

**RESOURCE RECOVERY GROUP
MINUTES
ORDINARY MEETING OF COUNCIL**

THURSDAY 23 MAY 2024

**RESOURCE RECOVERY GROUP
9 Aldous Place BOORAGOON**

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

On behalf of our Participant Local Government



Resource Recovery Group formerly Southern Metropolitan Regional Council

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1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chief Executive Officer welcomed everyone in attendance and declared the meeting open at 4.07 pm.

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

2. RECORD OF ATTENDANCE / APOLOGIES

PRESENT – In-person

Cr Karen Wheatland
Cr Hannah Fitzhardinge
Mr Graham Tattersall (REG Member)
Mr Mick McCarthy (REG Member)
Mr Peter Kocian
Mr Brendan Doherty
Mr Xabier Urresti
Ms Ann Johnson
Ms Pratigya Pandeya

City of Melville
City of Fremantle
City of Fremantle
City of Melville
Town of East Fremantle
RRG, Acting Chief Executive Officer
RRG, Executive Manager Operations
RRG, Executive Manager Governance & Culture
RRG, Manager Finance

APOLOGIES

Cr Andrew White

Town of East Fremantle

3. DISCLOSURE OF INTERESTS:

Nil

4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5. PUBLIC QUESTION TIME

Nil

6. ANNOUNCEMENTS BY THE CHAIRPERSON OR PRESIDING PERSON

Nil

7. PETITIONS / DEPUTATIONS / PRESENTATIONS

Nil

8. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Items 8.1 – 8.6 were adopted by en bloc resolution.

8.1 MINUTES OF THE RESOURCE RECOVERY GROUP ORDINARY MEETING HELD ON 22 FEBRUARY 2024

COUNCIL RESOLUTION

24.05-01 **MOVED:** Cr H Fitzhardinge **SECONDED:** Cr K Wheatland

THE MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD ON 22 FEBRUARY 2024 BE RECEIVED AS A TRUE AND CORRECT RECORD

For: Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

8.2 ACTIONS ARISING FROM THE MINUTES OF THE ORDINARY COUNCIL MEETING HELD 22 FEBRUARY 2024

The CEO informed Council that actions are either completed or ongoing.

8.3 MINUTES OF THE RESOURCE RECOVERY GROUP SPECIAL MEETING HELD ON 15 APRIL 2024

COUNCIL RESOLUTION

24.05-02 MOVED: Cr H Fitzhardinge SECONDED: Cr K Wheatland

THE MINUTES OF THE SPECIAL MEETING OF COUNCIL HELD ON 15 APRIL 2024 BE RECEIVED AS A TRUE AND CORRECT RECORD

For: Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

8.4 ACTIONS ARISING FROM THE MINUTES OF THE SPECIAL COUNCIL MEETING HELD 15 APRIL 2024

The CEO informed Council that actions are either completed or ongoing.

8.5 MINUTES OF THE RESOURCE RECOVERY GROUP SPECIAL MEETING HELD ON 23 APRIL 2024

COUNCIL RESOLUTION

24.05-03 MOVED: Cr H Fitzhardinge SECONDED: Cr K Wheatland

THE MINUTES OF THE SPECIAL MEETING OF COUNCIL HELD ON 23 APRIL 2024 BE RECEIVED AS A TRUE AND CORRECT RECORD

For: Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

8.6 ACTIONS ARISING FROM THE MINUTES OF THE SPECIAL COUNCIL MEETING HELD 23 APRIL 2024

The CEO informed Council that actions are either completed or ongoing.

9. ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH MEETING MAY BE CLOSED TO PUBLIC

- 15.1 – Waste Supply Agreement Project Co
- 15.2 - Transitional Planning – Progress report
- 15.3 – Recycle Right
- 15.4 – Retention Incentive Payment Policy
- 15.5 – Proportional Equity RRRRC Project Loan Assets
- 15.6 – Withdrawal town of East Fremantle
- 15.7 – Insurance Renewals
- 15.8 – Expression of Interest Proposal
- 15.9 – Acting CEO KPI's

10. BUSINESS NOT DEALT WITH FROM PREVIOUS MEETING

Nil

REPORT NO	11.1
SUBJECT	2024-2025 DRAFT ANNUAL BUDGET
REPORTING OFFICER	P Pandeya, Manager Finance
RESPONSIBLE OFFICER	B Doherty, Acting Chief Executive Officer
EMPLOYEE INTEREST	Nil
DATE OF REPORT	02 May 2024
FILE REFERENCE	FD: Corporate Finance/Budget/2024-2025/Annual Budget
ATTACHMENTS	1. 2024-25 Budget Parameters Report dated 2 May 2024

COUNCIL RESOLUTION

24.05-04 MOVED: Cr H Fitzhardinge SECONDED: Cr K Wheatland

CEO RECOMMENDATION:

The Regional Council notes the draft 2024-2025 budget parameters and a copy of the report be provided to Participants for comment prior to adoption in June 2024.

For: Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

VOTING REQUIREMENT

Simple Majority

PURPOSE OF REPORT

For the Regional Council to consider the draft 2024/25 budget parameters required to prepare its annual budget.

STRATEGIC RELEVANCE

Compliance requirement

BACKGROUND

Project budgets are to be presented to participants in April/May each year pursuant to the Project Participants' Agreement. The Budgets are presented to the participants for comment. Any comments received are submitted to the regional council prior to its adoption of its annual budget.

REPORT

1. 3% - 5% increase applied to operating expenses, e.g. Service contracts with CPI annual adjustments and increases for most goods and services.

1.1 Residual disposal costs will increase by 25% [REDACTED] due to the following reasons:

- a. Residual disposal cost per tonne has increased from [REDACTED].
- b. Increase in landfill levy of \$15/t is on top of the above rate.
- c. Transport costs have increased by 13%.

Currently Waste to Energy is more than the existing landfill cost arrangement.

1.2 Disposal of mixed plastic is expected to cost \$100 per tonne (vs \$20/pt income in FY 2023-24).

2. Despite the increase in general disposal costs, per tonne disposal costs on FOGO only increased by 4%. This is due to processing improvements which have improved our recovery rate.
3. 5% salary and wages increase + 0.5% compulsory super contribution (11% to 11.50%). Due to processing and workforce efficiency, there is no overall impact on overall wages budget compared to last year.
4. Participants' total annual contribution towards operating budget for existing undertakings is as follows:
 - a. Administration and R&D contribution by City of Fremantle and City of Melville - \$116,184, increase of 3% \$3,300 (less than CPI).
 - b. No contribution for Education is considered for FY24-25 (FY23-24 \$399,379). RRG will absorb the expenses on education until the anticipated transition (by September 2024). Should the transition take longer than anticipated, budget revision will be necessary to fund the education program.
5. Administrative overhead contribution is increased to \$53 per tonne in 2024/25 (\$40/pt in FY 23-24) which includes the following reasons:
 - a. Impact of ToEF leaving;
 - b. [REDACTED] surplus is exhausted;
 - c. No rental income will be realised from disused building spaces.
6. Opening surplus balance in FY23-24 is \$ [REDACTED]. Due to an expected drop in interest rates and reduced amount of investable funds, interest income is expected to decline by \$100K \$2.5pt.
7. Members' gate fees are increased an average of 15% p/t.

[REDACTED] The parameters' do not allow for additional tonnes that may be received during the year. Estimates are based on contracted tonnes and do not include any new customers. [REDACTED]

9. Paper ban is now anticipated to come into effect from July 2026.
10. \$800K capital expenditure program is to be funded from reserves. The majority of capital expenditure is for ongoing maintenance and replacement of operating equipment.
11. Contribution from members of \$177K towards loan repayment (principal + interest) for the Office Project.
12. No provision has been made for redundancy costs and it is expected to be funded from reserve if required.
13. Insurance policy includes the insuring of all the impaired assets, no provision has been made to lower the insured value of these assets.

Financial impact on budget due to increased costs have been addressed through the member's gate fee increment.

Special Meeting of Council to be held on Thursday 27 June 2024 at 5pm for budget adoption.

REPORT NO	11.2
SUBJECT	CORPORATE POLICY REVIEW
AUTHOR	A Johnson, Executive Manager Governance & Culture
RESPONSIBLE OFFICER	A Johnson, Executive Manager Governance & Culture
EMPLOYEE INTEREST	Nil
DATE OF REPORT	1 May 2024
FILE REFERENCE	FD: Corporate Governance/Policy/Corporate Policy
ATTACHMENTS	1# WHS Policy 2# Pricing Policy 3# Population Estimates Policy 4# Internal Audit Charter 5# Acting CEO Policy 6# Employee Personal Property Policy

COUNCIL RESOLUTION

24.05-05

MOVED: Cr H Fitzhardinge

SECONDED: Cr K Wheatland

CEO RECOMMENDATION:

The following policies presented for review with amendments be adopted:

- a. WHS Policy 3.4
- b. Pricing Policy 2.6
- c. Population Estimates Policy 2.11
- d. Internal Audit Charter 4.4
- e. Acting CEO Policy 4.7
- f. Employee Personal Property Policy 3.2

For: Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

VOTING REQUIREMENT

Simple Majority

PURPOSE OF REPORT

The Regional Council to endorse policy documents that describe the overall intentions of the Regional Council in relation to corporate issues.

NATURE OF COUNCIL'S ROLE IN THE MATTER:

Advocative

Not applicable

Executive

The role of the Council is to determine the local government's policies (*Local Government Act 1995 s2.7 (2)(b)*)

Legislative

The Local Government Act 1995 s2.7 (2)(b)

The Local Government Act 1995 s5.51A, s5.57, s5.87A, s5.87B, s5.87C & 5.89A

Local Government (Administration) Regulations 1996

IMPLICATIONS TO CONSIDER:

Consultative:

Not Applicable

Strategic relevance:

Compliance requirement

Policy related:

Policy No 4.1 Policy Development and Procedures

Financial:

Not applicable

Legal and statutory:

Not applicable

Risk related:

Risk No	Risk Description	Potential Consequences	Controls Are Currently In Place,	Overall Risk Rating
A03	Non-Compliance (Corporate)	1. Infringement by relevant authority	<ul style="list-style-type: none"> Compliance Calendar/Register State Government Legislative Updates Annual Compliance Audit Return 	Low 6

REPORT:

The table below sets out the summary of policies that are under review, and the proposed amendments where considered appropriate:

No.	Policy Title	Objective	Proposed Amendments
3.4	Work Health & Safety	Reinforce commitment to safe a workplace, ongoing action to eliminate health and safety risks, compliance with standards and legislation.	Regular 2-yearly review
2.6	Pricing Policy	Provides the framework for the setting of fees and charges to clients and customers of RRG facilities.	Regular 2-yearly review
2.11	Participants Estimated Resident Population	Determines which 'population' statistics to use and when such statistics are applied to Participants' contributions.	Regular 2-yearly review
4.4	Internal Audit Charter	Ensures independent appraisal of RRG's systems.	Regular 2-yearly review
4.7	Acting Chief Executive Officer	Identifies internal employees to act in the role of CEO during periods of absence for no longer than 6 weeks.	Updated to reference recent staff changes
3.2	Employees Personal property	Provides guidance in relation to the damage of employees' personal property within the workplace.	Regular 2-yearly review

Items 11.3 – 11.5 were moved en bloc

REPORT NO	11.3
SUBJECT	FINANCIAL REPORTS
REPORTING OFFICER	P. Pandeya, Manager Finance
RESPONSIBLE OFFICER	B Doherty, Acting Chief Executive Officer
EMPLOYEE INTEREST	Nil
DATE OF REPORT	14 May 2024
FILE REFERENCE	FD: Corporate Finance\ Monthly Financial Reporting\ 2023/2024
ATTACHMENTS	#1 Statement of Financial Activity – 31 March 2024 #2 Statement of Financial Activity – 29 February 2024 #3 Statement of Financial Activity – 31 January 2024

COUNCIL RESOLUTION

24.05-06

MOVED: Cr H Fitzhardinge

SECONDED: Cr K Wheatland

CEO RECOMMENDATION:

1. The statement of financial activity by nature and type of the Resource Recovery Group for the period ended 31 March 2024 be received.
2. The statement of financial activity by nature and type of the Resource Recovery Group for the period ended 29 February 2024 be received.
3. The statement of financial activity by nature and type of the Resource Recovery Group for the period ended 31 January 2024 be received.

For: Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

VOTING REQUIREMENT

Simple Majority

PURPOSE OF REPORT

1. To receive the financial statements for the following periods:
 - 1.1 Financial Statements for the period ended 31 March 2024
 - 1.2 Financial Statements for the period ended 29 February 2024
 - 1.3 Financial Statements for the period ended 31 January 2024

NATURE OF COUNCIL'S ROLE IN THE MATTER:

Advocative

Not applicable

Executive

The role of the Council is to have oversight over its financial affairs and receive the regional local government's monthly financial reports.

Legislative

- Regulation 34 of the *Local Government (Financial Management) Regulations* requires local governments to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under reg 22(1)(d).
- Regulation 34(5) of the *Local Government (Financial Management) Regulations*. The Council resolved at its meeting on 25 August 2023 to adopt an amount of \$20,000 as a value used to report any material variances between budget and actual line items in the monthly Statements of Financial Activity.
- Regulation 34(4)(a) of the *Local Government (Financial Management)*. The financial statements are to be presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates.

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

Periods Ended	Due for presentation within 2 months	Next Scheduled Ordinary Meeting
31 January 2024	31 March 2024	23 May 2024
29 February 2024	30 April 2024	23 May 2024
31 March 2024	31 May 2024	23 May 2024

IMPLICATIONS TO CONSIDER:

Consultative:

Not applicable

Strategic relevance:

Compliance requirement

Policy related:

Policy No 2.1 - Accounting Policies (Council approved 13/12/2021 and being reviewed by Council on 23 November 2023).

Financial:

Refer to report

Legal and statutory:

Not applicable

Risk related:

Risk No	Risk Description	Potential Consequences	Controls Are Currently In Place,	Overall Risk Rating
A03	Non-Compliance (Corporate)	Infringement by relevant authority	3- Compliance with legislation, 2- State Govt Legislative updates, 3- Annual Compliance Audit Return,	Low 6

REPORT

Financial Audit June 2023 was been finalised in Mid-April 2024. All the adjustments due to audit have been affected in the March 2024 statement of financial activity. The adjustments relating to FY 2023 year have been manually adjusted for the purpose of Jan 24 and Feb 24 reporting (due to inability to action an adjustment in the accounting system for prior months).

1. Financial Statements for the period ended 31 March 2024

The operating results (before depreciation and reserve transfers) reports \$522K operational surplus against the budgeted operational deficits of \$39K. The surplus is from savings in expenses and revenue exceeding the budget.

	YTD BUDGET	YTD ACTUAL	CHANGE
	31/3/2024	31/3/2024	
	(\$M)	(\$M)	
OPERATING REVENUES	\$14.3	\$14.5	\$0.2
OPERATING EXPENSES (BEFORE DEPRECIATION)	-\$14.3	-\$13.9	\$0.4
OPERATING SURPLUS/ DEFICIT	\$0.0	\$0.5	\$0.6
	CURRENT BUDGET	YTD ACTUAL	LAST YEAR
	Mar-24	31/3/2024	Jun-23
	(\$M)	(\$M)	
CASH IN BANK	\$6.4	\$7.8	\$10.8
OUTSTANDING LOANS	\$1.7	\$1.7	\$1.8
NET ASSETS	\$12.3	\$12.3	\$13.9

Notes:

- 1) Operating Revenue is \$173k higher than budget.
- 2) Operating Expenses are \$408K (excluding depreciation) lower than the budget due to lower service delivery & wages.
- 3) Operating Surplus is higher than the budget due to the above reasons.

2. Financial Statements for the period ended 29 February 2024

The operating results (before depreciation and reserve transfers) reports \$463K operational surplus against the budgeted operational deficits of \$16K. The surplus is from savings in expenses and revenue exceeding the budget.

	YTD BUDGET	YTD ACTUAL	CHANGE
	29/2/2024	29/2/2024	
	(\$M)	(\$M)	
OPERATING REVENUES	\$12.7	\$12.9	\$0.2
OPERATING EXPENSES (BEFORE DEPRECIATION)	-\$12.7	-\$12.5	\$0.2
OPERATING SURPLUS/ DEFICIT	\$0.0	\$0.5	\$0.5
	CURRENT BUDGET	YTD ACTUAL	LAST YEAR
	Feb-24	29/2/2024	Jun-23
	(\$M)	(\$M)	
CASH IN BANK	\$6.5	\$7.7	\$10.8
OUTSTANDING LOANS	\$1.7	\$1.7	\$1.8
NET ASSETS	\$11.8	\$11.8	\$13.9

Notes:

1. Operating revenue is \$234K higher than the budget.
2. Operating expenses \$277K less than budget (excluding depreciation) which is due to savings in expenses.
3. Operating surplus is higher than budgeted by \$480K due to above reasons (excluding depreciation).

3. Financial Statements for the period ended 31 January 2024

The operating results (before depreciation and reserve transfers) reports \$424K operational surplus against the budgeted operational deficits of \$11K. The surplus is from savings in expenses and revenue exceeding the budget.

	YTD BUDGET	YTD ACTUAL	CHANGE
	31/1/2024	31/1/2024	
	(\$M)	(\$M)	
OPERATING REVENUES	\$11.1	\$11.5	\$0.3
OPERATING EXPENSES (BEFORE DEPRECIATION)	-\$11.1	-\$11.0	\$0.1
OPERATING SURPLUS/ DEFICIT	\$0.0	\$0.4	\$0.4
	CURRENT BUDGET	YTD ACTUAL	LAST YEAR
	Jan-24	31/1/2024	Jun-23
	(\$M)	(\$M)	
CASH IN BANK	\$6.4	\$7.6	\$10.8
OUTSTANDING LOANS	\$1.8	\$1.8	\$1.8
NET ASSETS	\$12.1	\$12.1	\$13.9

Notes:

1. Operating revenue is \$339K higher than the budget.
2. Operating expenses \$136K less than budget (excluding depreciation) which is due to savings in expenses.
3. Operating surplus is higher than budgeted by \$435K due to above reasons (excluding depreciation).



REPORT NO	11.4
SUBJECT	CASH INVESTMENT PORTFOLIO
REPORTING OFFICER	Pratigya Pandeya, Manager Finance
RESPONSIBLE OFFICER	B. Doherty, Acting Chief Executive Officer
EMPLOYEE INTEREST	Nil
DATE OF REPORT	2 May 2024
FILE REFERENCE	FD: Corporate Finance\ Monthly Financial Reporting\ 2023/2024
ATTACHMENTS	Nil

COUNCIL RESOLUTION

24.05-07 **MOVED:** Cr H Fitzhardinge **SECONDED:** Cr K Wheatland

CEO RECOMMENDATION:

The cash investment portfolio report for the months of February 2024, March 2024 and April 2024 be received.

For: Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

VOTING REQUIREMENT

Absolute Majority s5.42(1) CEO Delegation

PURPOSE OF REPORT

- 2. ESG and Green Term Deposits Update**
- 3. To receive the cash investment portfolio report:**
 - 3.1 Cash investment portfolio report as at 30 April 2024.
 - 3.2 Cash investment portfolio report as at 31 March 2024.
 - 3.3 Cash investment portfolio report as at 29 February 2024.

NATURE OF COUNCIL’S ROLE IN THE MATTER:

Advocative

Not applicable

Executive

The Audit & Risk Committee endorsed the Investment Policy, setting the guidelines for investing surplus cash in its municipal and reserves funds. The Committee requested that the CEO consider “green” investment deposits with authorised banks that meet environmentally friendly and social eligible projects.

Legislative

Local Government Financial Regulations 19 requires every local government is to establish and document internal control procedures to be followed by employees to ensure control over investments. The control procedures are to enable the identification of the nature and location of all investments and the transactions related to each investment.

Regulation 19C (FM regs):

- *PROHIBITED INVESTMENTS*
 - *19C. (2) When investing money under section 6.14(1), a local government may not do any of the following —*
 - (a) deposit with an institution except an authorised institution;*
 - (b) deposit for a fixed term of more than 3 years;*
 - (c) invest in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;*
 - (d) invest in bonds with a term to maturity of more than 3 years;*
 - (e) invest in a foreign currency.*

IMPLICATIONS TO CONSIDER:

Consultative:

Not applicable

Strategic relevance:

Compliance requirement

Policy related:

Policy No 2.3 - Cash Investments Policy (Approved by Council 25/05/2023 next review Nov 2025)
The policy gives delegated authority to the CEO to invest in authorised investments with Banking Institutions with a rating of “A” or higher as defined by Standard & Poor’s Aust.

Operational Policy No 2.2 Cash Investment Control Procedures (Approved by SMG May 2023, next review May 2025)

Employees’ Delegations:

CEO (Council approval 25/5/2023)
Manager Corporate Services (CEO approval 26/5/2023)
Manager Finance (CEO Approval 26/5/2023)

	Responsibilities
Council	<ul style="list-style-type: none"> • Governance Financial responsibility. • Approves policy and guidelines.
Audit Committee	<ul style="list-style-type: none"> • Reviews internal control procedures. • Reviews policy and guidelines for investment portfolio. • Makes recommendations to Council.

