



Ordinary Council Meeting

Minutes

27 May 2021

Open Council Meetings – Procedures

1. All Council meetings are open to the public, except for matters raised by Council under “confidential items”.
2. Members of the public may ask a question at an ordinary Council meeting under “public question time”.
3. Members of the public who are unfamiliar with meeting procedures are invited to seek advice at the meeting. If unsure about proceedings, just raise your hand when the presiding member announces public question time.
4. All other arrangements are in accordance with the Council’s standing orders, policies and decisions of the Council.

Undersigned

Chief Executive Officer

Bunbury-Harvey Regional Council
Lot 45 Stanley Road, Wellesley
Western Australia 6233

Correspondence to:
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Australind WA 6233

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ATTACHMENTS

Attachment 1	-	Financial Statements for the Period Ending 31 March 2021 (Appendix 1-8)
Attachment 2	-	Financial Statements for the Period Ending 30 April 2021 (Appendix 1-8)
Attachment 3	-	Summary of Accounts paid for period ending 31 March 2021
Attachment 4	-	Summary of Accounts paid for period ending 30 April 2021
Attachment 5	-	Financial Plan 2021-2031 – DRAFT
Attachment 6	-	Equal Employment Opportunity and Diversity Plan



VISION

To develop, implement and maintain innovative and sustainable waste reduction, recycling and landfilling services while managing waste facilities with best practice standards for the councils of the Wellington Region and beyond.

To provide sustainable waste minimisation, recycling and alternative waste treatment services to an informed community while reducing the environmental impact of waste and maximising the conservation of natural resources through reduced material use and increased resource recovery

MISSION

To ensure the delivery of an integrated, cost-effective and environmentally sound waste management system and to promote sustainable community programs and policies ensuring that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations.

Reduce the environmental impact of waste and maximise conservation of natural resources through reduced overall material use and increased materials and energy recovery.

VALUES

Excellence:

To provide best practice facilities and waste services to our community through the development of quality controls and continuous improvements.

Leadership:

Having a clear vision and direction, that engages with key stakeholders and our community.

Integrity:

Acting with a level of trust, respect, honesty, hard work, communication and shared responsibility that is exhibited by its people.

Accountability:

To ensure the collection and management of solid waste and recovered materials in an environmentally sound manner and in accordance with regulatory requirements and the Department of Water and Environmental Regulation licence conditions.

Innovation:

Embrace new and better ways to achieve improved results through creativity, inventiveness and teamwork.

Respect

We value diversity and respect and are committed to work towards integrating the principles of Equal Employment Opportunity and ensure that the work environment is free from harassment and discrimination. We value and respect all members of our community.



Bunbury-Harvey Regional Council

Minutes

Minutes of the Ordinary Meeting of the Bunbury-Harvey Regional Council held in the Administration Complex, Stanley Road Waste Management Facility, Lot 45 Stanley Road, Wellesley on Thursday, 27 May 2021 at Administration Complex, Stanley Road Waste Management Facility, Lot 45 Stanley Road, Wellesley

Minutes

1. Declaration of Opening / Announcement of Visitors

The meeting was declared open by Cr Tresslyn Smith at 4:30pm.

These Minutes were confirmed as being true and correct by Council on [Click here to enter a date.](#) by Council Resolution: [Click here to enter text.](#)

Cr Tresslyn Smith
Chairperson

Mr Tony Battersby
Chief Executive Officer

2. Attendances and Apologies

2.1. Attendances

<i>Council Members:</i>	Representing
Cr Tresslyn Smith (Chairperson)	City of Bunbury
Cr Tania Jackson (Deputy Chairperson) (<i>arrived late – 5:02</i>)	Shire of Harvey
Cr Karen Turner	City of Bunbury
Cr Jaysen Miguel	City of Bunbury
Cr Wendy Dickinson	Shire of Harvey
Cr John Bromham	Shire of Harvey
<i>Executive Leadership Team (Non-Voting)</i>	Representing
Mr Tony Battersby	Chief Executive Officer (BHRC)
Mr Mal Osborne	Chief Executive Officer (City of Bunbury)
<i>Officers (Non-Voting)</i>	Representing
Ms Karen McDonald	Finance Manager
Mrs Taryn York	Council Meeting Support Officer
<i>Others(Non-Voting)</i>	Representing
Haydn Jones	Shire of Harvey

2.2. Apologies

Ms Annie Riordan

3. Public Question Time

NIL

4. Summary of Response to previous Questions taken on notice

NIL

5. Applications for Leave of Absence

NIL

6. Confirmation of Minutes

The minutes of the Ordinary meeting of Council held on 25 March 2021, are confirmed as a true accurate record.

