
Decrease in Income from CoB Support staff recoups	(123,400)
Increase in Interest on Muni and Reserve funds	61,200
Increase in Insurance Reimbursements	7,200
Increase in Miscellaneous Refunds and Reimbursements	11,900
Increase in Landfill Levy income	9,000
Increase in Bad debts recovered	750
<b>Operating Expenditure</b>	
Increase in Administration Employee Costs	(11,900)
Savings in Waste Education Employee Costs	15,000

Savings in Recycling Operations Employee Costs	35,313
Savings in CoB Support Staff Employee Costs	102,000
Increase in Members of Council Materials and Contracts expenses	(600)
Increase in CoB Professional Fees	(5,655)
Increase in General Administration Other Materials and Contracts costs	(17,179)
Increase in Waste Education Operations Materials and Contracts costs	(15,000)
Increase in Organics Materials and Contracts expenses	(10,000)
Savings in Site Rehabilitation Materials and Contracts Expenses	1,200,000
Savings in Recycling Operations Materials and Contracts costs	38,350
Increase in General Maintenance Materials and Contracts costs	(800)
Increase in Insurance Premiums	(2,300)
Savings in depreciation costs.	53,500
Increase in landfill levy costs	(7,000)
Increase in Shire of Harvey Tonnage Rebates	(23,700)
<b>Capital Expenditure</b>	
Increase in Cost of CEO Vehicle	(2,219)
Savings on purchase of Laptop Computer	2,500
Increase in cost of Office Equipment	(9,952)
Savings on purchase of Bin Tarpaulins & Hookbin Truck	7,500
Savings on purchase of 14 Tonne Excavator (not required)	175,000
Savings on purchase of Track Sid Steer	90,000
Increase in cost of Aerator Units	(100)
Savings in cost of Concrete Bunkers	1,186
New Stanley Road Administration Office Building	(150,000)
New Computers for Administration staff	(4,500)
<b>Transfers to Reserve</b>	
Transfers to reserve interest (adjustment above)	(50,700)
Increase in transfers from reserve as per capital adjustments above	(598,683)
Decrease in transfers from reserve as per capital adjustments above	(271,358)
<b>Less Non-Cash Items</b>	
Less Depreciation savings due to delays in capital approvals	(53,500)
<b>Increase in Budget surplus closing Funds as at 30 June 2016</b>	<b>58,602</b>

Due to the adjustments above the closing funds have increased by \$58,602 from \$ 416,997 to \$475,599.

Council Decision:      Moved \_\_\_\_\_      Seconded \_\_\_\_\_

CARRIED/LOST

**11.6 DRAFT – Quality Management System Policy**

Reporting Officer:      Tony Battersby, Chief Executive Officer  
File Number:      -  
Attachments:      **Attachment 1:** Draft Quality Management System

**Précis**

BHRC’s Quality Management System Policy is to achieve sustained, profitable growth by proving services consistently satisfy the needs and expectations of its customers and suppliers.

This level of quality is achieved through adoption of a system of procedures that reflect the competence of the Company to existing stake holders, potential customers, contractors, suppliers and independent auditing authorities.

Achievement of this policy involves all staff, who is individually responsible for quality of their work, resulting in a continually improving working environment for all.

The objectives of the Quality Management System are:

- To maintain an effective Quality Assurance System that complies with ISO9001 (Quality Systems).
- To achieve and maintain a level of quality which enhances the Company’s reputation with customers, suppliers and stakeholders.
- To ensure compliance with relevant statutory and safety requirements.

**Background**

The BHRC has not previously adopted a Quality Management System Policy.

**Consultation**

Nil

**Financial Implications**

The Policy should provide greater surety and less risk in all Council’s governance functions and operational functions.

**Statutory Environment**

It forms part of the Department of Local Governments Integrated Planning and Reporting Framework and Guidelines but is not a formal Legislative requirement but is connected to Strategic Planning. For BHRC it is also for accreditation and a requirement of the International Standards Organisation that has it linked up to Local Government.

**Strategic Implications**

Nil



**Voting Requirement**

Simple Majority

**Officer Recommendation**

Council Decision:      Moved \_\_\_\_\_      Seconded \_\_\_\_\_

That Council adopt the Occupational Health & Safety Policy as detailed in attachment.

CARRIED/LOST

**11.8 DRAFT – Smoking in the Workplace Policy**

Reporting Officer:                      Tony Battersby, Chief Executive Officer  
File Number:                                  -  
Attachments:                                **Attachment 3:** Draft Smoking in the Workplace Policy

**Précis**

BHRC is committed to providing a healthy working environment and demonstrating compliance to the Occupational Safety and Health Act 1984, to provide a safe working environment.

To minimise the risk associated with smoking and exposure to passive smoking in the workplace this policy works towards an environment that is free of all harmful effects of Environmental Tobacco Smoke (ETS) for all BHRC employees, contractors and visitors.

**Background**

The BHRC has not previously adopted a Smoking in the Workplace Policy and has previously unofficially utilised the City of Bunbury Smoking in the Workplace Policy for the BHRC employees.

**Consultation**

Nil

**Financial Implications**

Nil

**Statutory Environment**

- Local Government Act 1995
- Local Government Act ( Functions and General) Regulations 1996
- Occupational Safety & Health Act 1984

**Strategic Implications**

Nil

**Policy Implication**

Discussed in the body of the Report.