Chief Executive Officer	<ul style="list-style-type: none"> • Prime responsibility for the control of the investment portfolio. • Has delegation of authority from Council to invest surplus cash funds in accordance with Council approved policy. 												
Manager Corporate Services	<ul style="list-style-type: none"> • Has delegation authority from CEO to approve cash investments initiated by Manager Finance in accordance with Council approved policy 2.2 - Authorisation of Payment. 												
Manager Finance	<ul style="list-style-type: none"> • Has delegation of authority from CEO to invest surplus cash funds in accordance with Council approved policy. • Selection of the appropriate investment in accordance with the council approved policy. • Reviews risk exposure and types of investments. • Selection and disposal of investments with banks and fund managers in accordance with the Council approved policy. • Accounting and reporting of investments. • Record keeping of all investments ensuring the identification of – <ul style="list-style-type: none"> a) the nature and location of all investments b) the transactions related to each investment • Signs and authorises the payment vouchers for investments. 												
Accountant	<ul style="list-style-type: none"> • Reconciles bank statements and investment documentation for accounting and reporting of investments. • Record keeping of all investments ensuring the identification of – <ul style="list-style-type: none"> c) the nature and location of all investments d) the transactions related to each investment 												
Internal Control Segregation of Duties	<ul style="list-style-type: none"> • Appropriate segregation of duties as follows: <table border="1" data-bbox="502 1131 1348 1422"> <thead> <tr> <th>Duties</th> <th>Responsibilities</th> </tr> </thead> <tbody> <tr> <td>Initiates Investment</td> <td>Manager Finance</td> </tr> <tr> <td>Approves Investment</td> <td>Manager Corporate Services or CEO</td> </tr> <tr> <td>Authorises Payment</td> <td>Any two – Manager Corporate Services, Manager Finance, CEO</td> </tr> <tr> <td>Reconciles and records all investment documentation</td> <td>Accountant</td> </tr> <tr> <td>Checks the accounting, reporting and recordkeeping of investments</td> <td>Manager Finance</td> </tr> </tbody> </table> • Persons that record investments, • Persons that buy and sell investments, and • Persons that reconcile the investment statements 	Duties	Responsibilities	Initiates Investment	Manager Finance	Approves Investment	Manager Corporate Services or CEO	Authorises Payment	Any two – Manager Corporate Services, Manager Finance, CEO	Reconciles and records all investment documentation	Accountant	Checks the accounting, reporting and recordkeeping of investments	Manager Finance
Duties	Responsibilities												
Initiates Investment	Manager Finance												
Approves Investment	Manager Corporate Services or CEO												
Authorises Payment	Any two – Manager Corporate Services, Manager Finance, CEO												
Reconciles and records all investment documentation	Accountant												
Checks the accounting, reporting and recordkeeping of investments	Manager Finance												

Financial:

Revenue from interest is included in the annual operating budget.

Legal and statutory:

As noted under legislative

Risk related:

Investments are identified and evaluated in the Risk Register as follows:

Risk No	Risk Description	Potential Consequences	Controls Are Currently In Place,	Overall Risk Rating
FA05	Poor Investment Decisions	Loss of income	1 - Investment Policy sets out the guidelines under which RRG can invest funds, 2 - Minimum credit rating is B+	Low 4

REPORT

1. ESG and Green Term Deposits Update

In March 2023 CBA advised there is no ability to roll any Green/ESG TDs over for the time being.

“Due to the ever-evolving ESG frameworks, clearer regulatory guidance and investor needs, we are working on a new design for ESG and Green Term Deposits which segregates deposits more clearly, strengthens the link to sustainability funding provided and enables them to be as impactful as possible.

We are aiming to bring updated ESG and Green TD products to market as soon as possible and I will let you know when this information is to hand.”

We reached out to CBA (February 2024) to have the update on ESG and Green TD products and we are advised following:

“We are currently still working on a refresh of our Green and ESG offering. I can contact you whenever we have a new product up and running.”

“Green Investments” are authorised investment products made only with authorised institutions that respect the environment and not invested in fossil fuel industries.

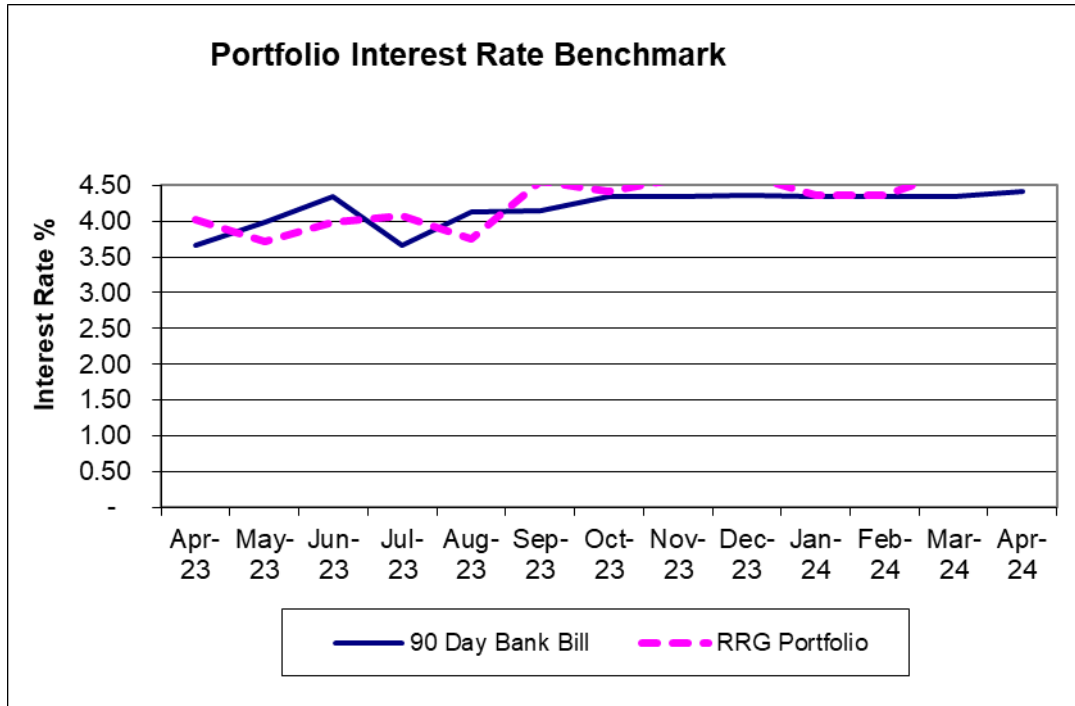
Currently we have no funds invested in ESG/Green due to unavailability of ESG and Green TD products.

The deposit meets our Investment Policy:

1. An authorised deposit-taking institution
2. Credit rating minimum “A” CBA investments are “AA” or higher

2. To receive the cash investment portfolio report:

The RRG's investment portfolio is above the 90-day bill rate benchmark. This is because the funds are negotiated with higher rates.

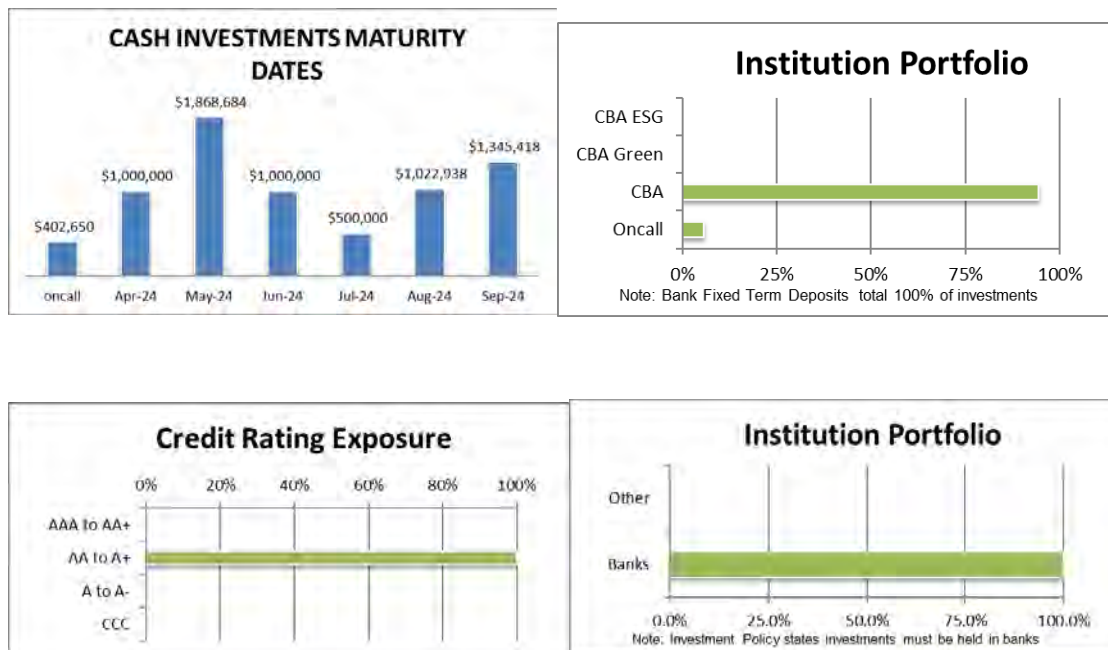


b. Cash Investment Portfolio as at 31 March 2024 is as follows:

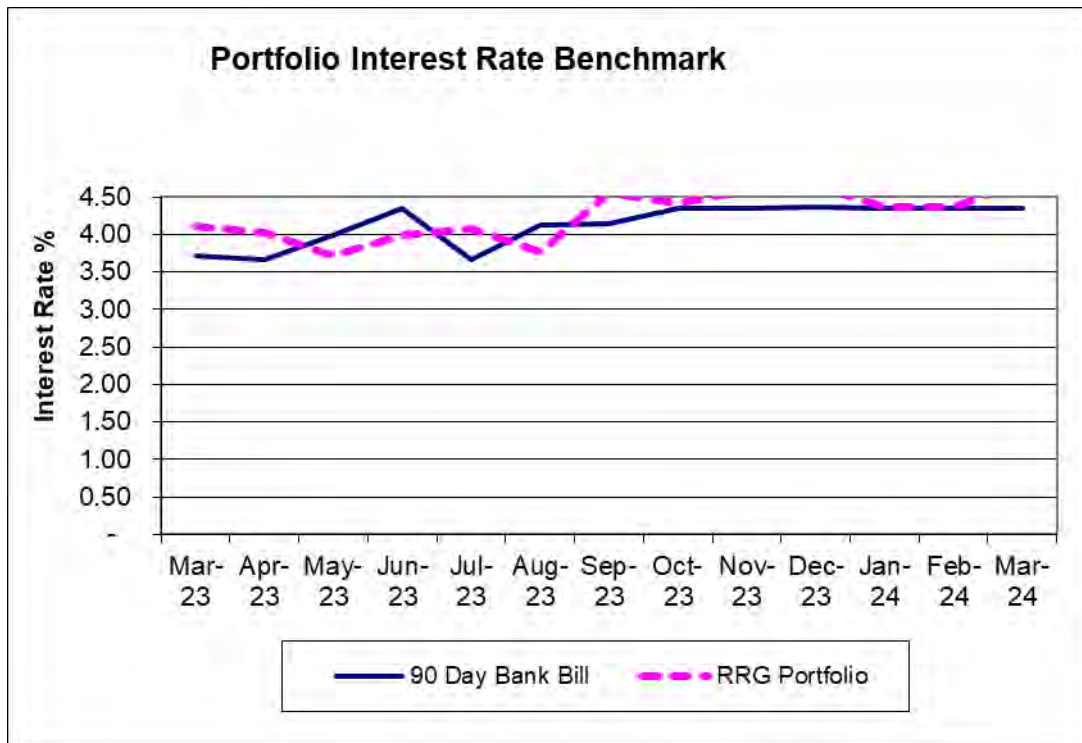
RESOURCE RECOVERY GROUP CASH INVESTMENT PORTFOLIO As at March 2024									
Invest. No.	Interest Rates	Amount	Maturity	Institution	Rating		Valuation		
1	1.35%	\$ 402,650	oncall	BWA Oncall	AA	Bank	100%	\$	402,650
75	5.05%	\$ 515,779	27/05/2024	CBA	AA	Bank	100%	\$	515,779
80	4.75%	\$ 515,228	12/08/2024	CBA	AA	Bank	100%	\$	515,228
86	5.05%	\$ 507,710	12/08/2024	CBA	AA	Bank	100%	\$	507,710
87	5.06%	\$ 545,418	10/09/2024	CBA	AA	Bank	100%	\$	545,418
89	5.06%	\$ 500,000	17/07/2024	CBA	AA	Bank	100%	\$	500,000
90	4.88%	\$ 500,000	11/06/2024	CBA	AA	Bank	100%	\$	500,000
91	4.88%	\$ 500,000	11/06/2024	CBA	AA	Bank	100%	\$	500,000
92	4.86%	\$ 500,000	2/04/2024	CBA	AA	Bank	100%	\$	500,000
93	4.86%	\$ 552,905	13/05/2024	CBA	AA	Bank	100%	\$	552,905
94	4.88%	\$ 800,000	17/05/2024	CBA	AA	Bank	100%	\$	800,000
95	4.85%	\$ 500,000	2/04/2024	CBA	AA	Bank	100%	\$	500,000
96	4.85%	\$ 800,000	3/09/2024	CBA	AA	Bank	100%	\$	800,000
Total								\$	7,139,689
Weighted Average									4.71%
90 day bank bill									4.34%
								100.00%	

RRG had \$684K in operating account (which is not included above), making total cash balance of \$7.8 million.

The Cash Investment Portfolio exposure for March 2024 is shown in the following graphs:



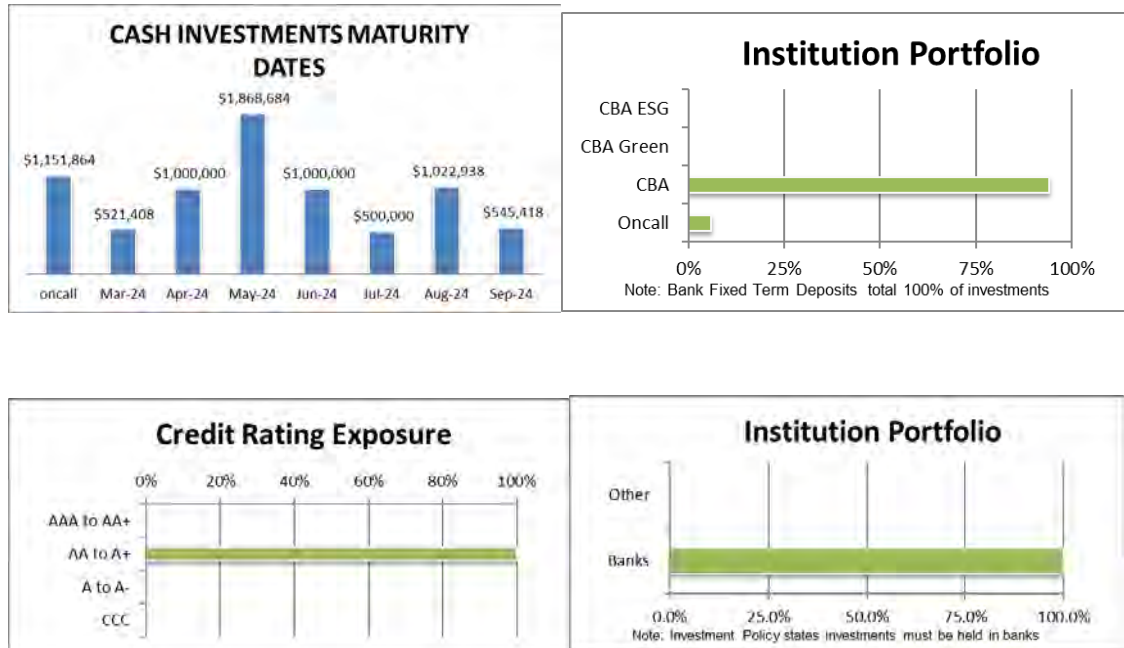
The RRG's investment portfolio is above the 90-day bill rate benchmark. This is because the funds are renegotiated at higher rates.



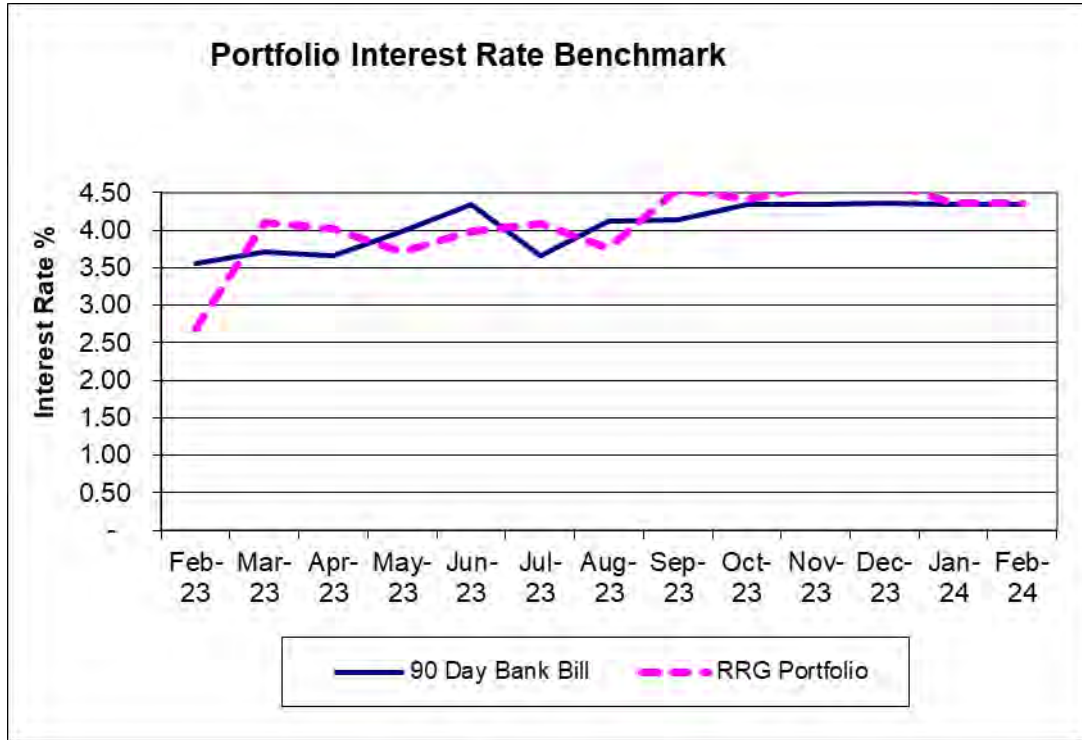
c. Cash Investment Portfolio as at 29 February 2024 is as follows:

RESOURCE RECOVERY GROUP CASH INVESTMENT PORTFOLIO As at February 2024									
Invest. No.	Interest Rates	Amount	Maturity	Institution	Rating		Valuation		
1	1.35%	\$ 1,151,864	oncall	BWA Oncall	AA	Bank	100%	\$	1,151,864
73	4.60%	\$ 521,408	12/03/2024	CBA	AA	Bank	100%	\$	521,408
75	5.05%	\$ 515,779	27/05/2024	CBA	AA	Bank	100%	\$	515,779
80	4.75%	\$ 515,228	12/08/2024	CBA	AA	Bank	100%	\$	515,228
86	5.05%	\$ 507,710	12/08/2024	CBA	AA	Bank	100%	\$	507,710
87	5.06%	\$ 545,418	10/09/2024	CBA	AA	Bank	100%	\$	545,418
89	5.06%	\$ 500,000	17/07/2024	CBA	AA	Bank	100%	\$	500,000
90	4.88%	\$ 500,000	11/06/2024	CBA	AA	Bank	100%	\$	500,000
91	4.88%	\$ 500,000	11/06/2024	CBA	AA	Bank	100%	\$	500,000
92	4.86%	\$ 500,000	2/04/2024	CBA	AA	Bank	100%	\$	500,000
93	4.86%	\$ 552,905	13/05/2024	CBA	AA	Bank	100%	\$	552,905
94	4.88%	\$ 800,000	17/05/2024	CBA	AA	Bank	100%	\$	800,000
95	4.85%	\$ 500,000	2/04/2024	CBA	AA	Bank	100%	\$	500,000
Total								\$	7,610,312
Weighted Average									4.36%
90 day bank bill									100.00%
90 day bank bill									4.34%

The Cash Investment Portfolio exposure for February 2024 is shown in the following graphs:



The RRG's investment portfolio is above the 90-day bill rate benchmark.



REPORT NO	11.5
SUBJECT	SCHEDULE OF PAYMENTS
REPORTING OFFICER	P Pandeya, Manager Finance
RESPONSIBLE OFFICER	A Johnson, Executive Manager Governance & Culture
EMPLOYEE INTEREST	Nil
DATE OF REPORT	3 May 2024
FILE REFERENCE	FD: Corporate Finance\ Monthly Financial Reporting\ 2023/2024
ATTACHMENTS	#1 Payment Schedule March 2024 #2 Payment Schedule February 2024

COUNCIL RESOLUTION

24.05-08 **MOVED:** Cr H Fitzhardinge **SECONDED:** Cr K Wheatland

CEO RECOMMENDATION:

The schedule of payments as listed in the attachments for the municipal fund; for the months of February 2024 for \$639,488.02 & March 2024 for \$2,369,768.93 be received.

For: Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

VOTING REQUIREMENT

Simple Majority

PURPOSE OF REPORT

To report the delegated authority of payments for the months noted above.

BACKGROUND

Delegated Authority has been granted to the Chief Executive Officer to make payments from the Regional Council banking Account. In accordance with Regulation 13(2) and (3) of the *Local Government (Financial Administration) Regulations 1996* where this power has been delegated, a list is to be compiled for each month and presented to the Council which shows each payment, payee's name, amount and date of payment, and sufficient information to identify the transaction.

REPORT NO	11.6
SUBJECT	ICT STRATEGIC PLAN
AUTHOR	A Johnson, Executive Manager Governance & Culture
RESPONSIBLE OFFICER	A Johnson, Executive Manager Governance & Culture
EMPLOYEE INTEREST	Nil
DATE OF REPORT	2 May 2024
FILE REFERENCE	F:\SMRC\Organisation\O13 – Information Communication Technology
ATTACHMENTS	1# ICT Strategic Plan 2023-2026 2# MRF Audit Report

COUNCIL RESOLUTION

24.05-09 **MOVED:** Cr H Fitzhardinge **SECONDED:** Cr K Wheatland

CEO RECOMMENDATION:

1. Council endorse the upgrade of the MRF Plant Servers as outlined in the report.
2. Council provide direction on the adoption or otherwise of the 2023-2026 Information Communication Technology Strategic plan.

For: Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

VOTING REQUIREMENT

Simple Majority

PURPOSE OF REPORT

For the Regional Council to consider and adopt the 2023-2026 ICT Strategic Plan.

NATURE OF COUNCIL’S ROLE IN THE MATTER:

Advocative

Not applicable

Executive

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

Legislative

All local governments are required to produce a plan for the future under s5.56(1) of the *Local Government Act 1995*. The ICT Strategic Plan forms part of the integrated planning and reporting framework.

IMPLICATIONS TO CONSIDER:

Consultative:

Not Applicable

Strategic relevance:

Compliance requirement

Policy related:

The ICT Strategic Plan forms part of the Integrated Planning and Reporting (IPR) Framework.