MOVED BY: Cr Karen Turner

SECONDED BY: Cr Wendy Dickinson

RESULT: CARRIED / ~~LOST~~

RESOLUTION: OC270521-1727

7. Petitions / Memorials / Presentations

NIL

8. Declarations of Interests

NIL

9. Announcements (by the presiding member without discussion)

NIL

10. Reports of Committees

NIL

11. Reports of Officers

11.1. Financial Statements for the period ending 31 March 2021

Applicant / Proponent:	Internal			
Responsible Officer:	Karen McDonald, Finance Manager			
Responsible Manager:	Tony Battersby, Chief Executive Officer			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input checked="" type="checkbox"/>
Attachment(s):	Attachment 1 - Appendices 1 - 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 March 2021

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date Income	4,328,047	3,907,312	420,735	Favourable

• Year-to-date Expenditure	(4,599,709)	(4,403,885)	(195,824)	Unfavourable
• Year-to-date Operating Surplus/(Deficit)	(271,662)	(496,573)	224,911	Favourable

2. Statement of Financial Activity (attached at Appendix 3)

Closing Funding Surplus to 30 June 2021 is forecast at \$402,908. The Budgeted Closing Surplus amount of \$346,029 has been increased by \$56,879 due to:

Unspent contributions brought forward from June 2020	31,452
Increase in contributions	57,126
Increase in fees and charges	48,000
Decrease interest earnings	(467)
Increase in other revenue	60,468
Increase in materials and contracts	(12,969)
Increase in other expenditure	(125,067)
Decrease in capital expenditure	263
Increase in capital income	4,910
Increase in transfers to/from reserve	(6,837)
Total:	56,879

3. Capital Works (attached at Appendix 4)

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date Capital Expenditure	1,050,628	944,980	105,648	Unfavourable

4. Statement of Financial Position (attached at Appendix 5)

• Current Assets of \$3,309,573:	Year-to-date	Forecast
○ Cash and Cash Equivalents	2,652,921	1,046,585
○ Trade and Other Receivables	649,449	300,000
○ Prepayments	475	0
○ Inventories	6,727	2,000

Current Liabilities of \$690,992 includes:		
○ Trade and Other Payables	313,216	209,573
○ Provisions	377,776	365,882

• Working Capital (Current Assets less Current Liabilities) is:	2,618,581	773,130
• Equity (Total Assets less Total Liabilities) is:	8,134,101	12,145,271
• Reserves of \$2,069,116 includes:		
○ Plant and Infrastructure Reserve	8,339	306,783
○ Site Post Closure Rehabilitation Reserve	425,591	150
○ Stanley Road Environmental Protection Lined Cell Construction Reserve	520,372	49,025
○ Organics Processing Reserve	1,114,813	14,264

5. Investments

Total of \$2,234,284 includes:			
	Invested Funds \$	% of Total Funds	Max % of Total Funds Allowed
o Commonwealth Bank	1,045,339	47	75
o National Australia Bank	1,188,945	53	75
TOTAL:	2,234,284	100	

Officer Recommendation

That Council:

Receive and accept the Financial Statements for period ending 31 March 2021 as presented to Council.

MOVED BY: Cr Jaysen Miguel

SECONDED BY: Cr Wendy Dickinson

RESULT: CARRIED ~~LOST~~ 5 / 0

RESOLUTION: OC270521-1728

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**)
- Statement of Financial Position (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 Regulations 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 30 July 2020, 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 2020/2021.

Consultation

Nil

Financial Implications

As per the 2020/2021 Financial Budget.

Statutory Environment

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

Strategic Implications

Nil

Policy Implications

Nil

Officer Comment

The following is an explanation of significant variances identified in the Statement of Financial Activity:

Statement of Financial Activity	
Revenues by Nature and Type	
Contributions Favourable year-to-date variance to budget mainly due to waste education contributions from DWER (\$48K) and unspent BORR project contributions (\$31K) received in June 2020 relating to expenditure made in July brought forward to comply with Australian Accounting Standards. The forecast has been amended to reflect this variance.	\$89,587 41%
Other Revenue Favourable year-to-date variance to budget mainly due to increases in fuel tax credits (\$8K), insurance reimbursements (good driver rebate and contributions assistance - \$9K, workers compensation reimbursements - \$20K), landfill levy income (increase in casual tipping from the Perth metropolitan area – \$26K), which was offset by a decrease in container deposit scheme revenue compared to budget (\$17K). The forecast has been amended to reflect these variances, except for the container deposit scheme, which has only been operating for three months. This revenue will be addressed in the March Budget Review.	\$129,894 22%
Other Expenditure Unfavourable year-to-date variance to budget mainly due to an increase in landfill levy expenditure (\$24K) which is fully recouped from customers (offset by increase in “Other Revenue”), container deposit scheme (\$95K) for container cash refunds to customers on deposit of eligible containers (reimbursed by scheme), and bad debts expense (\$6K) as per Council Resolution OC240920-1690. The forecast has been amended to reflect these variances. This “Other Expenditure” will be addressed in the March Budget Review.	(211,845) (68%)