**Voting Requirement**

Simple Majority

### **Officer Recommendation**

Council Decision:        Moved \_\_\_\_\_                                  Seconded \_\_\_\_\_

That Council adopt the Smoking in the Workplace Policy as detailed in attachment.

CARRIED/LOST

### **11.9    DRAFT – Injury Management and Return to Work Policy**

Reporting Officer:                        Tony Battersby, Chief Executive Officer  
File Number:                                        -  
Attachments:                                        **Attachment 4:** Draft – Injury Management and Return to Work Policy

#### **Précis**

BHRC is committed to providing assistance to ensure injured or ill employees are returned to work as soon as medically appropriate and will adhere to the requirements of the Workers Compensation and Injury Management Act 1981 in the event of a work related injury.

Getting injured workers back into their jobs quickly has a positive effect on workers as research has demonstrated the longer a worker stays away from work the less likely they are to make a full return to their original job.

#### **Background**

The BHRC has not previously adopted an Injury Management and Return to Work Policy and has previously unofficially utilised the City of Bunbury Injury Management and Return to Work Policy for the BHRC employees.

#### **Consultation**

Nil

#### **Financial Implications**

Nil

#### **Statutory Environment**

- Local Government Act 1995
- Local Government Act ( Functions and General) Regulations 1996
- Occupational Safety & Health Act 1984
- Workers Compensation and Injury Management Act 1981
- WorkCover WA

#### **Strategic Implications**

Nil

#### **Policy Implication**

Discussed in the body of the Report.

**Voting Requirement**

Simple Majority

**Officer Recommendation**

Council Decision:      Moved \_\_\_\_\_      Seconded \_\_\_\_\_

That Council adopt the Injury Management and Return to Work Policy as detailed in attachment.

CARRIED/LOST

**12. General Business**

**12.1 Operational Update – February 2016**

- **Stanley Road Expansion**  
Closure and Post-Closure Management Plan was submitted to the DER prior to the closing date of 1 February 2016. The plans were accompanied by a letter from the BHRC CEO as per **Attachment 5**
- **Compost Site Relocation**  
Currently completing Business Plan for Organics Facility which will include possible options for new site.
- **DER Draft – Environmental Standards for Composting**  
DER has released consultation papers on Environmental Standards for Composting and Separation Distances between Industrial and Sensitive Land Uses.

A submission was submitted on behalf of the BHRC - ***waiting on final standards and separation distance to be released.***

- **Office of the Auditor General for Western Australia**  
Officers from the Office of the Auditors General for Western Australia met with Margaret and myself to discuss audit they are currently undertaking on the DER and the Waste Authority. Scope of works are to identify what is working with waste diversion from landfill and what DER/Waste Authority strategic plans and policy that are not working.
- **Tender for Mobile Aerated Floor Expansion**  
Mobile Aerators have been delivered and are operational, training to be completed on automation of the system.
- **Tender for Concrete Bunkers – Compost Facility**  
Two thirds of the Concrete Bunkers have been delivered, with remained to be delivered over next two weeks.
- **Tender for Hook Bin Truck**  
Tenders have been requested through the WALGA preferred supplies panel for the purchase on one Hook Bin Truck, tenders close 5 November 2015. **Purchase order completed for Hino Hook Bin Truck, delivery has been re-scheduled to early March 2016.**



- **Trash and Treasure Shop – Stanley Road**  
Margaret, Emma, Libby and Tyler are conducting a tour of landfill/transfer station Trash and Treasure shops in Perth metro area. With the view of getting fresh ideas on shop set-ups and operations to revitalise the Stanley Road T and T shop and for the Education Officers to look at the possibilities of similar set-ups being introduced to other facilities with-in the Wellington Group of Councils.
- **BHRC Strategic Community Plan**  
Workshop to discuss Strategic Plan scheduled 3pm 25<sup>th</sup> March 2016.
- **BHRC on Facebook and Wellington Regional Group on Instagram**  
The BHRC now has its own Facebook page with all the news and latest updates including items of the week in the Trash and Treasure shop. The Wellington Group of Councils has a Instagram account (bunbury-wellington-reuse) that the Council members can put waste related news and updates on including items from their reuse shops.
- **First Aid – Work Procedure/Instruction**  
The attached First Aid – Works Procedure/Instruction is for Council information – **Attachment 6**
- **Harassment, Discrimination and Equal Opportunity – Works Procedure/Instruction**  
The attached Harassment, Discrimination and Equal Opportunity – Works Procedure/Instruction is For Council information – **Attachment 7**
- **Letter of Appreciation to Cr Neville McNeill and Cr Greg Campbell**  
Send a letter of appreciation to Cr Neville McNeil and Cr Greg Campbell for their time dedication to the BHRC - **Attachment 8**
- **BHRC Gantt Chart**  
Councillor Information - **Attachment 9**
- **Staff Matters**  
Andrew Morrison – on annual leave from 15 February 2016 to 18 February 2016.

**13. Confidential Reports**

**14. Notice of Motion**

**15. Next Meeting**

To be held on Thursday 31 March 2016 at the Shire of Harvey Administration Building, Mulgara Street, Australind, at 4:00pm.

**16. Close of Meeting**

The Presiding Member closed the meeting at \_\_\_\_\_.