- Email & Internet 3.1
- ICT Governance 3.2
- ICT Security 3.3
- ICT Backup Requirements 3.4
- Recordkeeping 4.6

Financial:

The following table provides the summary of costs for the 3 years of the ICT Strategic Plan. Note that \$0k cost items assume activities are conducted using internal labour.

Strategy Areas	Timeframe				Strategy Total
	2022/23	2023/24	2024/25	2025/26	
ICT Governance					
G-01: ICT Management	0	0	15	5	20
G-02: ICT Program and Project Management	0	0	0	0	0
G-03: ICT Risk Management	10	10	10	10	40
G-04: Business Continuity and IT Service Continuity	5	5	5	5	20
G-05: ICT Procurement Management	0	15	0	0	15
Subtotal	15	30	30	20	95
Business Systems and Applications					
BS-01: SAP Business One	70	15	15	15	115
BS-02: SAP - New Releases	0	0	0	0	0
BS-03: RRRC Plant Systems	0	70	0	0	70
BS-04: Weighbridge Software	0	0	10	0	10
BS-05: New DMS "SharePoint"	0	0	65	15	80
BS-06: Staff Intranet Page	0	0	5	0	5
Subtotal	70	85	95	30	280
Technology					
T-01: ICT Hardware and Software	0	30	10	0	40
T-02: ICT Upgrade Projects	0	30	0	0	30
T-03: Emerging Technologies	15	62	95	62	234
Subtotal	15	122	105	62	304
Information Management					

Strategy Areas	Timeframe				Strategy Total
	2022/23	2023/24	2024/25	2025/26	
IM-01: New Document Management System - File Director	0	0	0	0	0
IM-02: Information Ownership and Roles	0	0	0	0	0
IM-03: Approved Information Repositories	0	0	0	0	0
Subtotal	0	0	0	0	0
Total for each year	\$100k	\$237k	\$230k	\$112k	
Total for all years					\$679k

Legal and statutory:

Not applicable

Risk related:

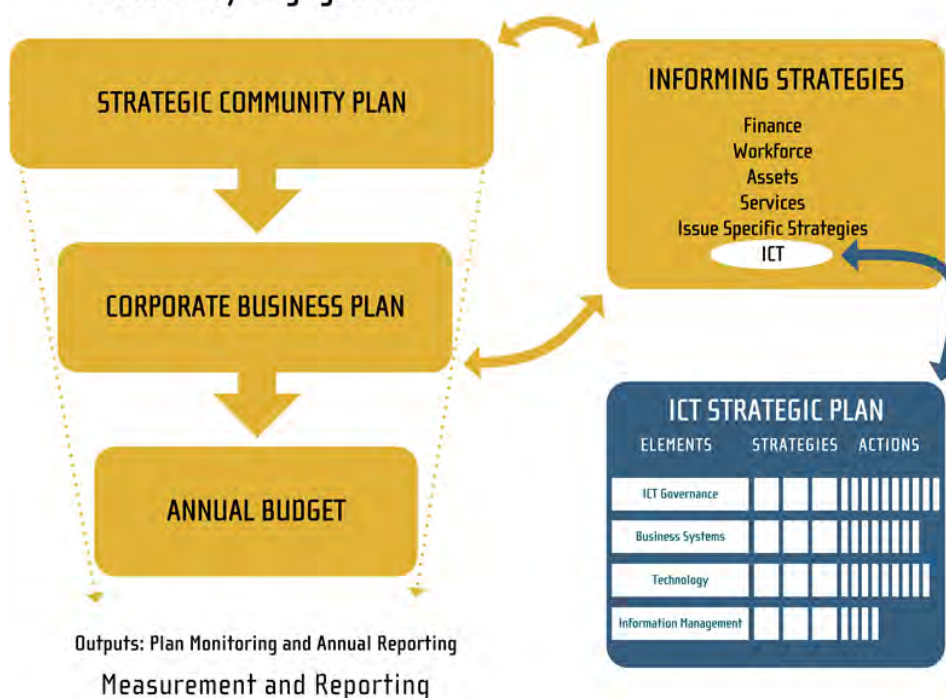
Risk No	Risk Description	Potential Consequences	Controls Are Currently In Place,	Overall Risk Rating
A01	ICT System Failure	<ol style="list-style-type: none"> Increased costs Loss of assets Interruption to service Loss of data Loss of productivity 	<ol style="list-style-type: none"> Security Procedures to prevent unauthorised access, Back up procedures Recovery procedures ICT Strategic Plan UPS equipment External IT consultant Disaster Recovery Plan BCP 	Low 6
A03	Non-Compliance	<ol style="list-style-type: none"> Infringement by relevant authority 	<ol style="list-style-type: none"> CEO Review of Statutory Legislation & Compliance Report Code of Conduct Compliance Calendar/Register State Govt Legislative Updates Annual Compliance Audit Return 	Low 6
FA01	Dissolution of service provider	<ol style="list-style-type: none"> Limited or no financial software to operate business Increased costs to out-source in the short term Increased costs to identify and implement new software Lack of maintenance program 	<ol style="list-style-type: none"> Service level agreements in place Service agreement with Network IT Mandalay in place for weighbridge operations 	Low 4

		5. Lack of monitoring of third party performance	
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BACKGROUND:

- The Integrated Planning and Reporting (IPR) Framework sets out how local governments should plan for their future through the development of Strategic Community Plans and Corporate Business Plans. The resources needed to implement these plans are identified and managed through asset management plans, workforce plans and long-term financial plans.
- Information and communication technology (ICT) resources can be planned for and managed so that they support the strategic objectives and priorities of the local government, as well as ensuring the business continuity of its day-to-day operations. ICT is also an important foundation for the other resourcing plans.
- The ICT Strategic Framework has been developed as a tool to:
 - assist to better understand the complexity of managing information and technology within local government;
 - encourage local governments to improve their ICT capability;
 - enable each local government to operate at or above the ICT Baseline Standard;
 - ensure ICT is adequately managed to support all aspects of local government operations; and
 - support all related elements of the Integrated Planning and Reporting Framework.;

Community Engagement



The updated ICT Strategic Plan highlights key projects to be undertaken over the next three years to ensure the objectives of the organisation are supported by appropriate technology.

This includes the regular updating and replacing of equipment along with the implementation of specific projects including:

- Strengthening ICT Governance

- Roll out of SAP Business One Accounting software (currently underway)
- Azure Cloud Network (migration from physical servers to cloud service) (currently underway)
- Upgrade of Plant IT Systems
- Weighbridge reporting
- Implementation of SharePoint to meet recordkeeping requirements

The ICT Strategic Plan ensures that facilities and assets are managed and coordinated with recognition that the hardware and software components require ongoing maintenance, upgrade and replacement.

Continual improvement in ICT is imperative in meeting not only the ongoing needs of the business but also the compliance requirements of a Regional Local Government. Technology plays a critical role in managing our information and is essential to good governance.

Implementation of the ICT Strategic Plan will also address findings and recommendations resulting from the IT Audit conducted on behalf of the OAG each year.

At the meeting of Council held on 23 November 2023, Council received the draft ICT Strategic Plan and resolved:

COUNCIL RESOLUTION

23.11-07

MOVED: Cr A White

SECONDED: Cr H Fitzhardinge

This item be deferred to a future meeting of Council.

CARRIED UNANIMOUSLY 3/0

REPORT:

At the time of presenting the ICT Strategic Plan to Council in November 2023 it was noted that some projects identified in the plan were already underway. This included:

- Roll out of SAP Business One Accounting software ;
- Azure Cloud Network (migration from physical servers to cloud service).

The roll out of the new accounting software has been completed.

The migration of the organisation's administrative records from physical servers to the Azure Cloud Network has also been completed. Hosting of these servers on premises by RRG has been a key finding of the IT audits undertaken over recent years. There are still some funds to be committed to finalising this project to improve the speed of access to data and to decommission the redundant servers.

An additional project identified in the ICT Strategic Plan that is considered critical to the business, is the upgrade of the MRF Plant Servers. These servers do not form part of our administrative ICT network and are currently unsupported due to their age.

SAGE Automation were engaged to investigate the current status and ICT requirements of the MRF Plant and provided options to build new servers in place or alternatively to host the servers virtually in a Cloud service to support the operation of the MRF. The Cloud service is \$80k more expensive than locally installed servers. It was also noted that the servers are vital to the functioning of the MRF plant, and a Cloud based service has potential to disrupt performance if internet connectivity is lost or slow.

A quote has been received from SAGE Automation to build the new servers in place and install high quality security software for a total cost of \$46,660. As with any service, ongoing maintenance charges will apply each year in maintaining software and security.

The bulk of the work will be completed over a weekend ensuring minimal disruption to normal operations.

\$70k was budgeted for in the ICT Strategic Plan to complete upgrades to plant servers at the RRRRC, this includes both the MRF and WCF servers and the quoted \$46k falls within budget.

We recommend that Council endorse the upgrade of the MRF Plant servers in accordance with the proposal provided by SAGE Automation.

Council may also wish to consider formally discontinuing the need for an ICT Strategic Plan and considering ICT expenditure on a case by case basis until a future date.

Ms Pandeya left the meeting at 4.15pm

- 12. ELECTED MEMBER MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**
Nil
- 13. NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE CHAIRPERSON OR PERSON PRESIDING OR BY DECISION OF MEETING**
Nil
- 14. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**
Nil
- 15. CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC**

The Chairperson announced that the meeting would now be closed to the public to discuss confidential matters and noted that no members of the public were in attendance.

COUNCIL RESOLUTION

24.05-10 MOVED: Cr H Fitzhardinge SECONDED: Cr K Wheatland

THAT THE MEETING GO BEHIND CLOSED DOORS TO DISCUSS CONFIDENTIAL ITEMS 15.1, 15.2, 15.3, 15.4, 15.5, 15.6, 15.7, 15.8 AND 15.9 IN ACCORDANCE WITH SECTION 5.23 (2) (C), A CONTRACT/S ENTERED INTO, OR WHICH MAY BE ENTERED INTO, BY THE LOCAL GOVERNMENT AND SECTION (A), A MATTER AFFECTING AN EMPLOYEE OR EMPLOYEES.

For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

15.1 WASTE SUPPLY AGREEMENT PROJECT CO

COUNCIL RESOLUTION

24.05-11 MOVED: Cr H Fitzhardinge SECONDED: Cr K Wheatland

CEO RECOMMENDATION:

That RRG agree to the request from Project Co. for the supply of commissioning waste unless the remaining Members instructed otherwise by no later than 1 June 2024.

For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

15.2 TRANSITIONAL PLANNING – PROGRESS REPORT

COUNCIL RESOLUTION

24.05-12 **MOVED: Cr H Fitzhardinge** **SECONDED: Cr K Wheatland**

The CEO procure the services of suitably qualified consultants to look at options for an organisational transition plan.

For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

15.3 RECYCLE RIGHT: TRANSITION TO NEW MODEL

COUNCIL RESOLUTION:

24.05-13 **MOVED: Cr H Fitzhardinge** **SECONDED: Cr K Wheatland**

1. Council gives the CEO delegated authority to negotiate the transition of ownership of Recycle Right to DWER.
2. Council requests the CEO write to Member Participants to confirm their support to continue to fund Recycle Right during the 2024-25 financial year until the finalisation of the transition to DWER.

For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

15.4 RETENTION INCENTIVE PAYMENT POLICY REVIEW

COUNCIL RESOLUTION

24.05-14 **MOVED: Cr H Fitzhardinge** **SECONDED: Cr K Wheatland**

CEO RECOMMENDATION

1. Council endorse the changes to the Retention Incentive Payment policy as outlined in the attachment.
2. Council confirm in the event of transmission of Recycle Right to alternate ownership that the Retention Incentive Payment policy applies to staff members who have not received an offer for alternative redeployment.

For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

15.5 PROPORTIONAL EQUITY RRRG PROJECT LOAN ASSETS

COUNCIL RESOLUTION

24.05-15 **MOVED: Cr H Fitzhardinge** **SECONDED: Cr K Wheatland**

Council endorse payment of \$1,494,920 to the City of Cockburn as their share of equity of the assets of the RRRG Loan Project.

For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

15.6 WITHDRAWAL TOWN OF EAST FREMANTLE

COUNCIL RESOLUTION

24.05-16 **MOVED: Cr H Fitzhardinge SECONDED: Cr K Wheatland**

CEO RECOMMENDATION

- 1) Council request the CEO write to the Town of East Fremantle advising:
- 2) Business Plans to effect the withdrawal of the Town from the Regional Council and associated Projects may not be finalised by 30 June 2024 and will be prepared as soon as practicably possible.
- 3) No proportional equity is owed to the Town of East Fremantle at this time as there will be no borrowings associated with the RRRG Project at the time of their withdrawal.

For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

15.7 INSURANCE RENEWALS 2024-2025

COUNCIL RESOLUTION

24.05-17 **MOVED: Cr H Fitzhardinge SECONDED: Cr K Wheatland**

CEO RECOMMENDATION

- 1) Council endorse the property insurance risk position to be, Current Position Limited Indemnity, as per the report.
- 2) A further report recommending the insurance strategy to be provided for consideration by Council at the Special Meeting of Council in June 2024.

For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

15.8 EXPRESSION OF INTEREST PROPOSAL

COUNCIL RESOLUTION

24.05-18 **MOVED: Cr H Fitzhardinge SECONDED: Cr K Wheatland**

CEO RECOMMENDATION

- 1) Council give in-principle support to collaborating with the City of Canning to facilitate an approach to the market for third party operation and maintenance and/or purchase of RRG assets at the Canning Vale Centre.
- 2) Council give the Acting Chief Executive Officer delegated authority to enter into a formal procurement process including offering opportunities for the operation and maintenance and/or sale of RRG assets at the Canning Vale Centre.

For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

15.9 ACTING CHIEF EXECUTIVE OFFICER - KPI's

The CEO's KPI's as recommended by the CEO Performance Review Committee were tabled at the meeting.

COUNCIL RESOLUTION

24.05-19 **MOVED:** Cr H Fitzhardinge **SECONDED:** Cr K Wheatland

CEO RECOMMENDATION

The Council endorse the KPI's as recommended by the CEO Performance Review Committee.

For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

COUNCIL RESOLUTION

24.05-20 **MOVED:** Cr H Fitzhardinge **SECONDED:** Cr K Wheatland

THAT THE MEETING COME OUT FROM BEHIND CLOSED DOORS.

For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0

16. DECLARATION OF CLOSURE OF MEETING

Cr Wheatland noted it is the last ordinary meeting of Council for the Town of East Fremantle and took the opportunity to acknowledge the upcoming withdrawal of the Town and expressed her thanks for their support during their membership of RRG. Cr Wheatland thanked Cr White in his absence for his support and dedication during his term as Councillor.

There being no further business, the Chairperson thanked those present for their attendance and the meeting was declared closed at 4.57 pm.

I hereby certify that the Minutes of the Ordinary Council Meeting held on 23 May 2024 were confirmed on 22 August 2024.

Cr Karen Wheatland
Presiding Member



Signature

**ORDINARY MEETING OF COUNCIL 22 FEBRUARY 2024
ACTION LIST**

AGENDA ITEM NO.	SUBJECT	LIST ACTION TAKEN	ACTION BY	STATUS
8.1	Signed minutes Council Mtg 23 Nov 2023	1. Publish on Website	OA	COMPLETE
		2. Upload to FD	OA	COMPLETE
8.3	Signed minutes Council Mtg 18 Dec 2023	1. Publish on Website	OA	COMPLETE
		2. Upload to FD	OA	COMPLETE
8.5	Signed minutes Council Mtg 17 Jan 2024	1. Publish on Website	OA	COMPLETE
		2. Upload to FD	OA	COMPLETE
11.1	CEO DELEGATED AUTHORITY 2024	Update CEO Delegations register	MCS	COMPLETE
11.2	CORPORATE POLICY REVIEW	All staff advised of updated policies	EMGC	COMPLETE
		All new policies updated in FD and uploaded to website	OA	COMPLETE
11.3	MID YEAR BUDGET REVIEW 2023-2024	1. Update Accounting Software & Financial Reports	MF	COMPLETE
		2. Lodge electronically with Dept of Local Government	MF	COMPLETE – 5/3/2024
11.4	FINANCIAL REPORTS	Nil	MF	n/a
11.5	CASH INVESTMENT PORTFOLIO	Nil	MF	n/a
11.6	SCHEDULE OF PAYMENTS	Nil	FMF	n/a
15.1	RECYCLE RIGHT TRANSITION TO NEW MODEL	Liaise with DWER	CEO	
		Update delegations register	MCS	COMPLETE
15.2	COMMUNICATIONS WORKING GROUP STRATEGY	Nil	MCM	N/A
15.3	RRG STRATEGIC PLANS	1. Update 2024-25 Corporate Business Plan to reflect transition planning	EMGC	
		2. Seek advice regarding compliance requirements	CEO	
15.4	PROPORTIONAL EQUITY RRRRC PROJECT LOAN ASSETS	1. Update contingency reserve policy & give one months public notice	EMGC	COMPLETE
		2. Advertise one months notice of change to reserve policy	EMGC	COMPLETE
		3. Facilitate payment to City of Cockburn following audited accounts	CEO	
15.5	WITHDRAWAL TOWN OF EAST FREMANTLE	1. Write to Melville & Fremantle re need to request business plans	CEO	COMPLETE
		2. Report back to Council outlining options for a business plan to the next meeting of Council	CEO	

ORDINARY MEETING OF COUNCIL 22 FEBRUARY 2024 ACTION LIST

15.6	FOGO GRANT	Proceed with FOGO odour upgrade project	CEO	
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Special Council Meeting- 17 Jan 2024 Outstanding Actions				
9.1	RESIGNATION OF CEO	Negotiate salary package and KPI's for Acting CEO, appoint Consultant to assist	EMGC	COMPLETE

Special Council Meeting- 18 Dec 2023 Outstanding Actions				
9.1	ESTABLISHMENT AGREEMENT	On endorsement by Members forward to Minister for Approval	EMGC	
9.2	TRANSITIONAL PLANNING – REVIEW OF RRG BY MEMBERS	1. CEO to provide further information and advice at a future date	CEO	
		2. Obtain legal advice regarding confidentiality, probity in regards to sharing operational & contractual arrangement referred to in the MOU	CEO	
		3. Provide information to support Due Diligence process outlined in MOU	CEO	
		4. Report back to Council to clarify proposed way forward once the collective model is established	CEO	

Ordinary Meeting of Council 23 November 2023				
11.3	CORPORATE POLICY REVIEW	All staff advised of updated policies	EMGC	Complete
11.5	ICT STRATEGIC PLAN	Provide Council with a further update in relation to the Plant Servers at the next meeting of Council	EMGC	
15.1	WASTE SUPPLY AGREEMENT PROJECT CO - Confidential	Update delegation register	MCS	Complete
15.4	TENDER T2023-08 RECEIVAL & DISPOSAL OF RESIDUAL WASTE - Confidential	Tender to be awarded, Negotiate terms of agreement. Update CEO delegation register. Complete Tender Register & Update Website	MCS	Complete
15.5	TENDER T2023-09 REMOVAL & TRANSPORT OF RESIDUAL WASTE - Confidential	Tender to be awarded, Negotiate terms of agreement. Update CEO delegation register. Complete Tender Register & Update Website	MCS	Complete

ORDINARY MEETING OF COUNCIL 22 FEBRUARY 2024 ACTION LIST

15.6	EQUITY VALUE RRRC LOAN ASSETS - Confidential	Gather further information for Special meeting of Council on 18 Dec 2023	EMGC	Complete
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Special Council Meeting- 2 Nov 2023 Outstanding Actions				
9.1	Capital Expenditure Approval for Fire System & Civil Works	1. Notify third parties of termination of Project: DWER + grant money for fogo upgrade 2. Reverse DWER licence amendments	EMSP	In progress
		Review organisational plans: <ul style="list-style-type: none"> • Corporate Business Plan • Long Term Financial Plan • Asset Management Plan • Strategic Community Plan • Risk Register • Waste Plan (WARR Act) 	EMGC	In progress
9.3	Withdrawal Town of East Fremantle	Write to Members reminding them of their obligations to request amended business plans – after 30 November.	CEO	Remove see above

Ordinary Council Meeting- 25 November 2021 Outstanding Actions				
15.1	CITY OF CANNING The regional council in consultation with and acting on behalf of its current RRRC project participants, appoint Minter Ellison to respond to the writ of Summons issued by the City of Canning.		CEO	Ongoing

**SPECIAL MEETING OF COUNCIL 15 APRIL 2024
ACTION LIST**

AGENDA ITEM NO.	SUBJECT	LIST ACTION TAKEN	ACTION BY	STATUS
9.1	ACTING CHIEF EXECUTIVE OFFICER	Nil	EMGC	COMPLETE

Ordinary Council Meeting – 22 February 2024 Outstanding Actions				
15.1	RECYCLE RIGHT TRANSITION TO NEW MODEL	<ol style="list-style-type: none"> 1. Liaise with DWER 2. Write to Member Councils to confirm support to continue to fund Recycle Right during 2024-25 financial year until transition to new owner. 	CEO	
15.3	RRG STRATEGIC PLANS	1. Update 2024-25 Corporate Business Plan to reflect transition planning	EMGC	
		2. Seek advice regarding compliance requirements	CEO	
15.4	PROPORTIONAL EQUITY RRRC PROJECT LOAN ASSETS	1. Update contingency reserve policy & give one months public notice	EMGC	COMPLETE
		2. Advertise one months notice of change to reserve policy	EMGC	COMPLETE
		3. Facilitate payment to City of Cockburn following audited accounts	CEO	
15.6	FOGO GRANT	Proceed with FOGO odour upgrade project	CEO	

Special Council Meeting- 18 Dec 2023 Outstanding Actions				
9.1	ESTABLISHMENT AGREEMENT	On endorsement by Members forward to Minister for Approval	EMGC	
9.2	TRANSITIONAL PLANNING – REVIEW OF RRG BY MEMBERS	1. CEO to provide further information and advice at a future date	CEO	
		2. Obtain legal advice regarding confidentiality, probity in regards to sharing operational & contractual arrangement referred to in the MOU	CEO	
		3. Provide information to support Due Diligence process outlined in MOU	CEO	
		4. Report back to Council to clarify proposed way forward once the collective model is established	CEO	