Voting Requirement

Simple Majority

11.2. Financial Statements for the period ending 30 April 2021

Applicant / Proponent:	Internal			
Responsible Officer:	Karen McDonald, Finance Manager			
Responsible Manager:	Tony Battersby, Chief Executive Officer			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input checked="" type="checkbox"/>
Attachment(s):	Attachment 2 - Appendices 1 - 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 30 April 2021

	ACTUAL	BUDGET	VARIANCE

• Year-to-date Income	4,798,001	4,319,299	478,722	Favourable
• Year-to-date Expenditure	(5,221,667)	(4,911,702)	(195,824)	Unfavourable
• Year-to-date Operating Surplus/(Deficit)	(423,666)	(592,473)	168,807	Favourable

2. Statement of Financial Activity (attached at Appendix 3)

Closing Funding Surplus to 30 June 2021 is forecast at \$402,908. The Budgeted Closing Surplus amount of \$346,029 has been increased by \$56,879 due to:

Unspent contributions brought forward from June 2020	31,452
Increase in contributions	57,126
Increase in fees and charges	48,000
Decrease interest earnings	(467)
Increase in other revenue	60,468
Increase in materials and contracts	(12,969)
Increase in other expenditure	(125,067)
Decrease in capital expenditure	263
Increase in capital income	4,910
Increase in transfers to/from reserve	(6,837)
Total:	56,879

3. Capital Works (attached at Appendix 4)

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date Capital Expenditure	1,080,232	944,980	135,252	Unfavourable

4. Statement of Financial Position (attached at Appendix 5)

• Current Assets of \$3,250,498:	Year-to-date	Forecast
○ Cash and Cash Equivalents	2,623,870	1,795,506
○ Trade and Other Receivables	619,426	300,000
○ Prepayments	475	0
○ Inventories	6,727	2,000

Current Liabilities of \$764,614 includes:

○ Trade and Other Payables	387,337	209,573
○ Provisions	377,278	365,882

• Working Capital (Current Assets less Current Liabilities) is:	2,485,885	701,637
• Equity (Total Assets less Total Liabilities) is:	7,982,098	12,676,136
• Reserves of \$2,069,123 includes:		
○ Plant and Infrastructure Reserve	8,339	306,783
○ Site Post Closure Rehabilitation Reserve	425,594	150
○ Stanley Road Environmental Protection Lined Cell Construction Reserve	520,372	49,025
○ Organics Processing Reserve	1,114,817	14,264

5. Investments

Total of \$2,234,293 includes:			
	Invested Funds \$	% of Total Funds	Max % of Total Funds Allowed
o Commonwealth Bank	1,045,347	47	75
o National Australia Bank	1,188,945	53	75
TOTAL:	2,234,292	100	

Officer Recommendation

That Council:

Receive and accept the Financial Statements for period ending 30 April 2021 as presented to Council.

MOVED BY: Cr Jaysen Miguel

SECONDED BY: Cr John Bromham

RESULT: CARRIED ~~LOST~~ 5 / 0

RESOLUTION: OC270521-1729

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**)
- Statement of Financial Position (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 Regulations 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 30 July 2020, 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 2020/2021.

Consultation

Nil

Financial Implications

As per the 2020/2021 Financial Budget.

Statutory Environment

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

Strategic Implications

Nil

Policy Implications

Nil

Officer Comment

The following is an explanation of significant variances identified in the Statement of Financial Activity:

Statement of Financial Activity	
Revenues by Nature and Type	
Contributions Favourable year-to-date variance to budget mainly due to waste education contributions from DWER (\$48K) and unspent BORR project contributions (\$31K) received in June 2020 relating to expenditure made in July brought forward to comply with Australian Accounting Standards. The forecast has been amended to reflect this variance.	\$89,766 41%
Other Revenue Favourable year-to-date variance to budget mainly due to increases in fuel tax credits (\$8K), insurance reimbursements (good driver rebate and contributions assistance - \$9K, workers compensation reimbursements - \$20K), landfill levy income (increase in casual tipping from the Perth metropolitan area – \$26K), which was offset by a decrease in container deposit scheme revenue compared to budget (\$17K). The forecast has been amended to reflect these variances, except for the container deposit scheme, which has only been operating for three months. This revenue will be addressed in the March Budget Review.	\$164,313 24%
Other Expenditure Unfavourable year-to-date variance to budget mainly due to an container deposit scheme (\$291K) for container cash refunds to customers on deposit of eligible containers (reimbursed by scheme), and bad debts expense (\$6K) as per Council Resolution OC240920-1690. The forecast has been amended to reflect these variances.	(250,878) (73%)

Voting Requirement

Simple Majority

11.3. Summary of Accounts paid for period ending 31 March 2021

Applicant / Proponent:	Internal			
Responsible Officer:	Karen McDonald, Finance Manager			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
Attachment(s):	Attachment 3 - Summary of Accounts paid for period ending 31 March 2021			

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 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 31 March 2021

Officer Recommendation

That Council:

Receive and accept the Summary of Accounts paid for period ending 31 March 2021 as presented to Council.

MOVED BY: Cr Jaysen Miguel

SECONDED BY: Cr Wendy Dickinson

RESULT: CARRIED ~~LOST~~ 5 / 0

RESOLUTION: OC270521-1730

Background

As noted in Summary.

Officer Comment

The attachment details all payments made for 31 March 2021

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, computation and costing(s). Sufficient allocations are contained within the 2020/2021 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

11.4. Summary of Accounts paid for period ending 30 April 2021

Applicant / Proponent:	Internal			
Responsible Officer:	Karen McDonald, Finance Manager			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
Attachment(s):	Attachment 4 - Summary of Accounts paid for period ending 30 April 2021			

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 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 30 April 2021

Officer Recommendation

That Council:

Receive and accept the Summary of Accounts paid for period ending 30 April 2021 as presented to Council.

MOVED BY: Cr John Bromham

SECONDED BY: Cr Karen Turner

RESULT: CARRIED ~~LOST~~ 5 / 0

RESOLUTION: OC270521-1731

Background

As noted in Summary.

Officer Comment

The attachment details all payments made for 30 April 2021

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, computation and costing(s). Sufficient allocations are contained within the 2020/2021 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

11.5. 2020/2021 Budget Review

Applicant / Proponent:	Karen McDonald, Finance Manager			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
Attachment(s):	Appendices 1 to 6 (included in the Appendices of the Financial Statements for the Period Ending 30 April 2021)			

Summary

To consider and adopt the Budget Review as presented in the Statement of Financial Activity for the period 1 July 2019 to 30 April 2021.

Executive Recommendation

That Council:

Council adopt the budget review with the following variations for the period 1 July 2020 to 30 April 2021 and amend the budget accordingly:

Current Adopted Budgeted Closing Funds	\$
Variance between actual and budgeted opening funds	\$71,809
Operating Income	
Increase in Casual Tipping Fees	\$213,768
Increase in Disposals – Shire of Harvey Tip Passes	\$35,642
Increase in Recycle Shop Income	\$8,935
Increase in Supply/Collection of Hookbins	\$23,401
Increase in Banksia Road Organics Tipping Fees	\$43,223
Decrease in Sale of Compost	(\$80,000)
Increase in Waste Education Contributions	\$68,621
Decrease in Waste Innovation Hub Grant	(\$199,946)
Increase in South West Alliance BORR	\$31,452
Decrease in Container Deposit Scheme income	(\$188,862)
Decrease in Landfill Levy income	(\$69,193)
Increase in Insurance Reimbursements	\$29,218
Increase in Payroll Contributions	\$57,255
Increase in Parental Leave Reimbursements	\$13,462
Operating Expenditure	
Increase in Administration Employee Costs	(\$137,675)
Increase in Professional Services	(\$33,562)
Increase in Legal Expenses	(\$8,370)
Decrease in Waste Innovation Hub	\$263,939
Increase in Waste Education Operations Employee Costs	(\$15,993)
Increase in Waste Education Advertising and Public Relations	(\$32,000)
Decrease in Organics Employee Costs	\$248,060
Decrease in Organics Vehicle Operating Expenses	\$20,030
Decrease in Organics Materials and Contracts Costs	\$27,831
Decrease in Rehabilitation Materials and Contracts Costs	\$271,713
Increase in Waste Transfer Station Vehicle Operating Expenses	(\$20,734)
Decrease in Skip Bin Recycling Employee Costs	\$24,072
Decrease in CDS Employee Costs	\$107,612
Decrease in Landfill Levy Expenditure	\$63,602
Capital Expenditure	
Savings on purchase of 4 x 2 Supervisors Utility	\$3,576
Savings on purchase of 4 x 2 Waste Education Utility	\$3,576
Savings on purchase of CDS Electric Forklift	\$6,010
Increased cost of Compost Facility Loader	(\$28,500)
Increased cost of Used Tray Back Water Truck	(\$5,000)
Increased cost of Used Dump Truck	(\$82,500)
Stanley Road Administration Complex	(\$28,908)
Capital Revenue	
Increase in trade-in value of Isuzu Crew Cab (Supervisors)	\$2,455
Increase in trade-in value of Isuzu Crew Cab (Waste Education)	\$2,455
Increase in trade-in value of Hino 500 2628 Truck	\$2,500
Reduction in trade-in value of JCB Wheeled Loader (Compost Facility)	(\$7,000)
Transfers to or from Reserves	
Increase in transfers from Plant & Infrastructure	\$102,428
Decrease in transfer from Stanley Road Environmental Protection Cell Construction Reserve	(\$243,564)
Increase in Budget surplus closing Funds as at 30 June 2021	\$493,029

Due to the adjustments above the closing funds have increased by \$493,029 from \$346,029 to \$839,058

MOVED BY: Cr Wendy Dickinson

SECONDED BY: Cr Karen Turner

RESULT: CARRIED ~~LOST~~ 5 / 0

RESOLUTION: OC270521-1732

Voting Requirement

Absolute Majority

Background

A Statement of Financial Activity for the period ending 30 April 2021 incorporating year to date budget variations and forecasts to 30 June 2021 is presented for Council consideration. 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, Sport and Cultural Industries within 30 days of the adoption of the review.