**SPECIAL MEETING OF COUNCIL 15 APRIL 2024
ACTION LIST**

Special Council Meeting- 2 Nov 2023 Outstanding Actions				
9.1	Capital Expenditure Approval for Fire System & Civil Works	1. Notify third parties of termination of Project: DWER + grant money for fogo upgrade 2. Reverse DWER licence amendments	EMSP	In progress
		Review organisational plans: <ul style="list-style-type: none"> • Corporate Business Plan • Long Term Financial Plan • Asset Management Plan • Strategic Community Plan • Risk Register • Waste Plan (WARR Act) 	EMGC	In progress
Ordinary Council Meeting- 25 November 2021 Outstanding Actions				
15.1	CITY OF CANNING The regional council in consultation with and acting on behalf of its current RRRC project participants, appoint Minter Ellison to respond to the writ of Summons issued by the City of Canning.		CEO	Ongoing

**SPECIAL MEETING OF COUNCIL 23 APRIL 2024
ACTION LIST**

AGENDA ITEM NO.	SUBJECT	LIST ACTION TAKEN	ACTION BY	STATUS
9.1	AUDITORS REPORT FOR YEAR ENDED 30 JUNE 2023	1. Submit to dept of local govt within 30 days via Smarthub/NA	MF	COMPLETE/NA
		2. Auditors Opinion & Financial statements inserted in Annual Report	EMGC	COMPLETE
		3. Audit findings & assurance program for next Audit & Risk Committee meeting	MCS	
		4. Forward audited and final members equity report	MF	COMPLETE
9.2	ANNUAL REPORT	1. CEO to give local public notice of availability of annual report: <ul style="list-style-type: none"> a. Newspaper – 15.5.2024 b. Noticeboard – 15.5.2024 c. Posted on website – 16.5.2024 d. Social Media – 9.5.2024 	OA	COMPLETE
		2. Annual report published on RRG website	EMGC	COMPLETE
9.3	COMPLIANCE AUDIT RETURN 2023	1. Chair & CEO to sign	EMGC	COMPLETE
		2. Lodge electronically with Dept of Local Government	EMGC	COMPLETE
11.1	STAFF RESOURCING	1. Draft position description 2. Advertise role	EMGC	

Ordinary Council Meeting – 22 February 2024 Outstanding Actions				
15.1	RECYCLE RIGHT TRANSITION TO NEW MODEL	1. Liaise with DWER 2. Write to Member Councils to confirm support to continue to fund Recycle Right during 2024-25 financial year until transition to new owner.	CEO	
15.3	RRG STRATEGIC PLANS	1. Update 2024-25 Corporate Business Plan to reflect transition planning	EMGC	
		2. Seek advice regarding compliance requirements	CEO	
15.4	PROPORTIONAL EQUITY PROJECT LOAN ASSETS RRRRC	1. Update contingency reserve policy & give one months public notice	EMGC	COMPLETE
		2. Advertise one months notice of change to reserve policy	EMGC	COMPLETE
		3. Facilitate payment to City of Cockburn following audited accounts	CEO	
15.5		1. Write to Melville & Fremantle re need to request business plans	CEO	COMPLETE

**SPECIAL MEETING OF COUNCIL 23 APRIL 2024
ACTION LIST**

Ordinary Council Meeting – 22 February 2024 Outstanding Actions				
	WITHDRAWAL TOWN OF EAST FREMANTLE	2. Report back to Council outlining options for a business plan to the next meeting of Council	CEO	COMPLETE
15.6	FOGO GRANT	Proceed with FOGO odour upgrade project	CEO	

Special Council Meeting- 18 Dec 2023 Outstanding Actions				
9.1	ESTABLISHMENT AGREEMENT	On endorsement by Members forward to Minister for Approval	EMGC	
9.2	TRANSITIONAL PLANNING – REVIEW OF RRG BY MEMBERS	1. CEO to provide further information and advice at a future date	CEO	
		2. Obtain legal advice regarding confidentiality, probity in regards to sharing operational & contractual arrangement referred to in the MOU	CEO	
		3. Provide information to support Due Diligence process outlined in MOU	CEO	
		4. Report back to Council to clarify proposed way forward once the collective model is established	CEO	

Ordinary Meeting of Council 23 November 2023				
11.5	ICT STRATEGIC PLAN	Provide Council with a further update in relation to the Plant Servers at the next meeting of Council	EMGC	COMPLETE

Special Council Meeting- 2 Nov 2023 Outstanding Actions				
9.1	Capital Expenditure Approval for Fire System & Civil Works	1. Notify third parties of termination of Project: DWER + grant money for fogo upgrade 2. Reverse DWER licence amendments	EMSP	In progress
		Review organisational plans: <ul style="list-style-type: none"> • Corporate Business Plan • Long Term Financial Plan • Asset Management Plan • Strategic Community Plan • Risk Register • Waste Plan (WARR Act) 	EMGC	In progress

**SPECIAL MEETING OF COUNCIL 23 APRIL 2024
ACTION LIST**

Ordinary Council Meeting- 25 November 2021 Outstanding Actions		
15.1 CITY OF CANNING The regional council in consultation with and acting on behalf of its current RRRC project participants, appoint Minter Ellison to respond to the writ of Summons issued by the City of Canning.	CEO	Ongoing



Resource Recovery Group

Recycle. Innovate. Educate.

Draft 2024-25 Annual Budget Parameters Report

Council Agenda 23 May 2024

RESOURCE RECOVERY GROUP

2024-25 Budget Parameters Report

Key Assumptions

1. 3% - 5% increase applied to operating expenses, e.g. Service contracts with CPI annual adjustments and increases for most goods and services.
 - 1.1 Residual disposal costs will increase by 25% [REDACTED] due to the following reasons:
 - a. Residual disposal cost per tonne has increased from [REDACTED].
 - b. Increase in landfill levy of \$15/t is on top of the above rate.
 - c. Transport costs have increased by 13%.

Currently Waste to Energy is more than the existing landfill cost arrangement.

 - 1.2 Disposal of mixed plastic is expected to cost \$100 per tonne (vs \$20/pt income in FY 2023-24).
2. Despite the increase in general disposal costs, per tonne disposal costs on FOGO only increased by 4%. This is due to processing improvements which have improved our recovery rate.
3. 5% salary and wages increase + 0.5% compulsory super contribution (11% to 11.50%). Due to processing and workforce efficiency, there is no overall impact on overall wages budget compared to last year.
4. Participants' total annual contribution towards operating budget for existing undertakings is as follows:
 - a. Administration and R&D contribution by City of Fremantle and City of Melville - \$116,184, increase of 3% \$3,300 (less than CPI).
 - b. No contribution for Education is considered for FY24-25 (FY23-24 \$399,379). RRG will absorb the expenses on education until the anticipated transition (by September 2024). Should the transition take longer than anticipated, budget revision will be necessary to fund the education program.
5. Administrative overhead contribution is increased to \$53 per tonne in 2024/25 (\$40/pt in FY 23-24) which includes the following reasons:
 - a. Impact of ToEF leaving;
 - b. [REDACTED] surplus is exhausted;
 - c. No rental income will be realised from disused building spaces.
6. Opening surplus balance in FY23-24 is \$766K [REDACTED]. Due to an expected drop in interest rates and reduced amount of investable funds, interest income is expected to decline by \$100K \$2.5pt.
7. Members' gate fees are increased an average of 15% p/t.
8. The parameters' do not allow for additional tonnes that may be received during the year. Estimates are based on contracted tonnes and do not include any new customers. [REDACTED]
9. Paper ban is now anticipated to come into effect from July 2026.

RESOURCE RECOVERY GROUP

2024-25 Budget Parameters Report

10. \$800K capital expenditure program is to be funded from reserves. The majority of capital expenditure is for ongoing maintenance and replacement of operating equipment.
11. Contribution from members of \$177K towards loan repayment (principal + interest) for the Office Project.
12. No provision has been made for redundancy costs and it is expected to be funded from reserve if required.
13. Insurance policy includes the insuring of all the impaired assets, no provision has been made to lower the insured value of these assets.

Financial impact on budget due to increased costs have been addressed through the member's gate fee increment.

RESOURCE RECOVERY GROUP

2024-25 Budget Parameters Report

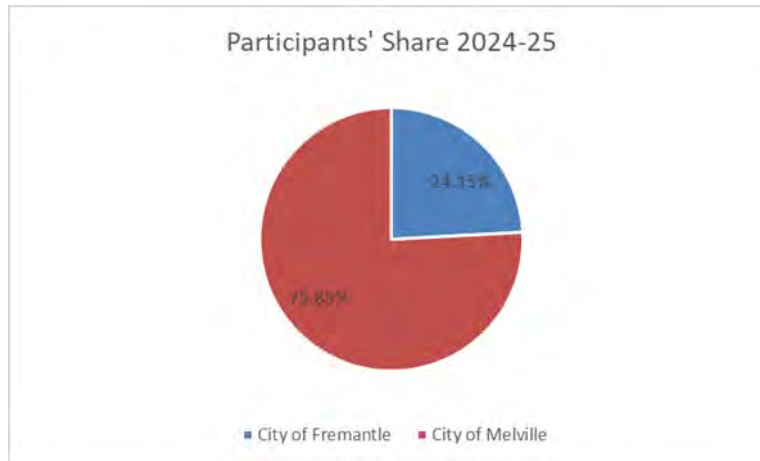
NET RESULTS BY BUSINESS UNIT

FY 2024-25				
RRRC PROJECT BUDGET	Tonnes	Revenue	Expenditure	Budget 24-25
	Material Recovery Facility	38,133	9,173,476	7,077,347
Green Waste Facility	8,487	628,322	337,746	290,576
WCF Fixed Costs		-	1,300,800	-1,300,800
FOGO Operations	27,889	4,440,473	3,428,156	1,012,318
Overheads		2,388,686	4,718,282	-2,329,596
Red Bin Waste	14,283	2,741,024	2,741,024	0
RRRC Right of use lease (Capital Component)			637,613	-637,613
Total	88,791	19,371,981	20,240,967	-868,986
Admin		72,539	423,236	-350,697
Education		19,200	124,297	-105,097
Waste Audit		220,000	220,000	0
MUD R&D		39,119.00	39,119	0
MUDs Grant			7,301	-7,301
Office Project		81,514	81,514	-
Business Development		165,000	65,000	100,000
Fogo Education				
Transfer to Reserve		-		
Total	88,791	19,969,353	21,201,434	-1,232,081
Estimated B/Forward Surplus				1,157,431

PROPOSED CAPITAL EXPENDITURE 2024-25							
	FY 23-24 Total Capital Expenditure	B/F Committed	New Proposed	2024/25 Budget	Funding Source		
					Reserves	Grant	Operations
FIXED PLANT REPLACEMENT PROGRAM							
Materials Recovery Facility	536,800		535,000	535,000	535,000		
MOBILE PLANT REPLACEMENT PROGRAM							
Front End Loader (Committed in FY 23 but received in FY24)	411,500						
FOGO Trommel	662,740						
FOGO							
WCF - Variable Drive Speed Fans	44,244						
Bio Filter 2023 Works - Bio Filter 3	80,000						
HUMIDIFIER / GAS SCRUBBER GS111	27,500						
15kw screw air compressor	20,000						
Shredder repair			57,500	57,500	57,500		
RRRC Admin and General Cap Ex							
Waste Audit Bin Lifter	12,815			195,020	195,020		
Canning Vale CCTV upgrades	-	58,000		58,000	58,000		
PLC Upgrade (MRF and Fogo)	70,000						
	1,865,599			787,520	787,520	-	-

RESOURCE RECOVERY GROUP 2024-25 Budget Parameters Report

POPULATION	Est Pop 2022		Est Pop 2023		Change	
East Fremantle	8,060	5.41%	-	0.00%	(8,060)	-100.0%
Fremantle	33,711	22.61%	35,157	24.15%	1,446	4.3%
Melville	107,311	71.98%	110,426	75.85%	3,115	2.9%
Total	149,082	100.00%	145,583	100.00%	(3,499)	-2.3%



Members' Annual Contributions towards Governance, Research (increase Avg 3%)

- No contribution for education:
- Town of East Fremantle no longer contributing towards governance and research.

ESTIMATED ANNUAL SMRC CONT 2024-25					
	Est Pop 2023	Est Pop 2023 %	Governance	R&D	Governance R&D
East Fremantle			\$ -	\$ -	\$ -
Fremantle	35,157	24.15%	\$ 17,760	\$ 10,298	\$ 28,057
Melville	110,426	75.85%	\$ 55,782	\$ 32,345	\$ 88,127
Total	145,583	100.00%	\$ 73,542	\$ 42,642	\$ 116,184

RESOURCE RECOVERY GROUP

2024-25 Budget Parameters Report

Office Project

Members' Annual Contributions towards Borrowings

2024-25 Annual Repayments	
Principal	95,824
Interest	81,514
Total	177,338

Annual Contributions					
Office Project Loan	Population	Est Pop 2023	Budget	Actual	Change
		%	2024-25	2023-24	\$
East Fremantle	-	0.00%	\$ -	\$ 9,586	(9,586)
Fremantle	35,157	24.15%	\$ 42,826	\$ 40,095	2,730
Melville	110,426	75.85%	\$ 134,512	\$ 127,633	6,879
Total	145,583	100.00%	\$ 177,338	\$ 177,315	23

Office Project Loan Liability					
Office Project Loan	Population	Est Pop 2023	30-Jun-24	30-Jun-25	Change
		%			\$
East Fremantle	-	0.00%	\$ -	\$ -	-
Fremantle	35,157	24.15%	\$ 412,473	\$ 389,332	23,141
Melville	110,426	75.85%	\$ 1,295,551	\$ 1,222,868	72,683
Total	145,583	100.00%	\$ 1,708,024	\$ 1,612,200	95,824

Note: Since Town of East Fremantle exited RRG with effect from 30th of June 2024, the Town's share on office project will be calculated and adjusted accordingly upon the conclusion of business plan.

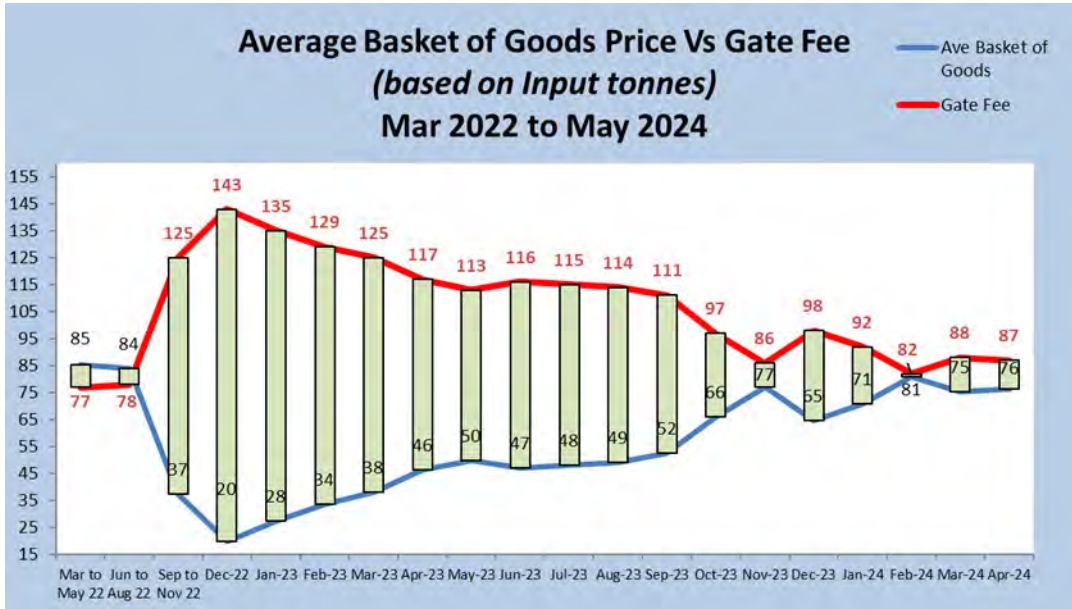
Participants agreed in November 2022 to refinance the office loan for a fixed 5.5 years repaying Principal & Interest with a refinancing balance at 30 June 2028 of \$1.3 million

RESOURCE RECOVERY GROUP

2024-25 Budget Parameters Report

MRF Gate Fees & Price Yield \$/T

- Cleanaway & Veolia casual diversion plan
- Gross revenue includes Gate Fee + Basket of goods + CDS
- Net Profit is the EBITDA of \$2.1m towards funding administrative overheads.
- 38K tonnages of recyclables budgeted
- The 24-25 budget assumes basket of goods value at \$60



RESOURCE RECOVERY GROUP

2024-25 Budget Parameters Report

Administrative Overhead Contribution

Members' annual contribution towards overhead has been increased to \$53 per tonne (FOGO+Redbin Tonnages). FY2023-24 contribution was \$40/pt.

An increase in overheads contributions of \$13 /tonne is a result of below financial events:

- a. Impact of ToEF leaving;
- b. ██████████ surplus is exhausted;
- c. ██████████
- d. No rental income will be realised from disused building spaces.

Reserve Balances

Budget Reserve Balances as at 30 June 2025					
	Contingency	Restoration	Confere	Office	Total
30-Jun-24	\$ 6,358,295	\$ 1,844,219	\$ 25,000	\$ 290,212	\$ 8,517,726
Transfer To	-		-	-	\$ -
Transfer From	(787,520)	-	-	-	-\$ 787,520
Transfer From	(2,952,015)				-\$ 2,952,015
30-Jun-24	\$ 2,618,760	\$ 1,844,219	\$ 25,000	\$ 290,212	\$ 4,778,191

Note: \$2.9M reserve transfer is the payout for City of Canning and City of Cockburn

1.0 STATEMENT

Resource Recovery Group (RRG) is committed to ensuring a safe and healthy environment for all persons who enter RRG property ~~in support of RRG's strategic vision of delivering innovative and sustainable waste management solutions for the benefit of the community.~~

2.0 SCOPE

This Policy applies to all who enter RRG property or undertake approved activities for RRG.

3.0 OBJECTIVES

Objectives include:

- Reducing incident frequency rates.
- ~~Maintaining and, where possible, exceeding all applicable legal compliance requirements. Ensuring compliance with all applicable legislative, regulatory, and standards requirements.~~
- Continually improving the WHS Management System ~~to achieve~~ and maintain~~ing~~ ISO45001 accreditation.
- Take action to eliminate risks to health and safety. If this is not reasonably practicable ~~make sure~~~~ensure~~ those risks are minimised as far as is reasonably practicable.

4.0 DEFINITIONS

RRG Resource Recovery Group
CVC Canning Vale Centre
WHS Work Health and Safety

5.0 ROLES AND RESPONSIBILITIES

Chief Executive Officer

The Chief Executive Officer shall, as far as practicable, provide and maintain a safe working environment in which employees, contractors, volunteers, suppliers, clients and members of the public are not unnecessarily exposed to hazards.

Executive Managers and Managers

Executive Managers and Managers take action to eliminate risks to health and safety. If this is not reasonably practicable ~~make sure~~~~ensure~~ those risks are ~~minimised~~~~controlled~~ as far as is reasonably practicable. They are responsible for ensuring WHS objectives are being met by all who enter RRG property, maintaining safe systems of work and regularly reporting on the performance of their teams.

WHS Manager

The WHS Manager is responsible for ~~ensuring~~:-

- ~~Ensuring~~ WHS objectives are being monitored and met.
- Maintaining safe systems of work.
- Regularly reporting on the performance of WHS.
- Supporting the identification of opportunities for improvement.
- Records management and confidentiality practices are adhered to; and
- The WHS policy is available and communicated to stakeholders.

Issued: August 2022 <u>May 2024</u>	Review Date: April 2024 <u>May 2026</u>	Title: COUNCIL POLICY NO 3.4 WORK HEALTH & SAFETY	Version 16 <u>5</u>
Prepared: SM	Reviewed by: SMG	Approved: COUNCIL	Page 1 of 4
Printed documents are not controlled. Check the electronic version for the latest version			

Human Resources Officer/People & Culture Advisor

Medical records of employees are maintained in a confidential manner and be made accessible when required by appropriate management representative(s).

Co-ordinators / Supervisors and Team Leaders

Coordinators and Supervisors and Team Leaders are responsible for the compliance and safety of all workers within their areas of responsibility. This includes:

- Plant and equipment are maintained in a safe condition and defects are reported/managed effectively;
- Housekeeping is maintained in all working areas;
- Ensuring compliance to safe systems of work and look towards seeking opportunities for continual improvement;
- Ensuring Appropriate-WHS induction, instruction and training is regularly given/provided to all personnel;
- Ensuring compliance to the wearing and maintenance of pPersonal pProtective eEquipment (PPE);
- ~~All Incidents and hazards are reported as soon as reasonably practicable;~~
- Hazard identification practices are regularly undertaken by workers and risks are evaluated and controlled; and
- Consulting with workers on decisions that may affect their health and safety in the workplace.

Employees, Contractors, Customers, Clients, Volunteers and Visitors

Employees, Contractors, ~~Sub-contractors~~, Customers, Clients, Volunteers and Visitors are to:

- Ensure their own health and safety when at ~~the~~-RRG;
- Ensure the health and safety of others in the workplace;
- Comply with all applicable safe systems of work, including and legal requirements;
- Comply with all lawful instructions as given for their and others' health and safety-and health;
- Comply with all Personal Protective Equipment (PPE) requirements as instructed;
- Use plant and equipment in accordance with manufacturer instructions;
- Cooperate with the RRG in the carrying out obligations as imposed by the Work ~~health-Health~~ and Safety Act 2020 (WHS Act); and
- Report all hazards, near misses, and incidents as soon as practicably incidents, near misses and hazards immediately.

Issued: August 2022 <u>May 2024</u>	Review Date: April 2024 <u>May 2026</u>	Title: COUNCIL POLICY NO 3.4 WORK HEALTH & SAFETY	Version 16 <u>5</u>
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6.0 CONTENT

6.1. Principles

RRG is committed to:

- Establishing a framework for setting WHS objectives.
- Fulfilling all legal and other requirements as applicable to RRG operations and activities.
- ~~Ensure health and safety, by eliminating risks or by controlling them~~ so far as is reasonably practicable, ~~by eliminating risks to health and safety.~~
- Support continuous improvement of the WHS Management System.
- Consulting and encouraging the participation of workers, and worker representatives.
- To maintain a safety culture through regular consultation and communication.
- The provision and maintenance of a working environment that is safe and without risks to health and safety, including safe access to and exit from the workplace.
- The provision and maintenance of plant, structure and systems of work that are safe and do not pose health and safety risks.
- The safe use, handling, storage and transport of plant, structure, and the provision of adequate facilities for the welfare of workers at work.
- The provision of information, instruction, training, or supervision to workers needed for them to work without risks to their health and safety and that of others around them.
- That the health of workers and the conditions of the workplace are monitored to prevent injury or illness arising out of the conduct of the business or undertaking.