Summary

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 the 2020/21 Budget on 28 May 2020 of \$13.02M, comprising \$7.32M capital works and \$5.7M in operating expenditure (excluding depreciation). Proposed changes to operating income and expenditure will decrease the Operating Deficit from \$573K to \$205K, a decrease of \$368K (mainly due to an increase in income of \$13K and a decrease in expenditure of \$382K). The Opening Funds position also increased by \$72K which is the variance between actual and budgeted funds at 30 June 2020. There were also adjustments to Reserve funds as detailed in the report.

As a result of the above changes the budgeted closing funds as at 30 June 2020 will increase from a surplus of \$346K to a surplus of \$839K, an increase of \$493K.

The following supporting documents are attached for the period ending 30 April 2021:

- 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:

Current Adopted Budgeted Closing Funds	\$
Variance between actual and budgeted opening funds	\$71,809
Budget Review Changes:	
Operating Income	\$
Fees and Charges	
Casual Tipping Fees Increase in Casual Tipping revenue mainly due to increased commercial waste being received from local projects.	\$213,768
Disposal – Shire of Harvey Tip Passes Increased income due to a increased growth in the area and waste being received from Richardson Road Waste Facility.	\$35,642
Recycle Shop Income Increased income mainly due to increased media exposure.	\$8,935
Supply/Collection of Hookbins Increased income mainly due to Shire of Harvey and Shire of Collie utilising the service.	\$23,401

Banksia Road Organics Tipping Fees Increased income due to increased tonnages being received from all participating Councils and increase of commercial customers.	\$43,223
Sale of Compost Reduced income due to delay in BORR project uptake of material.	(\$80,000)
Other Income	
Waste Education Contributions Increased income due to a Waste Authority grant and Council bin tagging program.	\$68,621
Waste Innovation Hub Grant Decreased income due to grant funding being unsuccessful.	(\$199,946)
South West Alliance BORR Increased income due to MRD funding alliance setup.	\$31,452
Container Deposit Scheme Income Decreased income due to reduced amount of containers being returned than was initially anticipated through the scheme.	(\$188,862)
Landfill Levy Income Decreased income due to a decreased commercial waste being received from the Perth metropolitan area.	(\$69,193)
Insurance Reimbursements Increased income due to increased member dividend returns.	\$29,218
Payroll Contributions Increased income due to a wage subsidy being obtained for a new staff member in the CDS program.	\$57,255
Parental Leave Reimbursements Increased income due staff on maternity leave.	\$13,462
Operating Expenditure	\$
Employee Costs	
Administration Financial Manager salary not included in original budget and in-house contribution toward South West Waste Alliance.	(\$137,675)
Waste Education Operations Increase due to bin tagging for Councils.	(\$15,993)
Organics Expenditure Decreased expenditure due to decontamination staff allowed for in original budget.	\$248,060
Skip Bin Recycling Operations Decreased expenditure due to over allocation in original budget.	\$24,072
Container Deposit Scheme (CDS) Decreased expenditure due to decreased staff numbers required for program.	\$107,612
Materials and Contracts	
Professional Services Extended length of service required from COB for financial services.	(\$33,562)
Legal Expenses Increased expenditure due to lawyers' fees incurred with Auricom claim.	(\$8,370)
Waste Innovation Hub Decrease in expenditure due to grant funding not being awarded.	\$263,939
Waste Education Advertising and Public Relations Increased advertising in line with grant funding.	(\$32,000)
Organics Expenditure Vehicle Operating Expenses Decrease in expenditure due to decontamination operations allowed for in original budget.	\$20,030
Organics Expenditure Materials and Contracts Costs Decrease in expenditure due to decontamination operations allowed for in original budget.	\$27,831
Waste Transfer Station Vehicle Operating Expenses Increase in expenditure due to ageing plant requiring additional maintenance.	(\$20,734)
Other Expenditure	
Landfill Levy Expenditure Decreased expenditure due to a decreased commercial waste being received from the Perth metropolitan area.	\$63,602
Capital Expenditure	
Infrastructure Increased expenditure due to the cost of Stanley Road Administration Complex.	(\$28,908)

Plant & Equipment Increased expenditure made up as follows: A new compost facility loader \$28,500; a used tray back water truck \$5,000 and the tender accepted for the used CAT dump truck was \$82,500 above budget. This was offset by a saving in the purchase of the two new Ford Rangers (\$7,152) and new electric forklift (\$6,010).	(\$102,838)
Compost Facility	
Capital Revenue	
Increased income from sale of two (2) Isuzu crew cabs	\$4,910
Increased income from sale of Hino 500 2628 truck	\$2,500
Reduction in trade-in value of JCB Wheeled Loader	(\$7,000)
Total Movement in Capital revenue and expenditure	(\$102,428)
Transfers to or from Reserves	
Increase in transfers from Plant & Infrastructure Reserve due to increased costs in capital purchases and trade-ins.	\$102,428
Decrease in transfer from Stanley Road Environmental Protection Cell Construction Reserve due to savings in the purchase of Environmental Offset Land	(\$243,564)
Increase in Budget surplus closing Funds as at 30 June 2020	\$493,029

Due to the adjustments above the closing funds have increased by \$493,029 from \$346,029 to \$839,058.