6.2. Procedures

RRG will meet these commitments by maintaining an occupational safety and health management system that meets with ISO45001:~~2018~~ standard requirements which includes:

- Regularly consult and communicate with workers in matters of WHS.
- Regularly review existing policies, procedures, and other instructions to ensure fit for purpose.
- Regularly monitor compliance to existing policies, procedures, and other instructions.
- Regularly undertake risk management activities to ensure risks are eliminated or controlled to measures are as low as reasonably practicable.
- Regularly provide training, information, and instruction to employees in matters of WHS.

Issued: August 2022 <u>May 2024</u>	Review Date: April 2024 <u>May 2026</u>	Title: COUNCIL POLICY NO 3.4 WORK HEALTH & SAFETY	Version 16 <u>5</u>
Prepared: SM	Reviewed by: SMG	Approved: COUNCIL	Page 3 of 4
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7.0 REFERENCES & REVIEW

	3.4 OCCUPATIONAL Work HEALTH & SAFETY POLICY	
Statutory Compliance	<ul style="list-style-type: none"> ▪ <i>The Work Health and Safety Act 2020 (WHS Act)</i> ▪ <i>Work Health and Safety (General) Regulations 2022</i> ▪ <i>Workers Compensation and Injury Management Act 1981 [WA]</i> ▪ <i>Workers Compensation and Injury Management Regulations 1982 [WA]</i> 	
Organisational Compliance	<ul style="list-style-type: none"> ▪ RRG Contractor Handbook ▪ Injury Management Policy ▪ Approved RRG Safety Standards and other relevant documents 	
Approved by	Regional Council – Resolution	
Next Revision Date	May 2026 April 2024	
Related Documents	<ul style="list-style-type: none"> ▪ RRG Corporate Risk Management Register ▪ AS/NZS ISO 45001:2018 ▪ ISO 45001 Audit Reports and certification 	
Policy Administration	Responsible Officer	Review Cycle
Corporate (HR/Safety)	Safety -WHS Manager	Biennial
Risk Rating	Risk Register – Risk WHS 01 – High	
Location of document	Staff Intranet RRG, 9 Aldous Place, Booragoon – Corporate Services CVC, 350 Bannister Road, Canning Vale — Reception	

8.0 DOCUMENT CONTROL REGISTER

Date	Review	No.	Author	Resp Officer	Council
2000	Original	1	MAF	MAF	27/07/2000
2001	Review	2	MAF	MAF	26/07/2001
2002	Review	3	MAF	MAF	25/07/2002
2003	Review	4	MAF	MAF	20/11/2003
2004	Review	5	MAF	MAF	25/11/2004
2005	Review	6	MAF	MAF	
2007	Review	7	MAF	MAF	
2009	Review	8	MAF	MAF	
2010	Review	9	SO	MAF	
2012	Review	10	OSHM	DCS	26/07/2012
2014	Review	11	SM	SM	28/08/2014
2016	Review	12	EMCS	EMCS	28/04/2016
2018	Review	13	SM	SM	19/04/2018
2020	Review	14	SM	SM	27/08/2020
2022	Review	15	SM	SM	25/08/2022
2024	Review	16	WHSM	WHSM	

Issued: August 2022 May 2024	Review Date: April 2024 May 2026	Title: COUNCIL POLICY NO 3.4 WORK HEALTH & SAFETY	Version 16 5
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STATEMENT

The *Local Government Act 1995* (the Act) gives councils the power to set the level of fees and charges to offset the cost of goods and services. A widely accepted public sector pricing principle is that fees and charges should be set at a level that recovers the full cost of providing the services, unless there is an overriding policy or imperative in favour of subsidisation.

However, councils operating a business undertaking must apply principles of sound financial management and need to consider a range of 'Best Value' principles, including service cost and quality standards, value-for-money, community expectations and values, as well as balance the affordability and accessibility of their services.

Councils must also comply with the government's *Competitive Neutrality Policy* for significant business activities they provide and adjust their service prices to neutralise any competitive advantages when competing with the private sector.

Resource Recovery Group (RRG) has, therefore, prepared a set of principles to assist in the preparation of a pricing model for its various stakeholders and customers.

OBJECTIVE

To provide the framework for setting fees and charges imposed on clients and customers who use RRG facilities.

SCOPE

This Policy applies to all employees involved in establishing pricing arrangements for the RRG.

ROLES AND RESPONSIBILITIES

Chief Executive Officer

The Chief Executive Officer is responsible for determining the level of break-even cost recovery and then applying a profit margin or pricing methodology to set an appropriate fee within the range of fees and services adopted by the Council.

Employees

Employees are responsible for ensuring that this Pricing Policy is adhered to and publicised appropriately for all RRG customers and clients.

CONTENT

1) Statutory Charges

These charges can only be imposed by the Regional Council in relation to matters prescribed by legislation and then be imposed according to the scale of fees and charges invoked by that legislation.

2) Contractual Charges

These are costs imposed under the terms and conditions of leases, licences, deeds and agreements.

3) Grants, Contributions and Appropriation Income

These are revenue funds that may assist in the operations of the Regional Council activities or a specific purpose. For example, Government Grants, contributions from member councils and appropriations from projects of the regional council.

Issued: May 2024 August 2024	Review Date: June 2026	Title: COUNCIL POLICY NO 2.6 PRICING	Version 1.32
Prepared: MFEM/GCCS	Reviewed by: SMGEMGC	Approved: COUNCIL	Page 1 of 3
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4) Commercial Customer Pricing

These charges include an economic profit return and are based on industry market prices in both the public and private sector. The principles that influence this pricing model are:

- Account for operating variable costs and semi-variable costs
- Break-even analysis
- Profit margins
- Current market pricing - the price that could be charged by an alternative provider
- Demand
- Expedited request
- Risk
- Market-driven prices and cost-based prices
- Economic profit return and based on industry market prices in both the public and private sector
- Full Cost Recovery Basis Pricing

5) User-Pays Charges

Where the Regional Council is of the opinion that special benefits are derived by individuals or organisations from the use of Regional Council property or services, charges are set to ensure the user pays for the full cost of the service.

6) Donations or Free Use of Facilities & Assets

Where the Regional Council is of the opinion that free use of Regional Council assets, service or facilities should be offered to individuals or organizations. The Regional Council shall give delegated authority to the CEO to approve each application on its merit, subject to it being reviewed and reported annually.

7) RRG Participants' Gate Fees

1. Participants' gate fees are to be calculated in accordance with the Project Participants' Agreement.

Issued: May 2024 August 2024	Review Date: June 2026	Title: COUNCIL POLICY NO 2.6 PRICING	Version 1 3 2
Prepared: MFEM/GCCS	Reviewed by: SMGEMGC	Approved: COUNCIL	Page 2 of 3
Printed documents are not controlled. Please refer to the electronic version for the latest version.			

REFERENCES & REVIEW

Statutory Compliance	<ul style="list-style-type: none"> ▪ <i>Local Government Act 1995 (Division 5 - Financing activities)</i> ▪ <i>Local Government Regulations</i> ▪ <i>Trade Practices Act</i> 	
Organisational Compliance	<ul style="list-style-type: none"> ▪ Establishment Agreement ▪ Project Participants Agreements relating to a Project ▪ CEO Delegated Authority Approval 	
Approved by	Regional Council	
Related Documents	RRG Accounting Manual	
Next Review	June 2026 ⁴	
Policy Administration	Responsible Officer	Review Cycle
Corporate	Executive Manager Corporate Services <u>Governance & Culture</u>	Biennial
Risk Rating	Risk Register - Medium	
Location of document	RRG Website – Members Area Staff Intranet RRG, 9 Aldous Place, Booragoon – Corporate Services CVC, 350 Bannister Road, Canning Vale – staff room	

DOCUMENT CONTROL REGISTER

Date	Review	No.	Author	Resp Officer	Council
2000	Original	1	MAF	MAF	27/07/2000
2001	Review	2	MAF	MAF	26/07/2001
2002	Review	3	MAF	MAF	25/07/2002
2003	Review	4	MAF	MAF	20/11/2003
2004	Review	5	MAF	MAF	25/11/2004
2010	Review	6	MAF	MAF	24/06/2010
2012	Review	7	DCS	DCS	26/07/2012
2014	Review	8	EMCS	EMCS	28/08/2014
2016	Review	9	EA	EMCS	30/06/2016
2018	Review	10	EMCS	EMCS	21/06/2018
2020	Review	11	EMCS	EMCS	27/08/2020
2022	Review	12	MCS	EMCS	25/08/2022
<u>2024</u>	<u>Review</u>	<u>13</u>	<u>MF</u>	<u>EMGC</u>	<u>23/05/2024</u>

Issued: May <u>August</u> 2024 ²	Review Date: June 2026 ⁴	Title: COUNCIL POLICY NO 2.6 PRICING	Version 1 3 ²
Prepared: MFEM <u>GCCS</u>	Reviewed by: SMG <u>EMGC</u>	Approved: COUNCIL	Page 3 of 3
Printed documents are not controlled. Please refer to the electronic version for the latest version.			

STATEMENT

The RRG's Establishment Agreement refers to population as a basis for calculating participant contributions and equity share.

SCOPE

The RRG's Establishment Agreement and Project Participants Agreements and any other agreements that use Population as a measure for Participants.

OBJECTIVE

A position statement that determines which 'population' statistics to use and when 'population' statistics are applied to participants' contributions in accordance with Agreements.

ROLES & RESPONSIBILITIES

Council

The Regional Council adopt a position statement determining which 'population' statistics to use and when 'population' statistics are applied to participants' contributions in accordance with Agreements.

Chief Executive Officer

The Chief Executive Officer is to ensure Participants population statistics are applied in accordance with Agreements and this policy.

DEFINITIONS

As described in the RRG's Establishment Agreement 1998

"Population" means at any relevant time in relation to a Participant, the estimated resident population of that Participant as set out in Table 1 (Estimated Resident Population In Statistical Local Areas) of the statistics last published by the Australian Bureau of Statistics titled 'Estimated Resident Population by Age and Sex in Statistical Local Areas' or any substitute therefor accepted by the Government of the Commonwealth of Australia from time to time as a measure of resident population provided that if at any time the statistics are discontinued or suspended or if in the opinion of the Regional Local Government the method of computation thereof is substantially altered there shall be substituted therefor such alternative method of establishing resident populations of the Participant as the Regional Local Government may resolve;

CONTENT

It is noted that ABS catalogue 3203 5 '*Estimated Resident Population by Age and Sex in Statistical Local Areas – Western Australia*' was last produced in June 1995.

It has been substituted by ABS catalogue

3218.0 Regional Population Growth, Australia

Table 5. Estimated Resident Population, Local Government Areas, Western Australia

Issued: August-May 2022	Review Date: June 2024	Title: COUNCIL POLICY NO 2.11 PARTICIPANTS ESTIMATED RESIDENTIAL POPULATION	Version 67
Prepared: EMGCCSMF	Reviewed by: SMGEMGC	Approved: COUNCIL	Page 1 of 2
Printed documents are not controlled. Check the electronic version for the latest version			

The Regional Council by adopting this policy approves the use of the current publication prepared by the Australian Bureau of Statistics as the data to apply the population statistics to participants as measure where stated in Agreements.

The latest year released as estimated resident population data per local government area shall apply commencing from the 1 July each year.

The Regional Council shall notify Participants of the change in resident population in April each year during budget preparation.

REFERENCES & REVIEW

Statutory Compliance		
Organisational Compliance	RRG Establishment Agreement Clauses 9.3 and 9.4 Project Participant Agreement for the RRRRC Project Participant Agreement for the Office Accommodation	
Approved by	Regional Council	
Related Documents	ABS - 3218.0 Regional Population Growth, Australia Table 5. Estimated Resident Population, Local Government Areas, Western Australia	
Policy Administration	Responsible Officer	Review Cycle
Corporate	Executive Manager Corporate Services	Biennial
Next Review Date	June 202 6 ⁴	
Risk Rating	Operational Risk Register – Risk High	
Location of document	RRG Website – Members Area Staff Intranet RRG, 9 Aldous Place, Booragoon – Corporate Services CVC, 350 Bannister Road, Canning Vale – staff room	

DOCUMENT CONTROL REGISTER

Date	Review	No.	Author	Resp Officer	Council
2012	Original	1	DCS	CEO	26/07/2012
2014	Review	2	EMCS	EMCS	28/08/2014
2016	Review	3	EMCS	EMCS	30/06/2016
2018	Review	4	EMCS	EMCS	21/06/2018
2020	Review	5	EMCS	EMCS	27/08/2020
2022	Review	6	MCS	EMCS	25/08/2022
<u>2024</u>	<u>Review</u>	<u>4</u>	<u>MF</u>	<u>EMGC</u>	<u>23/05/2024</u>

Issued: <u>August-May 2024</u>	Review Date: June 2024 6 ⁴	Title: COUNCIL POLICY NO 2.11 PARTICIPANTS ESTIMATED RESIDENTIAL POPULATION	Version 6 ⁷
Prepared: <u>EMGCSME</u>	Reviewed by: <u>SMGEMGC</u>	Approved: COUNCIL	Page 2 of 2
Printed documents are not controlled. Check the electronic version for the latest version Page 59 of 124			

1.0 STATEMENT

~~The Southern Metropolitan Regional Council trading as~~ Resource Recovery Group (RRG) is committed to ensuring that an independent and objective appraisal function is undertaken on the management and operations of the RRG and that advice is given where any functions are found to be lacking under such a review.

2.0 SCOPE

This Policy applies to all management and operations of the RRG and all employees engaged in any of these functions.

3.0 OBJECTIVE

1. To provide an opinion on risk management, governance and compliance, by measuring and evaluating the effectiveness of these controls and systems in achieving the Regional Council's agreed objectives.
2. To provide assurance to management on the systems for which they are responsible and assists management in making improvements to these systems.

4.0 ROLES & RESPONSIBILITIES

Regional Council

The Councillors of the Regional Council are accountable for ensuring that an Independent internal audit system is established, implemented and maintained in accordance with the Audit & Risk Policy.

Audit & Risk Committee

The Audit & Risk Committee is accountable for the oversight of the Internal Audit Plan. Internal Audit is an independent and objective appraisal service within the Regional Council.

Internal Audit Reports presented to the Audit & Risk Committee will be reported to the Council.

Chief Executive Officer

Establishment and maintenance of the system of internal control remains the responsibility of management, under the oversight of the Audit & Risk Committee.

Internal Audit

Internal Audit is an independent and objective appraisal service within the Regional Council for the purpose of providing an opinion on risk management, governance and compliance, by measuring and evaluating the effectiveness of these controls and systems.

Issued: Feb 2022 2024	Review Date: Feb 2024 2026	Title: CORPORATE POLICY NO 4.4 INTERNAL AUDIT CHARTER	Version 6 7
Prepared: EMCS	Reviewed by: EMCS	Approved: <u>CEO COUNCIL</u>	Page 1 of 6
Printed documents are not controlled. Check the electronic version for the latest version			

5.0 CONTENT

1. Independence of the Auditor

Internal Audit shall:

- Be responsible to the Audit & Risk Committee through the CEO
- Have no executive or managerial powers, authorities, functions or duties
- Not be involved in the day to day operation of the financial management systems of the Council
- Not be responsible for the development or implementation of new systems, but shall advise on the design of adequate systems, procedures and controls
- Provide assurances to the Council that new systems will contribute to the achievement of the Council objectives in the financial management area.

2. Authority

The Internal Auditors of the Council shall have access at all reasonable times to the books, documents, accounts, property, records, correspondence, computers and other data of the Council, which are necessary for the proper performance of the Internal Audit duties.

3. Audit Functions

Compliance

Internal Audit shall review:

- compliance with all legislative requirements and Council policies and procedures;
- the adequacy and effectiveness of internal financial and operational controls including ICT system controls;
- the recording, control and use of entity assets; and
- the operational and management information and control systems and activities as stipulated by the Council in order to provide:
 - regular advice as to whether or not key controls are in place and are being observed and public and other property, moneys and resources are safeguarded;
 - advice as to the reliability of management information;
 - management-orientated appraisals of operations and activities;
 - advice on remedial action to improve operational effectiveness, efficiency and economy; and
 - periodical reports on remedial action taken on shortcomings previously reported.

Advisory services

Internal Audit can advise management on a range of matters including:

- New programmes, systems and processes
- The development of new programmes and processes and/or significant changes to existing programmes and processes, including the design of appropriate controls.

Issued: Feb <u>2022</u> 2024	Review Date: Feb <u>2024</u> 2026	Title: CORPORATE POLICY NO 4.4 INTERNAL AUDIT CHARTER	Version <u>6</u> 7
Prepared: EMCS	Reviewed by: EMCS	Approved: <u>CEO</u> COUNCIL	Page 2 of 6
Printed documents are not controlled. Check the electronic version for the latest version			



CORPORATE POLICY NO 4.4 INTERNAL AUDIT CHARTER



COUNCIL POLICY NO 4.4 INTERNAL AUDIT CHARTER

Risk management

Reviewing the adequacy of existing procedures and practices, which ensure all relevant risks are promptly identified, assessed and appropriately treated.

Issued: Feb 2022 2024	Review Date: Feb 2024 2026	Title: CORPORATE POLICY NO 4.4 INTERNAL AUDIT CHARTER	Version 6 7
Prepared: EMCS	Reviewed by: EMCS	Approved: CEO COUNCIL	Page 3 of 6
Printed documents are not controlled. Check the electronic version for the latest version			

Fraud control

Internal Audit can assist management to:

- Identify the risks of fraud and develop fraud prevention and monitoring strategies
- Deal with fraud & misconduct matters at the request of the Audit & Risk Committee.

4. Scope of Internal Audit Activity

Internal Audit reviews cover all programmes and activities of the Regional Council, which may include entities associated with any outsourcing function. Internal Audit activity encompasses the review of all financial and non-financial policies and operations.

Without limiting the performance of its function, Internal Audit shall:

- Undertake regular periodic compliance testing of key controls over accounting and risk management, information and control systems;
- Determine whether the systems of internal checks and controls are adequate and are functioning effectively and economically;
- Ascertain the extent to which public and other property, money and resources under the control of the Regional Council are accounted for, utilised and safeguarded from losses of all kinds;
- Assess the relevance, reliability and adequacy of management data;
- Promote effective control at reasonable cost;
- Assess the value obtained for moneys expended;
- Recommend changes in procedures and systems to improve efficiency and prevent waste and extravagance;
- Ascertain the extent of compliance with established policies, plans and procedures, and determine whether they are effective in securing their intended purpose;
- Carry out any special investigations, appraisals, inspections and examinations in areas having financial, operational or management impact;
- Review management, accounting and risk management systems and operations to assess the extent to which corporate objectives are achieved, and the adequacy of controls over activities leading to such achievement; and
- Draw attention to any failure to take prompt remedial action with regard to identified shortcomings.

5. Audit Plans

As part of managing the audit function, a rolling three-year Strategic Audit Plan is prepared by Internal Audit and presented to Audit & Risk Committee annually for consideration and approval. The Plan shall be aligned to the Risks identified in the Risk Management Register.

6. Additional Audit Reviews

Issued: Feb <u>2022</u> 2024	Review Date: Feb <u>2024</u> 2026	Title: CORPORATE POLICY NO 4.4 INTERNAL AUDIT CHARTER	Version <u>6</u> 7
Prepared: EMCS	Reviewed by: EMCS	Approved: <u>CEO COUNCIL</u>	Page <u>4</u> of 6
Printed documents are not controlled. Check the electronic version for the latest version			

Internal Audit may conduct any additional or further audit reviews and investigations as may be required from time to time as approved by the Audit & Risk Committee.

7. Fraud

As part of the Regional Council’s Guidelines in dealing with fraud and misconduct, where considered necessary, Internal Audit will be informed of any suspected or actual fraud or dishonest act to independently report on:

The method used;

- The details of any disciplinary or police action taken;
- The weakness in control which allowed the dishonest act to be perpetrated; and
- The changes needed to prevent a similar occurrence within the Regional Council.

8. Reporting Requirements

On completion of each independent audit, Internal Audit will make every effort to ensure that all matters concerning factual content are resolved with management before the Independent Internal Audit Reports are published.

These reports shall include recommendations of appropriate actions or issues for consideration by management. Independent Internal Audit Reports are expected to include agreed actions by management together with specific target completion dates.

Copies of Independent Audit Reports shall be distributed to the Chief Executive Officer and the Chairman.

- All Independent Audit Reports are to be submitted at Audit & Risk Committee meetings ~~and Regional Council meetings.~~
- The Chief Executive Officer shall evaluate all audit findings and recommendations, and take action as appropriate with particular attention to prompt corrective action regarding deficiencies in internal control.
- Independent Internal Audit shall conduct follow up reviews to ensure that agreed critical recommendations have been implemented properly.
- Independent Internal Audit is required to provide a Quarterly Status Report on the progress of implementation of recommendations.
- The non-implementation of agreed recommendations is to be reported to the Audit & Risk Committee ~~and to the Regional Council.~~

9. External Auditor

The Office of the Auditor General (OAG) will have full access to all Internal Audit Reports and both parties are encouraged to discuss any audit matters between themselves.

Where the OAG selects the Regional Council as part of its focus audit program, the Regional Council will submit all audit reports and recommendations to the next available Audit & Risk Committee meeting.

Issued: Feb 2022 2024	Review Date: Feb 2024 2026	Title: CORPORATE POLICY NO 4.4 INTERNAL AUDIT CHARTER	Version 6 7
Prepared: EMCS	Reviewed by: EMCS	Approved: <u>CEO COUNCIL</u>	Page 5 of 6
Printed documents are not controlled. Check the electronic version for the latest version			

10. Professional Standards

All internal audit projects must be undertaken with due professional care. In line with standards of professional internal auditing practice, the Audit & Risk Committee shall ensure:

- that skills, competence, experience and qualifications are appropriate for the audits being performed;
- that all internal audit projects are properly supervised and, where required, on the job training provided;
- compliance with all relevant standards and codes of ethics as laid down by the Institute of Internal Auditors, CPA Australia and the Institute of Chartered Accountants.