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.

Comment

The closing funds remain in surplus as a result of this budget review with an increase of \$493,029. Estimated closing surplus is now \$839,058.

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

Nil

Financial Implications

Specific financial implications are as outlined in this report.

11.6. Financial Plan 2021 - 2031

Applicant / Proponent:	Internal			
Responsible Officer:	Tony Battersby, Chief Executive Officer, Karen McDonald, Finance Manager, Michelle Lloyd, Compliance Officer			
Responsible Manager:	Tony Battersby, Chief Executive Officer, Karen McDonald, Finance Manager, Michelle Lloyd, Compliance Officer			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
Attachment(s):	Attachment 5 - Financial Plan 2021-2031 - DRAFT			

Summary

This plan sets out the 10 year investment program and the overall approach to maintaining financial stability and is an update to the original BHRC Financial Plan 2018 - 2028.

The purpose of the LTFP is to guide and inform decision making by establishing the framework upon which sound financial decisions can be made. It is a financial modelling tool used to assess the capacity to implement the Strategic Community Plan and to provide transparency and accountability to the community in relation to the BHRC finances. It also provides an opportunity for early identification of financial management issues.

The following key principles have been taken into account in developing this LTFP:

- In the absence of formal contracts, modeling is based on the most conservative probable outcome.
- BHRC is intended to be an autonomous, self-funded entity.
- Ongoing operations will generally be funded from internally generated cash flow.
- Conservative use of debt to fund major new assets or significant upgrades.

The LTFP sets out:

- financial goals and challenges
- strategies for financial sustainability
- projected financial position
- assumptions, adjustments and risk assessment
- the capital works program

- financial performance monitoring
- sensitivity analysis and performance monitoring
- Financial implications

Executive Recommendation

That Council:

That Council adopt the Financial Plan 2021 - 2031 as detailed in Attachment - 5.

MOVED BY: Cr Jaysen Miguel

SECONDED BY: Cr Karen Turner

RESULT: CARRIED ~~LOST~~ 5 / 0

RESOLUTION: OC270521-1733

Background

The BHRC has previously adopted a Long Term Financial Plan on 29 November 2018 Resolution: OC291118-1578.

Consultation

The Bunbury-Harvey Regional Council staff and City of Bunbury Accountant.

Financial Implications

Annual Budgets.

Statutory Environment

- Local Government Act 1995
- Local Government (Rules of Conduct) Regulations 2007
- Local Government (Administration) Regulations 1996
- Public Interest Disclosure Act 2003
- Corruption and Crime Commission Act 2003
- Equal Opportunity Act 1984
- Statutory Corporations (Liability of Directors) Act 1996

Strategic Implications

Discussed in the body of the Report.

Policy Implication

Discussed in the body of the Report.

Voting Requirement

Simple Majority

11.7. Schedule of Fees and Charges 2021/2022

Applicant / Proponent:	Internal			
Responsible Officer:	Tony Battersby, Chief Executive Officer Karen McDonald, Finance Manager			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input checked="" type="checkbox"/>	Review	<input checked="" type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
Attachment(s):	-			

Summary

Section 6.1 of the Local Government Act 1995 requires a local government to prepare and adopt (in the period June 1 to August 31) an annual budget of its Municipal fund for that same year.

The Schedule of proposed Fees and Charges for the 2021/2022 Financial Year forms part of the 2021/2022 Budget.

Officer Recommendation

That Council:

The Schedule of proposed Fees and Charges (which forms part of the 2021/2022 Budget) is adopted effective as of 1 July 2021.

MOVED BY: Cr Wendy Dickinson

SECONDED BY: Cr Karen Turner

RESULT: CARRIED ~~LOST~~ 5 / 0

RESOLUTION: OC270521-1734

Background

As mentioned above.

Officer Comment

The Schedule of proposed Fees and Charges for the 2021/2022 Financial Year forms part of the 2021/2022 Budget. The Schedule of Fees and Charges 2021/2022 will be effective as of the 1 July 2021.

There is an allowance of \$2.00 per tonne in the Fees and Charges for Waste Minimisation Strategies. It is intended that the \$2.00 per tonne will be transferred into a reserve for funding of future waste minimisation projects.

There has been a new charge introduced for oversized (500mm) concrete rubble to accommodate the downsizing of the material before being put through the crusher and a new charge for electronic waste disposal based on a tonnage charge to accommodate bulk loads.

The organics disposal charges have been increased to cover the cost of employing staff to decontaminate the FOGO of any non-organic matter prior to the FOGO being mulched ready for composting. The increase also allows for staff time in conducting tours and presentations of the Regional Compost Facility that have been an unpaid service provided by the Council.

General Waste has no increases to the charges for the 2021/2022 financial year and has remained the same charge for the last three financial years.

Consultation

The Schedule of Fees and Charges for 2021/2022 are to be advertised in the South Western Times and the Harvey Reporter in the first week of June 2021 and Schedule of Fees and Charges for 2021/2022 to be distributed out to Stanley Road Waste Facility and Banksia Road Compost Facility customers from 1 June 2021.

Financial Implications

As discussed in the body of the report.

Statutory Environment

Section 6.1 of the Local Government Act 1995 applies.

Strategic Implications

Nil

Policy Implications

Nil

Voting Requirement

Absolute Majority

Stanley Road Waste Management Facility

	Increase / Decrease %	2021/22 Fees Budget Proposal (Incl. GST)	2020/21 Fees (Incl. GST)	2019/20 Fees (Incl. GST)
LIGHT VEHICLES (Volume of General Waste)				
Per Car or Station Wagon	0%	\$15.00	\$15.00	\$15.00
Per Utility or trailer (up to 1.8m x 1.2m)	0%	\$22.00	\$22.00	\$22.00
Per Trailer or large utility (up to 2.1m x 1.2 m or Trailer with sides exceeding 600mm)	0%	\$33.00	\$33.00	\$33.00
LIGHT VEHICLES (Volume of Green Waste)				
Per Car or Station Wagon	0%	\$9.00	\$9.00	\$9.00
Per Utility or trailer (up to 1.8m x 1.2m)	0%	\$15.00	\$15.00	\$15.00
Per Trailer or large utility (up to 2.1m x 1.2m or Trailer with sides exceeding 600mm)	0%	\$25.00	\$25.00	\$25.00
LIGHT VEHICLES (Volume of Clean Fill/Rubble Waste)				
Per Utility or trailer (up to 1.8m x 1.2m)	0%	\$6.00	\$6.00	\$6.00
Per Trailer or large utility (up to 2.1m x 1.2m or Trailer with sides exceeding 600mm)	0%	\$6.00	\$6.00	\$6.00
HEAVY VEHICLES WEIGHBRIDGE				
Co-mingled Waste per tonne	0%	\$61.00	\$61.00	\$61.00
Minimum Charge	0%	\$44.00	\$44.00	\$44.00
Mattresses per tonne	10%	\$104.50	\$95.00	\$95.00
Minimum Charge	10%	\$104.50	\$95.00	\$95.00
Co-mingled Skip Waste per tonne	2.3%	\$45.00	\$44.00	\$44.00
Minimum Charge	2.3%	\$45.00	\$44.00	\$44.00
Clean Green Waste per tonne (Maximum Size diameter 500mm)	3.5%	\$30.00	\$29.00	\$28.50
Minimum Charge	3.5%	\$30.00	\$29.00	\$28.50
Clean Cardboard Waste per tonne	0%	\$29.00	\$29.00	\$28.50
Minimum Charge	0%	\$29.00	\$29.00	\$28.50
Clean Wood Waste per tonne	3.5%	\$30.00	\$29.00	\$28.50
Minimum Charge	3.5%	\$30.00	\$29.00	\$28.50
Clean Fill – Suitable for Daily Cover and Road Building per tonne	9.1%	\$1.20	\$1.10	\$0
Minimum Charge	9.1%	\$1.20	\$1.10	\$0
Building and Demolition Waste per tonne (No Gyprock or Timber and Maximum Size 500mm)	0%	\$8.00	\$8.00	\$7.25
Minimum Charge	0%	\$8.00	\$8.00	\$7.25
Building and Demolition Waste per tonne (No Gyprock or Timber and Over 500mm) (New)		\$33.00		
Minimum Charge (New)		\$33.00		