7.0 REFERENCES & REVIEW

Statutory Compliance	<ul style="list-style-type: none"> ▪ Part 5 of the Local Government Act 1995 ▪ L Govt (Administration) Regulations ▪ L Govt (Financial Management) Regulations 1996 	
Organisational Compliance	<ul style="list-style-type: none"> ▪ Audit & Risk Committee Policy 	
Approved by	Regional Council	
Next Revision Date	Feb 2024 2026	
Related Documents	Local Government Guidelines Nos. 9 and 13	
Policy Administration	Responsible Officer	Review Cycle
Corporate	Executive Manager Corporate Services	Biennial
Risk Rating	Operational Risk Register – Risk	
Location of document	Members Area – SMRC-RRG website Staff Intranet SMRC, 9 Aldous Place, Beeragoon – Corporate Services RRRC, 350 Bannister Road, Canning Vale – staff room	

8.0 DOCUMENT CONTROL REGISTER

Date	Review	No.	Author	Resp Officer	Council
2011/01	Original	1	DCS	DCS	25/08/2011
2013/08	Review	2	EMCS	EMCS	22/08/2013
2015	Review	3	EMCS	EMCS	25/06/2015
2017	Review	4	EMCS	EMCS	24/08/2017
2020	Review	5	EMCS	EMCS	27/02/2020
2022	Review	6	CSM	EMCS	24/02/2022
2024	Review	7	MCS		

Issued: Feb 2022 2024	Review Date: Feb 2024 2026	Title: CORPORATE POLICY NO 4.4 INTERNAL AUDIT CHARTER	Version 6 7
Prepared: EMCS	Reviewed by: EMCS	Approved: CEO COUNCIL	Page 6 of 6
Printed documents are not controlled. Check the electronic version for the latest version			

COUNCIL POLICY NO 4.7 ACTING CHIEF EXECUTIVE OFFICER

1.0 STATEMENT

Section 5.36 of the Local Government Act 1995 requires that a local government is to employ a person to be the Chief Executive Officer (CEO).

In the absence of the CEO e.g. annual leave, long service leave, extended personal leave or travel, it is appropriate for a person to be appointed to act in the position of CEO with all its functions and delegated authority.

2.0 SCOPE

This Policy applies to the Chief Executive Officer or his/her duly authorised representative.

3.0 OBJECTIVE

1. To appoint approved internal employees of the Resource Recovery Group that details who steps into the role in the position of Acting CEO during periods of absence of the CEO no longer than six (6) weeks.
2. To ensure that the Council approves the appointment of an Acting CEO for periods that are longer than six (6) weeks in accordance with the Local Government Act.

4.0 ROLES & RESPONSIBILITIES

Council

The Regional Council is to review and approve the CEO's recommended list of suitable employees to act in the CEO's absence.

Where the CEO is absent for more than six (6) weeks, the Council shall appoint a person who meets the criteria of the Local Government Act and regulations to the position of Acting CEO.

Where the CEO is absent, the Council may by council resolution appoint a person who is not an employee and meets the criteria of the Local Government Act and regulations to the position of Acting CEO.

Chief Executive Officer

The Chief Executive Officer is to recommend to Council and maintain a current list of duly suitable employees available to undertake the role and functions of the CEO during the CEO's absence being no longer that 6 weeks.

Prior to the CEO commencing each leave period, the CEO is to inform the Regional Council, committee members and Resource Recovery Group workforce, of the authorised person who will be Acting CEO during the CEO's absence.

The Chief Executive Officer may recommend to Council a suitable person who is not a Resource Recovery Group employee to undertake the position of Acting CEO during the CEO's absence.

Annual and Long service leave for the CEO is to be approved by the Chairman and completed using the appropriate Resource Recovery Group leave application process.

Issued: May 202 5 ³	Review Date: May 202 5 ⁶	Title: CORPORATE POLICY NO 4.7 Acting Chief Executive Officer	Version 7
Prepared: EMGC	Reviewed by: EMGCS	Approved: CEO	Page 1 of 2
Printed documents are not controlled. Please refer to the electronic version for the latest version			

5.0 CONTENT

The following Resource Recovery Group employees are recommended and authorised to undertake the role of acting CEO during the CEO's absence not exceeding 6 weeks.

Mr Brendan Doherty	Executive Manager Strategic Projects
Mr Keith Swift	Executive Manager Operations
Ms Ann Johnson	Executive Manager Governance & Culture
Mr Xabier Urresti	Executive Manager Operations

The remuneration payment for higher duties shall be based on experience, skills and qualifications and any additional workload during the period as acting CEO.

The CEO and authorised employee shall agree on an appropriate remuneration or in the case of a council appointment, the Chairman and person.

NB: The Acting CEO does not automatically receive the same remuneration package as the CEO.

6.0 REFERENCES & REVIEW

Statutory Compliance	<ul style="list-style-type: none"> ▪ <i>Local Government Act 1995, section 5.36</i> ▪ <i>Local Government Administration Regulations 18C</i> 	
Organisational Compliance	Leave Approval	
Approved by	Regional Council	
Next Revision Date	May 202 6 ⁵	
Related Documents	HR Policy Higher Duties Leave Form/Electronic Leave Portal Higher Duties for Employees Form	
Policy Administration	Responsible Officer	Review Cycle
Corporate	Chief Executive Officer	Biennial
Risk Rating	Operational Risk Register – High	
Location of document	Resource Recovery Group Website – Members Area Staff Intranet 9 Aldous Place, Booragoon – Corporate Services 350 Bannister Road, Canning Vale – staff room	

7.0 DOCUMENT CONTROL REGISTER

Date	Review	No.	Author	Resp Officer	Council
2012	Original	1	DCS	CEO	23/02/2012
2014	Review	2	EMCS	CEO	27/02/2014
2016	Review	3	EMCS	CEO	25/02/2016
2018	Review	4	EMCS	CEO	15/02/2018
2020	Review	5	EMCS	CEO	27/02/2020
2022	Review	6	MGC	CEO	25/02/2022
2023	Review	7	MGC	CEO	25/05/2023
2024	Update	8	EMGC	CEO	

Issued: May 202 5 ³	Review Date: May 202 6 ⁵	Title: CORPORATE POLICY NO 4.7 Acting Chief Executive Officer	Version 7 ⁸
Prepared: EMGC	Reviewed by: EMGC S	Approved: CEO	Page 2 of 2
Printed documents are not controlled. Please refer to the electronic version for the latest version			

COUNCIL POLICY NO 3.2 (HR9.2) EMPLOYEE PERSONAL PROPERTY

STATEMENT

Resource Recovery Group (RRG) is committed to safeguarding the personal property of all employees in the workplace.

SCOPE

This Policy applies to all employees of RRG Resource Recovery Group.

OBJECTIVE

To provide a clear position in relation to employees' personal property in the workplace.

ROLES & RESPONSIBILITIES

Chief Executive Officer

The Chief Executive Officer (CEO) has Council authority to reimburse the employee for the cost of repair or fair replacement value.

Employees

Employees are to exercise care to avoid loss or damage to their personal property and are discouraged from leaving personal property at the workplace.

CONTENT

~~The Regional Council~~ RRG will not be liable for any damage or loss of employees' personal property, beyond that provided for in its existing insurance cover or that is prescribed under the appropriate employment awards.

Where an employee's personal equipment has been damaged or lost whilst used for work related purposes at the workplace the CEO has discretionary authority to reimburse the employee for the cost of repair or fair replacement value.

Where an employee is eligible for reimbursement, the Resource Recovery Group will only consider the request if the employee can demonstrate the following:

1. They took reasonable precautions to prevent the loss or damage.
2. It was not reasonable for them to have obtained insurance coverage against the loss or damage.
3. It was not reasonable for them to pursue legal action to recover the loss or damage from a potentially liable party.

Note that where an employee has their own personal insurance cover (eg) vehicle, only the excess payable may be reimbursed to the employee. Where the employee receives reimbursement from RRG before receiving compensation from an insurance company or any other party, RRG retains the right to reclaim the reimbursed amount.

Issued: August-May 2024 2	Review Date: June 2024 May 2026	Title: COUNCIL POLICY NO 3.2 (HR9.2) EMPLOYEE PERSONAL PROPERTY	Version 8 7
Prepared: EMG SPCA	Reviewed by: SMG EMGC	Approved: COUNCIL	Page 1 of 2
Printed documents are not controlled. Please refer to the electronic version for the latest version			

REFERENCES & REVIEW

	3.2 Employee Personal Property	
Statutory Compliance	<u>Civil Liability Act 2002 (WA)</u>	
Organisational Compliance	<u>SMRC RRRC Enterprise Agreement 2021 industrial agreement</u> <u>Local Government Industry Award (LGIA) 2020 industrial agreement</u>	
Approved by	Regional Council	
Related Documents	RRG Insurance policies <u>Employment Awards</u>	
Next Revision Date	<u>June 2024</u> <u>May 2026</u>	
Policy Administration	Responsible Officer	Review Cycle
Corporate	Executive Manager <u>Corporate Governance & Culture Services</u>	Biennial
Risk Rating	Medium	
Location of document	RRG Website – Members Area Staff Intranet RRG, 9 Aldous Place, Booragoon – Corporate Services CVC, 350 Bannister Road, Canning Vale – staff room	

DOCUMENT CONTROL REGISTER

Date	Review	No.	Author	Resp Officer	Council
2007	Original	1		HRM	27/09/2007
2012	Review	2	DCS	DCS	26/07/2012
2014	Review	3	EMCS	EMCS	28/08/2014
2016	Review	4	EMCS	EMCS	28/04/2016
2018	Review	5	EMCS	EMCS	19/04/2018
2020	Review	6	EMCS	EMCS	27/08/2020
2022	Review	7	MCS	MGC	25/08/2022
<u>2024</u>	<u>Review</u>	<u>8</u>	<u>PCA</u>	<u>EMGC</u>	

Issued: <u>August-May 2024</u>	Review Date: <u>June 2024</u> <u>May 2026</u>	Title: COUNCIL POLICY NO 3.2 (HR9.2) EMPLOYEE PERSONAL PROPERTY	Version <u>8.7</u>
Prepared: <u>EMCS</u> <u>PCA</u>	Reviewed by: <u>SMG</u> <u>EMGC</u>	Approved: COUNCIL	Page 2 of 2
Printed documents are not controlled. Please refer to the electronic version for the latest version.			

RESOURCE RECOVERY GROUP
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 JANUARY 2024

	Audited	
	30 June 2023	31 January 2024
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	10,814,151	7,566,603
Trade and other receivables	1,349,836	1,818,371
Other financial assets	105,476	59,959
Inventories	1,271,990	1,219,781
Other assets	541,800	1,716,701
TOTAL CURRENT ASSETS	14,083,252	12,381,415
NON-CURRENT ASSETS		
Other financial assets	1,708,024	1,708,024
Property, plant and equipment	14,320,363	12,765,703
Right-of-use assets	3,477,427	3,288,881
TOTAL NON-CURRENT ASSETS	19,505,814	17,762,608
TOTAL ASSETS	33,589,066	30,144,023
CURRENT LIABILITIES		
Trade and other payables	6,187,216	4,947,347
Lease liabilities	582,243	582,243
Borrowings	91,976	46,459
Employee related provisions	467,024	415,821
TOTAL CURRENT LIABILITIES	7,328,459	5,991,870
NON-CURRENT LIABILITIES		
Lease liabilities	4,968,948	4,632,408
Borrowings	1,708,024	1,708,024
Employee related provisions	98,181	64,534
Other provisions	5,582,909	5,628,116
TOTAL NON-CURRENT LIABILITIES	12,358,063	12,033,082
TOTAL LIABILITIES	19,686,522	18,024,952
NET ASSETS	13,902,544	12,119,072
EQUITY		
Retained surplus	(4,702,513)	(5,594,749)
Reserve accounts	10,133,325	9,242,089
Revaluation surplus	8,471,732	8,471,732
TOTAL EQUITY	13,902,544	12,119,072

This statement is to be read in conjunction with the accompanying notes.

RESOURCE RECOVERY GROUP
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2024

	Adopted Budget Estimates (a) \$	Revised Budget Estimates	YTD Budget Estimates (b) \$	YTD Actual (c) \$	Variance* \$ (c) - (b)	Variance* % ((c) - (b))/(b)	Var.
OPERATING ACTIVITIES							
Revenue from operating activities							
Grants, subsidies and contributions	2,616,109	2,491,333	1,366,843	1,414,248	47,405	3.47%	▲
Fees and charges	13,909,545	14,522,270	8,294,574	8,486,894	192,320	2.32%	▲
Interest revenue	271,000	281,211	164,040	147,321	(16,719)	(10.19%)	▼
Other revenue	2,161,352	2,057,181	1,286,152	1,363,670	77,518	6.03%	▲
Profit on asset disposals	0		0	38,867	38,867	0.00%	▲
	18,958,006	19,351,996	11,111,609	11,451,000	339,391	3.05%	
Expenditure from operating activities							
Employee costs	(5,849,482)	(5,810,734)	(3,259,464)	(3,150,955)	108,509	3.33%	▲
Materials and contracts	(10,337,476)	(10,616,598)	(6,020,935)	(6,027,030)	(6,095)	(0.10%)	▼
Utility charges	(789,424)	(742,300)	(433,008)	(408,308)	24,700	5.70%	▲
Depreciation	(4,815,819)	(4,776,228)	(2,779,071)	(2,485,750)	293,321	10.55%	▲
Finance costs	(340,345)	(340,370)	(198,549)	(195,007)	3,542	1.78%	▲
Insurance	(2,099,335)	(2,097,535)	(1,223,562)	(1,217,422)	6,140	0.50%	▲
	(24,231,881)	(24,383,765)	(13,914,589)	(13,484,472)	430,117	3.09%	
Non-cash amounts excluded from operating activities	5,537,833	4,880,269	2,792,138	2,458,444	(333,694)	(11.95%)	▼
NET OPERATING POSITION	263,958	(151,500)	(10,842)	424,972	435,814	4019.83%	
INVESTING ACTIVITIES							
Inflows from investing activities							
Proceeds from capital grants, subsidies and contributions	450,000		250,000	250,000	0	0.00%	
Proceeds from disposal of assets	0		0	38,867	38,867	0.00%	▲
	450,000		250,000	288,867	38,867	15.55%	
Outflows from investing activities							
Payments for property, plant and equipment	(5,340,351)		(2,994,432)	(1,154,047)	1,840,384	61.46%	▲
	(5,340,351)		(2,994,432)	(1,154,047)	1,840,384	61.46%	
Amount attributable to investing activities	(4,890,351)		(2,744,432)	(865,180)	1,879,252	68.48%	
FINANCING ACTIVITIES							
Inflows from financing activities							
Transfer from reserves	4,577,300		891,236	891,236	0	0.00%	
	4,577,300		891,236	891,236	0	0.00%	
Outflows from financing activities							
Payments for principal portion of lease liabilities	(339,642)		(336,540)	(336,540)	0	0.00%	
Transfer to reserves	(390,000)		0	0	0	0.00%	
	(729,642)		(336,540)	(336,540)	0	0.00%	
Amount attributable to financing activities	3,847,658		554,696	554,696	0	0.00%	
MOVEMENT IN SURPLUS OR DEFICIT							
Surplus or deficit at the start of the financial year	766,430		766,430	766,430	0	0.00%	
Amount attributable to operating activities	263,958		(10,842)	424,972	435,814	4019.83%	▲
Amount attributable to investing activities	(4,890,351)		(2,744,432)	(865,180)	1,879,252	68.48%	▲
Amount attributable to financing activities	3,847,658		554,696	554,696	0	0.00%	
Surplus or deficit after imposition of government grants	(12,305)		(1,434,147)	880,918	2,315,065	161.42%	▲

KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

* Refer to Note 3 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

**RESOURCE RECOVERY GROUP
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2024**

3 EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date actual materially.

The material variance adopted by Council for the 2023-24 year is \$20,000.

Description	Var. \$	Var. %	
	\$	%	
Revenue from operating activities			
Fees and charges	192,320	2.32%	▲
Gate fee, Sals income & Red Bin Waste income higher than budget			
Interest revenue	(16,719)	(10.19%)	▼
Reversal accrued interest income due to year end adjustment			
Other revenue	77,518	6.03%	▲
CDS income exceeding the budget			
Expenditure from operating activities			
Materials and contracts	(6,095)	(0.10%)	▼
Utility charges	24,700	5.70%	▲
Cost savings			
Finance costs	3,542	1.78%	▲

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31 JANUARY 2024

1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

This prescribed financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996*, prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for 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 Reso to measure any vested improvements at zero cost.

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supporting information does not form part of the financial report.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has 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 REPORTING ENTITY

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

All monies held in the Trust Fund are excluded from the financial statements.

Judgements and 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 believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, infrastructure and investment property
- estimation uncertainties made in relation to lease accounting
- estimated useful life of intangible assets

SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies utilised in the preparation of these statements are as described within the 2023-24 Annual Budget. Please refer to the adopted budget document for details of these policies.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 26 April 2024

RESOURCE RECOVERY GROUP
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 29 FEBRUARY 2024

	Audited	
	30 June 2023	29 February 2024
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	10,814,151	7,749,177
Trade and other receivables	1,349,836	1,428,011
Other financial assets	105,476	36,848
Inventories	1,271,990	1,241,384
Other assets	541,800	2,648,227
TOTAL CURRENT ASSETS	14,083,252	13,103,647
NON-CURRENT ASSETS		
Other financial assets	1,708,024	1,708,024
Property, plant and equipment	14,320,363	12,367,872
Right-of-use assets	3,477,427	3,208,332
TOTAL NON-CURRENT ASSETS	19,505,814	17,284,228
TOTAL ASSETS	33,589,066	30,387,875
CURRENT LIABILITIES		
Trade and other payables	6,187,216	5,616,403
Lease liabilities	582,243	582,243
Borrowings	91,976	23,348
Employee related provisions	467,024	412,128
TOTAL CURRENT LIABILITIES	7,328,459	6,634,122
NON-CURRENT LIABILITIES		
Lease liabilities	4,968,948	4,582,966
Borrowings	1,708,024	1,708,024
Employee related provisions	98,181	67,235
Other provisions	5,582,909	5,634,575
TOTAL NON-CURRENT LIABILITIES	12,358,063	11,992,800
TOTAL LIABILITIES	19,686,522	18,626,922
NET ASSETS	13,902,544	11,760,953
EQUITY		
Retained surplus	(4,702,513)	(5,920,332)
Reserve accounts	10,133,325	9,209,553
Revaluation surplus	8,471,732	8,471,732
TOTAL EQUITY	13,902,544	11,760,953

This statement is to be read in conjunction with the accompanying notes.

RESOURCE RECOVERY GROUP
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 29 FEBRUARY 2024

	Adopted Budget Estimates (a) \$	Revised Budget Estimates	YTD Budget Estimates (b) \$	YTD Actual (c) \$	Variance* \$ (c) - (b) \$	Variance* % ((c) - (b))/(b) %	Var.
OPERATING ACTIVITIES							
Revenue from operating activities							
Grants, subsidies and contributions	2,616,109	2,491,333	1,562,106	1,625,804	63,698	4.08%	▲
Fees and charges	13,909,545	14,522,270	9,479,514	9,519,605	40,091	0.42%	▲
Interest revenue	271,000	281,211	187,474	171,790	(15,684)	(8.37%)	▼
Other revenue	2,161,352	2,057,181	1,469,888	1,576,838	106,950	7.28%	▲
Profit on asset disposals	0	0	0	38,867	38,867	0.00%	▲
	18,958,006	19,351,996	12,698,982	12,932,904	233,922	1.84%	
Expenditure from operating activities							
Employee costs	(5,849,482)	(5,810,734)	(3,725,102)	(3,516,157)	208,945	5.61%	▲
Materials and contracts	(10,337,476)	(10,616,598)	(6,883,068)	(6,891,092)	(8,024)	(0.12%)	▼
Utility charges	(789,424)	(742,300)	(494,867)	(417,802)	77,065	15.57%	▲
Depreciation	(4,815,819)	(4,776,228)	(3,176,081)	(2,873,542)	302,539	9.53%	▲
Finance costs	(340,345)	(340,370)	(226,913)	(233,404)	(6,491)	(2.86%)	▼
Insurance	(2,099,335)	(2,097,535)	(1,398,357)	(1,392,498)	5,859	0.42%	▲
	(24,231,881)	(24,383,765)	(15,904,388)	(15,324,495)	579,893	3.65%	
Non-cash amounts excluded from operating activities	5,537,833	4,880,269	3,189,148	2,855,395	(333,753)	(10.47%)	▼
NET OPERATING POSITION	263,958	(151,500)	(16,258)	463,804	480,062	2952.85%	
INVESTING ACTIVITIES							
Inflows from investing activities							
Proceeds from capital grants, subsidies and contributions	450,000		250,000	250,000	0	0.00%	
Proceeds from disposal of assets	0		0	38,867	38,867	0.00%	▲
	450,000		250,000	288,867	38,867	15.55%	
Outflows from investing activities							
Payments for property, plant and equipment	(5,340,351)		(2,994,432)	(1,186,587)	1,807,844	60.37%	▲
	(5,340,351)		(2,994,432)	(1,186,587)	1,807,844	60.37%	
Amount attributable to investing activities	(4,890,351)		(2,744,432)	(897,720)	1,846,712	67.29%	
FINANCING ACTIVITIES							
Inflows from financing activities							
Transfer from reserves	4,577,300		923,772	923,772	0	0.00%	
	4,577,300		923,772	923,772	0	0.00%	
Outflows from financing activities							
Payments for principal portion of lease liabilities	(388,162)		(385,981)	(385,981)	0	0.00%	
Transfer to reserves	(390,000)		0	0	0	0.00%	
	(778,162)		(385,981)	(385,981)	0	0.00%	
Amount attributable to financing activities	3,799,138		537,791	537,791	0	0.00%	
MOVEMENT IN SURPLUS OR DEFICIT							
Surplus or deficit at the start of the financial year	766,430		766,430	766,430	0	0.00%	
Amount attributable to operating activities	263,958		(16,258)	463,804	480,062	2952.85%	▲
Amount attributable to investing activities	(4,890,351)		(2,744,432)	(897,720)	1,846,712	67.29%	▲
Amount attributable to financing activities	3,799,138		537,791	537,791	0	0.00%	
Surplus or deficit after imposition of government grants	(60,825)		(1,456,469)	870,305	2,326,773	159.75%	▲

KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

* Refer to Note 3 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

**RESOURCE RECOVERY GROUP
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 29 FEBRUARY 2024**

3 EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date actual materially.

The material variance adopted by Council for the 2023-24 year is \$20,000.

Description	Var. \$	Var. %	
	\$	%	
Revenue from operating activities			
Fees and charges	40,091	0.42%	▲
Gate fee, Sals income & Red Bin Waste income higher than budget			
Interest revenue	(15,684)	(8.37%)	▼
Reversal accrued interest income due to year end adjustment			
Other revenue	106,950	7.28%	▲
CDS income exceeding the budget			
Expenditure from operating activities			
Materials and contracts	(8,024)	(0.12%)	▼
Lower service delivery, contract and disposal costs			
Utility charges	77,065	15.57%	▲
Cost savings			
Finance costs	(6,491)	(2.86%)	▼

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 29 FEBRUARY 2024

1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

This prescribed financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996*, prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for 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 Reso to measure any vested improvements at zero cost.

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supporting information does not form part of the financial report.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has 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 REPORTING ENTITY

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

All monies held in the Trust Fund are excluded from the financial statements.

Judgements and 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 believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, infrastructure and investment property
- estimation uncertainties made in relation to lease accounting
- estimated useful life of intangible assets

SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies utilised in the preparation of these statements are as described within the 2023-24 Annual Budget. Please refer to the adopted budget document for details of these policies.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 26 April 2024

RESOURCE RECOVERY GROUP
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 MARCH 2024

	Audited	
	30 June 2023	31 March 2024
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	10,814,151	7,825,616
Trade and other receivables	1,349,836	2,091,507
Other financial assets	105,476	36,848
Inventories	1,271,990	1,292,711
Other assets	541,800	1,233,363
TOTAL CURRENT ASSETS	14,083,252	12,480,045
NON-CURRENT ASSETS		
Other financial assets	1,708,024	1,708,024
Property, plant and equipment	14,320,363	12,912,421
Right-of-use assets	3,477,427	3,236,264
TOTAL NON-CURRENT ASSETS	19,505,814	17,856,709
TOTAL ASSETS	33,589,066	30,336,754
CURRENT LIABILITIES		
Trade and other payables	6,187,216	5,028,851
Lease liabilities	582,243	582,243
Borrowings	91,976	23,348
Employee related provisions	467,024	423,073
TOTAL CURRENT LIABILITIES	7,328,459	6,057,515
NON-CURRENT LIABILITIES		
Lease liabilities	4,968,948	4,534,343
Borrowings	1,708,024	1,708,024
Employee related provisions	98,181	71,991
Other provisions	5,582,909	5,641,034
TOTAL NON-CURRENT LIABILITIES	12,358,063	11,955,391
TOTAL LIABILITIES	19,686,522	18,012,906
NET ASSETS	13,902,544	12,323,848
EQUITY		
Retained surplus	(4,702,513)	(5,300,574)
Reserve accounts	10,133,325	9,152,689
Revaluation surplus	8,471,732	8,471,732
TOTAL EQUITY	13,902,544	12,323,848

This statement is to be read in conjunction with the accompanying notes.

RESOURCE RECOVERY GROUP
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2024

	Adopted Budget Estimates	YTD Budget Estimates	YTD Actual	Variance* \$	Variance* %	Var.
	\$	\$	\$	\$	%	
OPERATING ACTIVITIES						
Revenue from operating activities						
Grants, subsidies and contributions	2,616,109	1,757,369	1,806,563	49,194	2.80%	▲
Fees and charges	13,909,545	10,664,453	10,645,491	(18,962)	(0.18%)	▼
Interest revenue	271,000	210,908	176,519	(34,389)	(16.31%)	▼
Other revenue	2,161,352	1,653,623	1,792,315	138,692	8.39%	▲
Profit on asset disposals	0	0	38,867	38,867	0.00%	▲
	18,958,006	14,286,353	14,459,755	173,402	1.21%	
Expenditure from operating activities						
Employee costs	(5,849,482)	(4,209,490)	(3,885,860)	323,630	7.69%	▲
Materials and contracts	(10,337,476)	(7,744,202)	(7,752,340)	(8,138)	(0.11%)	▼
Utility charges	(789,424)	(556,725)	(470,201)	86,524	15.54%	▲
Depreciation	(4,815,819)	(3,573,091)	(2,357,926)	1,215,165	34.01%	▲
Finance costs	(340,345)	(255,277)	(254,550)	727	0.28%	▲
Insurance	(2,099,335)	(1,573,151)	(1,567,575)	5,576	0.35%	▲
	(24,231,881)	(17,911,936)	(16,288,452)	1,623,484	9.06%	
Non-cash amounts excluded from operating activities	5,537,833	3,586,158	2,350,993	(1,235,165)	(34.44%)	▼
NET OPERATING POSITION	263,958	(39,425)	522,296	561,721	1424.80%	
INVESTING ACTIVITIES						
Inflows from investing activities						
Proceeds from capital grants, subsidies and contributions	450,000	250,000	250,000	0	0.00%	
Proceeds from disposal of assets	0	0	38,867	38,867	0.00%	▲
	450,000	250,000	288,867	38,867	15.55%	
Outflows from investing activities						
Payments for property, plant and equipment	(5,340,351)	(2,994,432)	(1,243,451)	1,750,981	58.47%	▲
	(5,340,351)	(2,994,432)	(1,243,451)	1,750,981	58.47%	
Amount attributable to investing activities	(4,890,351)	(2,744,432)	(954,584)	1,789,848	65.22%	
FINANCING ACTIVITIES						
Inflows from financing activities						
Transfer from reserves	4,577,300	980,636	980,636	0	0.00%	
	4,577,300	980,636	980,636	0	0.00%	
Outflows from financing activities						
Payments for principal portion of lease liabilities	(434,605)	(434,605)	(434,605)	0	0.00%	
Transfer to reserves	(390,000)	0	0	0	0.00%	
	(824,605)	(434,605)	(434,605)	0	0.00%	
Amount attributable to financing activities	3,752,695	546,031	546,031	0	0.00%	
MOVEMENT IN SURPLUS OR DEFICIT						
Surplus or deficit at the start of the financial year	766,430	766,430	766,430	0	0.00%	
Amount attributable to operating activities	263,958	(39,425)	522,296	561,721	1424.80%	▲
Amount attributable to investing activities	(4,890,351)	(2,744,432)	(954,584)	1,789,848	65.22%	▲
Amount attributable to financing activities	3,752,695	546,031	546,031	0	0.00%	
Surplus or deficit after imposition of general rates	(107,268)	(1,471,396)	880,173	2,351,569	159.82%	▲

KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

* Refer to Note 3 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

**RESOURCE RECOVERY GROUP
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2024**

3 EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date actual materially.

The material variance adopted by Council for the 2023-24 year is \$20,000.

Description	Var. \$	Var. %	
	\$	%	
Revenue from operating activities			
Fees and charges	(18,962)	(0.18%)	▼
Interest revenue	(34,389)	(16.31%)	▼
Reversal accrued interest income due to year end adjustment			
Other revenue	138,692	8.39%	▲
CDS income exceeding the budget			
Expenditure from operating activities			
Materials and contracts	(8,138)	(0.11%)	▼
Utility charges	86,524	15.54%	▲
Cost savings			
Finance costs	727	0.28%	▲

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31 MARCH 2024

1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

This prescribed financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996*, prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for 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 Reso to measure any vested improvements at zero cost.

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supporting information does not form part of the financial report.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has 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 REPORTING ENTITY

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

All monies held in the Trust Fund are excluded from the financial statements.

Judgements and 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 believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, infrastructure and investment property
- estimation uncertainties made in relation to lease accounting
- estimated useful life of intangible assets

SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies utilised in the preparation of these statements are as described within the 2023-24 Annual Budget. Please refer to the adopted budget document for details of these policies.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 26 April 2024

STATEMENT

To give effect to Section 5.50 of the *Local Government Act 1995* in relation to the payment of employees, except Senior Employees or the CEO, of amounts in addition to a contract or award upon leaving the organisation.

SCOPE

This Policy applies to employees whose employment is governed by the Local Government Industry Award 2020 (Award), or the Southern Metropolitan Regional Council Resource Recovery Centre Enterprise Agreement 2021 (Agreement), or any other industrial instrument.

OBJECTIVE

- To determine the circumstances for which the Council may make a payment to employees in excess of the applicable contract or industrial instrument; and
- To effect such payments to employees in the manner prescribed by Council, in accordance with legislation and the requirements of this Policy.

DEFINITIONS

Cash Salary means the cash base hourly rate (excluding all allowances and loadings) paid, or payable, multiplied by the employed person's normal weekly hours immediately before the person's employment with the Council finished. Where a person works irregular hours, then the normal weekly hours will be calculated on an average of the last twelve weeks.

Redundancy means a situation where the employer no longer requires a specific position to be performed by a person(s) because of changes in the operational requirements of the organisation.

Senior Employee means an employee holding the position of Chief Executive Officer or an employee appointed under Section 5.37 of the *Local Government Act 1995* or designated as such by the Council.

Voluntary Severance means a financial payment made to a person who voluntarily chooses to end their employment in a situation where surplus positions within the organisation are identified.

ROLES & RESPONSIBILITIES

- The Chief Executive Officer (CEO) is responsible for ensuring payments are effected as directed by Council.

Issued: November-May 2024	Review Date: November-May 2024	Title: COUNCIL POLICY NO 3.7 RETENTION INCENTIVE PAYMENT	Version 43
Prepared: EMGC	Reviewed by: EMGC	Approved: COUNCIL	Page 1 of 4
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CONTENT

1. RETENTION INCENTIVE PAYMENT

The Council may provide a payment to eligible employees to encourage them to continue employment until the employee's position is made redundant, due to a pending sale or winding up of the business and the employee has not received or accepted an offer for alternative re-deployment arranged by Council (Retention Incentive Payment).

The Retention Incentive Payment is to assist employees financially after leaving the Council due to Redundancy and will be considered a Voluntary Severance.

The Retention Incentive Payment will be:

- a) subject to b) below, a maximum payment of thirteen (13) weeks at the employee's Cash Salary,
- b) where the total number of weeks paid to the employee for payment in lieu of notice, redundancy payment under the Agreement or the Award and the Retention Incentive Payment (together, the Total Severance Pay), would, other than due to this clause, exceed twenty-six (26) weeks, the Retention Incentive Payment will be reduced so that the Total Severance Pay equals twenty-six (26) weeks.

2 ELIGIBILITY CRITERIA:

An employee will only be eligible to receive the Retention Incentive Payment where the:

- a) Council no longer requires the employee's role to be performed by anyone and proposes to terminate the employee's employment for reasons of Redundancy;
- b) Employee has completed six (6) months employment (or less, only at the discretion of the CEO).
- c) Employee has not received any written warnings in relation to their conduct in the workplace within the six (6) months before the Council's proposal to terminate the employment of the employee;
- d) Employee has not been managed for performance pursuant to 'Standard No HR6.10 – Managing Poor Performance Standard' within the six (6) months before the Council's proposal to terminate the employment of the employee; and
- e) Council has not secured alternative employment for the Employee.

Where the Council has secured alternative employment no less favourable than the employee's current employment and the Employee does not accept the position offered, the employee will not receive the Retention Incentive Payment.

If the employee is offered a Retention Incentive Payment, the employee agrees that the Retention Incentive Payment is a Voluntary Severance.

Issued: November-May 2022 24	Review Date: November-May 2022 24	Title: COUNCIL POLICY NO 3.7 RETENTION INCENTIVE PAYMENT	Version 43
Prepared: MGC	Reviewed by: SMG	Approved: COUNCIL	Page 2 of 4
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2023-24 Review by Member Participants:

In acknowledging the impact to our staff that the review being undertaken in 2023-24 may have, we wish to enhance and clarify the policy further:

- We reiterate that this policy is to encourage staff to remain with the organisation until their position is made redundant, due to a pending sale or winding up of the business. The payment is not designed to compensate staff who remain employed by the RRG, a new entity, or redeployed into a suitable alternate role elsewhere.
- Wherever possible our preference is for staff to be offered an alternate position rather than redundancy.
- Policy 3.1, Leave Management, be waived until 30 June 2025 to allow staff members to accrue and retain more than 8 weeks annual leave and to postpone the taking of long service leave for longer than 6 months after it becomes accrued.
- Introduce a bonus payment of \$500 per person for every six months of service completed during the 2024-2025 financial year.
 - You must complete your normally rostered hours during the six-month period. Or if employed on a casual basis, an average of your normally rostered hours.
 - Approved leave may occur during the period but periods of leave without pay will make you ineligible for the payment.
 - The payment of \$500 will be made six weeks after the completion of the six-month period and is subject to you still being employed by RRG.
 - The payment is a fixed sum and applies equally to all staff and does not attract superannuation.
 - These payments will apply even if you transition to a new employer and are not made redundant.
- Pay you 30% of your personal leave balance accrued and not used during the 2024-2025 financial year.
 - Applies to permanent and fixed term staff only, ie does not apply to casual staff.
 - Any personal leave used during the 2024-2025 financial year will be balanced against the accrual for that year, 30% of the difference will be paid to you if made redundant due to sale or wind up of the organisation.
- During 2024 resilience training will be offered to all permanent staff members and we will work with our supervisors and managers to provide them with tools and skills to liaise with staff regarding this matter.
- We will enhance our Employee Assistance Program (EAP) extending its access to cover assistance for any reason, not just work-related matters.
- We recognise that not all staff work consistent hours, redundancy payments for the purposes of this policy will be calculated by taking the average of the last six months' ordinary salary (excluding allowances, overtime and superannuation).
- We recognise that it may be necessary for some business units to wind up at different times and we confirm that if you meet the eligibility criteria of points 1 and 2 the policy will still apply.

REFERENCES & REVIEW

Statutory Compliance	<ul style="list-style-type: none"> ▪ <i>Local Government Act 1995 Section 5.50</i> ▪ <i>Local Government (Administration) Regulations 19A</i> ▪ <i>Fair Work Act 2009 Minimum Conditions of Employment Act WA</i> ▪ <i>Local Government Industry Award 2020</i>
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COUNCIL POLICY NO 3.7 RETENTION INCENTIVE PAYMENT

Organisational Compliance	<ul style="list-style-type: none"> ▪ SMRC RRRRC Enterprise Agreement 2021 ▪ Local Government Industry Award 2020 ▪ Individual Employment Contracts ▪ Policy 3.3 Additional Payments in Addition to Contracts and Awards 	
Approved by	Regional Council	
Next Revision Date	November 2024 <u>May 2026</u>	
Policy Administration	Responsible Officer	Review Cycle
Corporate	Chief Executive Officer	Biennial
Risk Rating	Operational Risk Register – Risk Medium	
Location of document	Members Area – RRG website Staff Intranet 9 Aldous Place, Booragoon – Corporate Services 350 Bannister Road, Canning Vale – staff room	

DOCUMENT CONTROL REGISTER

Date	Review	No.	Author	Resp Officer	Council
2018	Original	1	EMCS	CEO	22/11/2018
2019	Review	2	EMCS	CEO	27/06/2019
2022	Review	3	MGC	SMG – 4/10/22	24/11/2022
<u>2024</u>	<u>Review</u>	<u>4</u>	<u>EMGC</u>	<u>CEO</u>	

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Schedule of Payments made in March 2024

Chq/EFT	Date	Name	Description	Amount
4800718	06.03.24	Blackwoods Atkins	Occupational health and safety	907.63
4800719	06.03.24	Blue Force Pty Ltd	CVC Security	521.40
4800720	06.03.24	Bunnings Group Limited	Workshop expenses	217.28
4800721	06.03.24	DRWA Building Doors	Site Maintenance	363.00
4800722	06.03.24	Haz-Ed Services	Mobile Plant Maintenance	577.50
4800723	06.03.24	Industrial Power Tool Services	Minor Capital Equipment/Tools	147.40
4800724	06.03.24	Industrial Protective Products (WA)	Occupational health and safety	949.96
4800725	06.03.24	OPS Screening & Crushing Equipment Pty Ltd	Vacuum Gauge	134.56
4800726	06.03.24	PEP Transport	Courier services	147.56
4800727	06.03.24	Rentokil Initial Pty Ltd (ambius)	CVC Interior Plantscape Rental	58.85
4800728	06.03.24	Tema Services Pty Ltd	Laundry expenses	723.80
4800729	06.03.24	Total Electrical & Mechanical Services Pty Ltd	Fixed Plant Maintenance	550.00
4800730	06.03.24	Toyota Material Handling WA Pty Ltd	Mobile Plant Fuel	151.16
4800731	06.03.24	Water2Water Pty Ltd	Site Maintenance	140.00
4800732	06.03.24	Winc Australia Pty Limited	office expenses	688.00
4800733	06.03.24	Work Clobber	Occupational health and safety	335.25
4800734	06.03.24	Coregas Pty Ltd	Workshop expenses	275.87
4800735	06.03.24	Advance Press	City of Fremantle - Game Set	1,309.00
4800736	06.03.24	Allclean Property Services Plus	CVC Cleaning	3,739.18
4800737	06.03.24	Eurofins ARL Pty Ltd	Quality Assurance	1,768.80
4800738	06.03.24	Australian Bale Press Company	Roller	4,862.00
4800739	06.03.24	BP Australia P/L	Diesel Fuel	10,911.11
4800740	06.03.24	Cea Specialty Equipment Pty Ltd	Mobile Plant Maintenance	1,549.65
4800741	06.03.24	CJD Equipment Pty Ltd	Mobile Plant Maintenance	10,768.86
4800742	06.03.24	E Fire & Safety (WA)	Mobile Plant Maintenance	5,978.50
4800743	06.03.24	Environmental & Air Quality Consulting Pty Ltd	Contracted Services	12,578.02
4800744	06.03.24	Flick Anticimex Pty Ltd	Booragoon Cleaning	1,506.87
4800745	06.03.24	Fox Refrigeration and Air-Conditioning	Fixed Plant Maintenance	7,783.50
4800746	06.03.24	Hands-On Infection Control	Occupational health and safety	1,005.15
4800747	06.03.24	Hoisting Equipment Specialist (HESWA)	Occupational health and safety	3,218.60
4800748	06.03.24	Horizon West Landscape & Irrigation Pty Ltd	CVC Landscape Maintenance	3,730.38
4800749	06.03.24	Hydraulink Australia Pty Ltd	Mobile Plant Maintenance	9,657.41
4800750	06.03.24	Majestic Plumbing Pty Ltd	Site Maintenance	1,700.99
4800751	06.03.24	Material Recovery Solutions Pty Ltd	Container Baler	1,263.05
4800752	06.03.24	Minter Ellison Lawyers	Legal Advice	11,804.87
4800753	06.03.24	Natsync Environmental	Pest control	2,652.00
4800754	06.03.24	Netelec Pty Ltd T/A Netelec Electrical Supplies	MRF Container and Fibre Baler	1,381.49
4800755	06.03.24	Network-IT(WA) PTY LTD	IT/ ICT/ Support	8,744.02
4800756	06.03.24	OTR Tyres	Mobile Plant Maintenance	1,589.52
4800757	06.03.24	Perth Contract Hydraulics	Mobile Plant Maintenance	4,343.90
4800758	06.03.24	Perth Recruitment Services Pty Ltd	Labour Hire	5,916.51
4800759	06.03.24	Snap Printing Canning Vale	Occupational health and safety	1,122.36
4800760	06.03.24	Solutions Plus Partnership Pty Ltd	SAP B1 Licence	13,600.08
4800761	06.03.24	Sonic Health Plus	Employment cost	2,217.60
4800762	06.03.24	United Equipment Pty Ltd	Mobile Plant Hire	3,039.08
4800763	06.03.24	WA Fasteners Pty Ltd	Occupational health and safety	2,772.00
4800764	06.03.24	Western Australian Local Government Association	Processing Costs	5,195.04
4800765	06.03.24	Lincom WA Pty Ltd	Mobile Plant Hire	20,097.61
4800766	06.03.24	Bernadini Pty Ltd (LSA Lubricants)	Fixed Plant Fuel	2,195.77
4800767	06.03.24	City of Kalamunda	Quarterly CDS Sharing	22,293.13
4800768	06.03.24	CTI Logistics Interstate	Transport costs	34,049.10
4800769	06.03.24	Synergy - Electricity Retail Corporation	Electricity	62,215.07
4800770	06.03.24	JD Organics Pty Ltd T/A Garden Organics	FOGO Fines	67,831.84
4800771	06.03.24	Purearth	FOGO Fines	55,980.10
4800772	06.03.24	Veolia Recycling & Recovery (Perth) Pty Ltd	Landfill Disposal	352,775.44