OTHER WASTE				
Tyres				
• Passenger/Motorcycle (per tyre)	0%	\$3.50	\$3.50	\$3.00
• 4WD/Light Truck (per tyre)	0%	\$5.50	\$5.50	\$5.50
• Truck (per tyre)	0%	\$20.00	\$20.00	\$20.00
• Tyres per tonne	0%	\$330.00	\$330.00	
• Minimum Charge	0%	\$99.00	\$99.00	
Electronic Waste per tonne (New)		\$850.00		
Minimum Charge (New)		\$170.00		
Car Bodies	0%	\$0.00	\$0.00	\$0.00
Special Burial (i.e. Asbestos) per tonne	0%	\$84.00	\$84.00	\$84.00
Minimum Charge	0%	\$84.00	\$84.00	\$84.00
Quarantine Waste per tonne	0%	\$130.00	\$130.00	\$130.00
Minimum Charge	0%	\$130.00	\$130.00	\$130.00
TIP PASSES (Volume of General Waste)				
Charges to Shire of Harvey for tip pass usage – as per light vehicles as detailed below:				
Car or Station Wagon	0%	\$15.00	\$15.00	\$15.00
Utility or Trailer	0%	\$22.00	\$22.00	\$22.00
Large Utility / Trailer	0%	\$33.00	\$33.00	\$33.00
LIGHT VEHICLES (Volume of Green Waste)				
Car or Station Wagon	0%	\$9.00	\$9.00	\$9.00
Utility or Trailer	0%	\$15.00	\$15.00	\$15.00
Large Utility / Trailer	0%	\$25.00	\$25.00	\$25.00
LIGHT VEHICLES (Volume of Clean Fill/Rubble Waste)				
Utility or Trailer	0%	\$6.00	\$6.00	\$6.00
Large Utility / Trailer	0%	\$6.00	\$6.00	\$6.00
MEMBER COUNCIL REBATE				
To City of Bunbury – Per Tonne of General Waste	0%	\$12.50	\$12.50	\$12.50
To Shire of Harvey – Per Tonne of General Waste	0%	\$12.50	\$12.50	\$12.50
SALE OF COMPOST/ MULCH				
Per Skid Steer Loader Bucket	0%	\$22.00	\$22.00	\$22.00
Per Tonne	0%	\$44.00	\$44.00	\$44.00
CONTAINER DEPOSIT SCHEME				
Per Eligible Container	0%	\$0.06	\$0.06	
Per Container Deposit Scheme (CDS) Bale	0%	\$10.00	\$10.00	
Per Container Deposit Scheme (CDS) Bag	0%	\$2.50	\$2.50	
WEIGHBRIDGE USE (Weight only)				
Weight Only	0%	\$23.00	\$23.00	\$22.55

Operating Income

	Revised Budget 2020/2021	Proposed Budget 2021/2022
Casual Tipping Fees	\$2,047,768.00	\$2,062,759.00
Sale of Scrap Metal	\$240,000.00	\$250,000.00
Disposal – City of Bunbury	\$482,268.00	\$491,913.00
Disposal – Shire of Harvey	\$305,525.00	\$314,690.00

Shire of Harvey Tip Passes	\$294,218.00	\$275,040.00
Waste Minimisation Income	\$85,838.00	\$87,554.00
Landfill Levy Income	\$148,707.00	\$17,158.00
Recycling Shop	\$61,435.00	\$62,663.00
Sale of Mulch	\$8,000.00	\$8,000.00
Sale of Cardboard	\$0.00	\$26,500.00
Refund for CDS	\$311,138.00	\$535,400.00
Sale of CDS Bales	\$2,591.00	\$2,000.00

Banksia Road Waste Management Facility

	Increase / Decrease %	2021/22 Fees Budget Proposal (Incl. GST)	2020/21 Fees (Incl. GST)	2019/20 Fees (Incl. GST)
HEAVY VEHICLES WEIGHBRIDGE				
Organic Waste per tonne	20%	\$42.00	\$35.00	\$35.00
Minimum Charge	20%	\$42.00	\$35.00	\$35.00
Member Council FOGO Waste per tonne (New)	10%	\$38.50	\$35.00	\$35.00
Minimum Charge (New)	10%	\$38.50	\$35.00	\$35.00
Clean Green Waste per tonne (Maximum Size diameter 500mm)	3.5%	\$30.00	\$29.00	\$29.00
Minimum Charge	3.5%	\$30.00	\$29.00	\$29.00
Clean Green Waste Mulched per tonne	0%	\$0.00	\$0.00	\$0.00
Organic Waste with over 5% Contamination per tonne	0%	\$120.00	\$120.00	\$120.00
Minimum Charge	0%	\$120.00	\$120.00	\$120.00
COMPOST AND MULCH SALES				
Compost Sales to Wellington Group of Councils per tonne	-20.6%	\$27.50	\$34.00	\$34.00
10mm Compost per tonne	-27%	\$27.50	\$37.00	\$37.00
Processed Mulch per tonne	-21.4%	\$27.50	\$35.00	\$35.00
Green Mulch Unprocessed per tonne	0%	\$22.00	\$22.00	\$22.00

Operating Income

	Revised Budget 2020/2021	Proposed Budget 2021/2022
Organic Tipping Fees	\$771,930.00	\$1,115,100.00
Sale of Compost	\$104,000.00	\$205,000.00

- *Industrial Relations Act 1999*
- *Crime and Misconduct Act 2001*

Strategic Implications

Discussed in the body of the Report.

Policy Implication

Discussed in the body of the Report.

Voting Requirement

Simple Majority

12. Elected Member motions of which previous notice has been given

NIL

13. Urgent business approved by the person presiding or by decision of the Council

NIL

14. Confidential Business (Meeting Closed to the Public)

15. Next Meeting

The next meeting is scheduled for Thursday, 29 July 2021 at Administration Complex, Stanley Road Waste Management Facility, 45 Stanley Road, Wellesley, commencing at 4:15pm.

16. Close of Meeting

The Presiding Member declares meeting closed at 6:01pm.