4800773	06.03.24	Wastetrans Wa	Transport costs	137,921.68
4800774	06.03.24	Telstra Limited	Mobile	14,715.20
4800775	06.03.24	Water Corporation*	Water charges	8,782.31
4800776	06.03.24	PAYG - Australian Taxation Office (ATO)	PAYG	36,092.00
4800778	13.03.24	Xelflex Pty Ltd	Fixed Plant Maintenance	93,511.17
4800779	21.03.24	Cr Andrew White*	Councillor sitting fees	686.92
4800780	21.03.24	Cr Karen Wheatland*	Councillor sitting fees	2,334.67
4800781	21.03.24	Cr Hannah Fitzhardinge*	Councillor sitting fees	1,013.08
4800782	22.03.24	Advance Press	Advertising & Promotion	236.50
4800783	22.03.24	Advance Visual	Office expenses	352.00
4800784	22.03.24	Eurofins ARL Pty Ltd	Quality Assurance	884.40
4800785	22.03.24	Applied Industrial Technologies Pty Ltd	Fixed Plant Maintenance	396.00
4800786	22.03.24	Blackwoods Atkins	Occupational health and safety	445.94
4800787	22.03.24	Bunnings Group Limited	Industrial Wall Fan	554.75
4800788	22.03.24	Cleveland Compressed Air Services	Fixed Plant Maintenance	692.18
4800789	22.03.24	Di Candilo Steel City	Fixed Plant Maintenance	525.80
4800790	22.03.24	DMD Storage Group	Site Maintenance	544.50
4800791	22.03.24	Fox Refrigeration and Air-Conditioning	Fixed Plant Maintenance	540.00
4800792	22.03.24	FUJIFILM Business Innovation Australia Pty Ltd	Photocopier expenses	376.92
4800793	22.03.24	Global Spill Control Pty Ltd	Site Maintenance	488.40
4800794	22.03.24	Hoisting Equipment Specialist (HESWA)	Occupational health and safety	242.00
4800795	22.03.24	Industrial Protective Products (WA)	Occupational health and safety	752.62
4800796	22.03.24	Material Recovery Solutions Pty Ltd	Freight and Couriers	254.54
4800797	22.03.24	Netelec Pty Ltd T/A Netelec Electrical Supplies	Fixed Plant Maintenance	281.00
4800798	22.03.24	Office Works	Stationery	61.44
4800799	22.03.24	PEP Transport	Courier services	129.42
4800800	22.03.24	Rentokil Initial Pty Ltd (ambius)	CVC Interior Plantscape Rental	62.85
4800801	22.03.24	Selectro Services P/L	Fixed Plant Maintenance	660.00
4800802	22.03.24	Snake Rescue and Relocation Training Pty Ltd	Training	410.00
4800803	22.03.24	Tema Services Pty Ltd	Laundry expenses	734.36
4800804	22.03.24	Water2Water Pty Ltd	Rental cost for Maxiflow Scale System	140.00
4800805	22.03.24	Winc Australia Pty Limited	Stationery	453.25
4800806	22.03.24	Work Clobber	Occupational health and safety	176.70
4800807	22.03.24	Wren Oil	Oil Waste Disposal	357.50
4800808	22.03.24	Coregas Pty Ltd	Hire of industrial gas cylinders	275.87
4800809	22.03.24	JD Organics Pty Ltd T/A Garden Organics	FOGO Fines	47,019.38
4800810	22.03.24	Purearth	FOGO Fines	49,854.20
4800811	22.03.24	Veolia Recycling & Recovery (Perth) Pty Ltd	Red Bin Disposal Costs	212,248.63
4800812	22.03.24	Wastetrans Wa	Hook truck hire	107,761.50
4800813	22.03.24	Concept Wire Industries	Bailing Wire	40,097.20
4800814	22.03.24	City of Wanneroo	Quarterly CDS Sharing	132,275.02
4800815	22.03.24	City of Kalamunda	Quarterly CDS Sharing	36,374.55
4800816	22.03.24	All Rubber TMH Pty Ltd	Fixed Plant Maintenance	6,211.70
4800817	22.03.24	Allclean Property Services Plus	CVC Cleaning	3,739.18
4800818	22.03.24	Blue Force Pty Ltd	Security Monitoring Services	1,100.17
4800819	22.03.24	CJD Equipment Pty Ltd	Mobile Plant Maintenance	14,678.35
4800820	22.03.24	Cleanaway Co Pty Ltd	Disposal	1,912.14
4800821	22.03.24	CTI Logistics Interstate	Transport costs	16,733.90
4800822	22.03.24	DLA Piper Australia	Legal Advice	1,584.55
4800823	22.03.24	E Fire & Safety (WA)	Mobile Plant Maintenance	8,695.50
4800824	22.03.24	Environmental & Air Quality Consulting Pty Ltd	Contracted Services	2,062.02
4800825	22.03.24	Horizon West Landscape & Irrigation Pty Ltd	Lawn & Garden Maintenance	4,032.88
4800826	22.03.24	Hydraulink Australia Pty Ltd	Mobile Plant Maintenance	11,463.46
4800827	22.03.24	Majestic Plumbing Pty Ltd	Fixed Plant Maintenance	2,671.46
4800828	22.03.24	Minter Ellison Lawyers	Legal Advice	7,992.60
4800829	22.03.24	MM Electrical Merchandising	Contactors	1,497.88
4800830	22.03.24	Network-IT(WA) PTY LTD	IT/ ICT/ Support	12,332.55
4800831	22.03.24	OPS Screening & Crushing Equipment Pty Ltd	Desiccant Air Breather	2,653.74

4800832	22.03.24	OTR Tyres	Mobile Plant Maintenance	1,014.75
4800833	22.03.24	Panetta McGrath Lawyers	Employment Costs	4,554.00
4800834	22.03.24	Perth Contract Hydraulics	Mobile Plant Maintenance	14,726.46
4800835	22.03.24	Perth Recruitment Services Pty Ltd	Labour Hire	4,581.13
4800836	22.03.24	Premier Workplace Solutions	Site Maintenance	26,837.80
4800837	22.03.24	SAGE Automation Pty Ltd	Fixed Plant Maintenance	2,681.80
4800838	22.03.24	Solo Resource Recovery	Quarterly CDS Sharing	7,718.04
4800839	22.03.24	Solutions Plus Partnership Pty Ltd	SAP B1 Support	5,626.15
4800840	22.03.24	Sonic Health Plus	Employment Costs	4,877.40
4800841	22.03.24	Super Sweep	Site Maintenance	8,448.00
4800842	22.03.24	United Equipment Pty Ltd	Mobile Plant Hire	3,340.59
4800843	22.03.24	WA Fasteners Pty Ltd	Occupational health and safety	2,932.07
4800844	22.03.24	Reinteractive Pty Ltd	Digital platform expenses	1,595.00
4800845	22.03.24	Jackson Asphalt	Site Maintenance	26,639.24
4800846	22.03.24	Helene Pty Ltd T/as Lo-Go Appointments	Employment Costs	5,191.27
4800847	22.03.24	Marsh Pty Ltd	Contracted Services	7,040.00
4800855	13.03.24	RRG Payroll Net Clearing	Payroll	119,712.88
4800857	22.03.24	Vocus Pty Ltd	IT/ ICT/ Support	1,689.53
4800858	01.03.24	City of Canning	CVC Lease	69,643.75
4800859	13.03.24	Precision (Beam)	Superannuation	22,269.93
4800860	01.03.24	National Australia Bank (NAB)	Credit Card Repayment Feb 24	12,627.60
4800861	28.03.24	Telstra Limited	Mobiles	446.37
4800862	28.03.24	PAYG - Australian Taxation Office (ATO)	PAYG	72,876.00
4800863	27.03.24	RRG Payroll Net Clearing	Payroll	117,360.74
4800864	28.03.24	Precision (Beam)	Superannuation	22,223.08
			TOTAL PAYMENTS	2,369,768.93

Credit Card Transactions for March 2024				
EFT Ref	Date	Supplier Name	Expense Description	Amount
4800892	27/03/2024	Maddington And Canning	Site Maintenance	1,562.57
4800892	27/03/2024	Adobe	Monthly subscription	208.98
4800892	27/03/2024	Adobe	Monthly subscription	419.90
4800892	25/03/2024	Officeworks	Office expenses	372.95
4800892	25/03/2024	Gilberts Fresh Mark	Staff amenities	47.32
4800892	25/03/2024	Myaree Lunch Bar	Meeting expenses	51.51
4800892	22/03/2024	Gardenfresh	Staff amenities	20.00
4800892	22/03/2024	Bunnings	Staff amenities	50.16
4800892	22/03/2024	Coles	Staff amenities	8.90
4800892	21/03/2024	Smp	Staff amenities	20.26
4800892	21/03/2024	Gilberts Fresh Mark	Staff amenities	33.87
4800892	21/03/2024	Bunnings	Staff amenities	89.91
4800892	22/03/2024	Coles	Staff amenities	9.90
4800892	21/03/2024	Coles	Staff amenities	190.25
4800892	25/03/2024	Teamflect.Com	Computer Expenses	4.16
4800892	23/03/2024	Adobe Systems	Monthly subscription	79.99
4800892	21/03/2024	Facebk	RecycleRight Website	40.00
4800892	20/03/2024	Coles	Staff amenities	81.03
4800892	21/03/2024	Seek AU	Employment Costs	3,795.00
4800892	21/03/2024	Coles	QHSE Meeting	30.50
4800892	21/03/2024	Coles	QHSE Meeting	4.00
4800892	21/03/2024	Coles	Staff amenities	40.65
4800892	20/03/2024	Dmirs	Workshop expenses	44.00
4800892	19/03/2024	Mobile Test N Cal Au	Site Maintenance	132.77
4800892	19/03/2024	Mobile Test N Cal Au	Site Maintenance	88.52
4800892	20/03/2024	Coles	Staff amenities	11.40
4800892	19/03/2024	Woolworths	Staff amenities	29.67
4800892	19/03/2024	Sitech Wa Pty Ltd	Data Distribution License	154.00
4800892	19/03/2024	Volvo Group Australia	Mobile Plant Maintenance	546.79
4800892	19/03/2024	Coles	Staff amenities	4.45

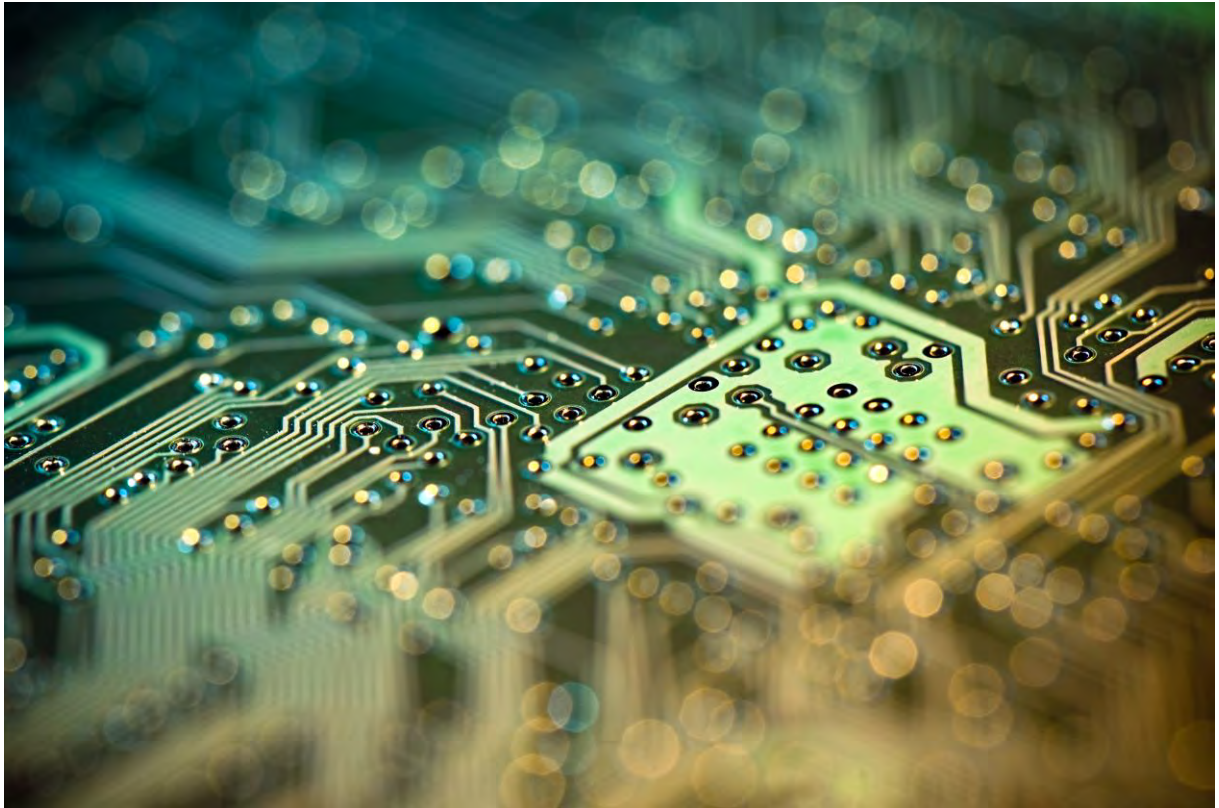
4800892	15/03/2024	Total Tools Canning	Fixed Plant Maintenance	35.00
4800892	16/03/2024	Zoom	Video Conference service	22.39
4800892	15/03/2024	Seek AU	Employment Costs	322.30
4800892	14/03/2024	Uber* Eats	Quality Assurance	38.74
4800892	13/03/2024	Uber* Eats	Quality Assurance	25.80
4800892	13/03/2024	Coles	Staff amenities	3.80
4800892	12/03/2024	Mailchimp	Monthly Subscription	68.92
4800892	12/03/2024	St John Ambulance	Training	89.00
4800892	12/03/2024	Uber* Eats	Quality Assurance	29.90
4800892	12/03/2024	Filters Plus Wa	Mobile Plant Maintenance	168.03
4800892	12/03/2024	Filters Plus Wa	Mobile Plant Maintenance	346.50
4800892	12/03/2024	Tenderlink Com	Advertising & Promotion	207.90
4800892	12/03/2024	Coles	Staff amenities	8.90
4800892	12/03/2024	Coles	Staff amenities	44.50
4800892	11/03/2024	Shushi	Quality Assurance	18.98
4800892	8/03/2024	Facebk	META promoting	40.00
4800892	7/03/2024	Western Australian Loc	Training	550.00
4800892	9/03/2024	Facebk	META promoting	19.48
4800892	6/03/2024	City Of Perth Parking	parking	7.07
4800892	7/03/2024	Work Clobber	Occupational health and safety	430.00
4800892	7/03/2024	Total Tools Canning	Workshop expenses	596.00
4800892	6/03/2024	Paypal	Staff amenities	144.00
4800892	7/03/2024	Wilson Parking	Mobile Patrol Services CVC	1,073.36
4800892	6/03/2024	Pig & Fig Cafe	Office expenses	55.00
4800892	7/03/2024	Teamflect.Com	Computer Expenses	101.80
4800892	5/03/2024	Coles	Staff amenities	12.10
4800892	5/03/2024	Linkedin	Training	299.88
4800892	3/03/2024	Hello Visitor Pty Lt	Monthly subscription	31.21
4800892	4/03/2024	Upwork	RecycleRight Website	16.62
4800892	1/03/2024	The Neighbourhood	Office expenses	12.30
4800892	1/03/2024	Adobe Systems Pty Ltd	Monthly subscription	39.59
4800892	3/03/2024	Amazon Web Services	Monthly subscription	163.87
4800892	1/03/2024	Insight Call Centre	Telephone	171.00
4800892	1/03/2024	The Neighbourhood	Office expenses	5.80
4800892	29/02/2024	Coles Express	Staff amenities	3.80
4800892	29/02/2024	Myaree Iga	Staff amenities	7.98
			Credit Card Purchases - March 2024	13,384.93

Schedule of Payments made in February 2024

Chq/EFT	Date	Name	Description	Amount
4800675	14.02.24	BP Australia P/L	Diesel Fuel	13,873.51
4800678	14.02.24	Urban Clean 1 Pty Ltd	Office Cleaning	1,123.52
4800671	01.02.24	Xelflex Pty Ltd	Fixed Plant Maintenance	34,911.80
4800695	22.02.24	DRWA Building Doors	Site Maintenance	330.00
4800701	22.02.24	St John Ambulance Australia	Occupational health and safety	24.69
4800694	22.02.24	Arbon Equipment Pty Ltd	Fixed Plant Maintenance	522.50
4800676	14.02.24	Cleanaway Co Pty Ltd	Disposal cost	2,247.14
4800696	22.02.24	Environmental & Air Quality Consulting Pty Ltd	Contracted Services	7,139.00
4800698	22.02.24	Octagon-BKG Lifts	Site Maintenance	1,173.06
4800702	22.02.24	Super Sweep	Site Maintenance	4,180.00
4800677	14.02.24	Moore Australia	Consultantation	6,776.00
4800699	22.02.24	Panetta McGrath Lawyers	Legal advice	3,630.00
4800704	22.02.24	Omnicom Media Group Australia Pty Ltd (Marketforce)	Advertising & Promotion	449.42
4800703	22.02.24	Synergy - Electricity Retail Corporation	Electricity charges	595.87
4800697	22.02.24	Natsync Environmental	Pest control	465.00
4800705	22.02.24	Urban Clean 1 Pty Ltd	Office Cleaning	1,203.98
4800715	22.02.24	Vocus Pty Ltd	IT/ ICT/ Support	1,097.80
4800700	22.02.24	Perth Recruitment Services Pty Ltd	Labour Hire	16,046.54
4800693	22.02.24	PAYG - Australian Taxation Office (ATO)	PAYG	197,657.00
4800711	14.02.24	RRG Payroll Net Clearing	Payroll	119,594.90
4800713	16.02.24	Precision (Beam)	Superannuation	23,283.96
4800692	22.02.24	BAS - Australian Taxation Office (ATO)	BAS - January 2024	57,569.00
4800706	28.02.24	Cr Andrew White*	Councillor sitting fees	686.92
4800708	28.02.24	Cr Hannah Fitzhardinge*	Councillor sitting fees	1,013.08
4800707	28.02.24	Cr Karen Wheatland*	Councillor sitting fees	2,334.67
4800717	29.02.24	Precision (Beam)	Superannuation	22,764.89
4800716	28.02.24	RRG Payroll Net Clearing	Payroll	117,008.42
4800691	22.02.24	National Recovery Technologies(NRT)	Fixed Plant Maintenance	1,785.35
			TOTAL PAYMENTS	639,488.02

Credit Card Transactions for February 2024				
EFT Ref	Date	Supplier Name	Expense Description	Amount
4800860	26/02/2024	Lucky Charm Willetton	Postage	3.90
4800860	27/02/2024	Advanced Spatial Techn	AutoCAD licences	2,227.50
4800860	27/02/2024	Ls Good Sammy Enterpr	Promotional Campaigns	19.50
4800860	26/02/2024	Gilberts Fresh Mark	Office supplies	31.77
4800860	27/02/2024	Adobe Systems Pty Ltd	Software Licence fees	208.98
4800860	27/02/2024	Adobe Systems Pty Ltd	Software Licence fees	419.90
4800860	23/02/2024	Adobe Systems Pty Ltd	Software Licence fees	79.99
4800860	22/02/2024	Sitech Wa Pty Ltd	Data Distribution License	154.00
4800860	22/02/2024	Volvo Group Australia	Mobile Plant Maintenance	546.79
4800860	22/02/2024	Facebk	Social Media Facebook	33.45
4800860	21/02/2024	Coles	Office supplies for MRF	101.65
4800860	21/02/2024	Coles	Office supplies for Admin	47.95
4800860	21/02/2024	Coles	Office supplies for MNT	3.75
4800860	21/02/2024	Coles	Office supplies for FPF	18.75
4800860	21/02/2024	Coles	Office supplies for Audit	12.70
4800860	21/02/2024	Finger Food Catering	Catering for Council Meeting	377.74
4800860	20/02/2024	St John Ambulance	Occupational health and safety	190.60
4800860	20/02/2024	Gilberts Fresh Mark	Office supplies	38.50
4800860	20/02/2024	Officeworks	Stationery	20.14
4800860	20/02/2024	Myaree Iga	Staff amenities	7.98
4800860	20/02/2024	Gregs Southern River	Site Maintenance	11.98
4800860	19/02/2024	Repco	Site Maintenance	50.00
4800860	19/02/2024	Repco	Site Maintenance	25.00

4800860	16/02/2024	Facebk	META promoting	40.00
4800860	16/02/2024	Zoom.Us	Video Conference service	22.39
4800860	15/02/2024	Aldi Stores - Willetto	QHSE Meeting	30.20
4800860	14/02/2024	Department Of Transpor	DOT 1HOD202 renewal	405.40
4800860	14/02/2024	Department Of Transpor	DOT 1HOD202 renewal	10.30
4800860	13/02/2024	Paypal	Computer Expenses	320.31
4800860	13/02/2024	Paskal Pty Ltd	Workshop expenses	278.58
4800860	12/02/2024	Bp Burredah	Fuel	117.32
4800860	12/02/2024	Gilberts Fresh Mark	Staff amenities	36.15
4800860	12/02/2024	Mailchimp	Monthly subscription	70.08
4800860	12/02/2024	Coles	Staff amenities	13.35
4800860	9/02/2024	Burrendah Tavern	Staff amenities	16.99
4800860	9/02/2024	Facebk	META promoting	10.82
4800860	9/02/2024	Local Governement Mana	Training	2,810.00
4800860	9/02/2024	Cjd Equipment Pty Ltd	Mobile Plant Maintenance	1,000.00
4800860	9/02/2024	Chambers Pest Solutions	Pest control service	250.00
4800860	9/02/2024	Wilson Parking	Parking	25.31
4800860	9/02/2024	Coles	Staff amenities	15.99
4800860	8/02/2024	Paskal Pty Ltd	Workshop expenses	383.55
4800860	8/02/2024	City Of Perth Parking	parking	9.59
4800860	7/02/2024	City Of Joondalup	parking	4.40
4800860	5/02/2024	Aldi Stores - Willetto	Staff amenities	21.77
4800860	5/02/2024	Aldi Stores - Willetto	Staff amenities	1.89
4800860	7/02/2024	Auspost Po Box	PO Box Renewal	261.00
4800860	7/02/2024	Teamflect.Com	Computer Expenses	101.39
4800860	5/02/2024	Gilberts Fresh Mark	Staff amenities	42.69
4800860	5/02/2024	Gilberts Fresh Mark	Staff amenities	14.19
4800860	6/02/2024	Wilson Parking	Mobile Patrol Services CVC	1,155.20
4800860	3/02/2024	Hello Visitor Pty Lt	Monthly subscription	30.79
4800860	5/02/2024	Coles	Staff amenities	8.90
4800860	1/02/2024	The Coffee Club	Meeting with DWER- TB and LRS	12.19
4800860	2/02/2024	Facebk	META promoting	40.00
4800860	1/02/2024	Adobe Systems Pty Ltd	Monthly subscription	39.59
4800860	3/02/2024	Amazon Web Services	Monthly subscription	154.13
4800860	1/02/2024	Jumpin Beans Cafe	Employee Expense	12.99
4800860	30/01/2024	Insight Call Centre	Telephone	171.00
4800860	29/01/2024	Gilberts Fresh Mark	Staff amenities	31.30
4800860	29/01/2024	Coles	Staff amenities	8.90
4800860	29/01/2024	Upwork	RecycleRight Website	16.43
			Credit Card Purchases - February 2024	12,627.60



Resource Recovery Group ICT Strategic Plan 2023 - 2026

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Versions

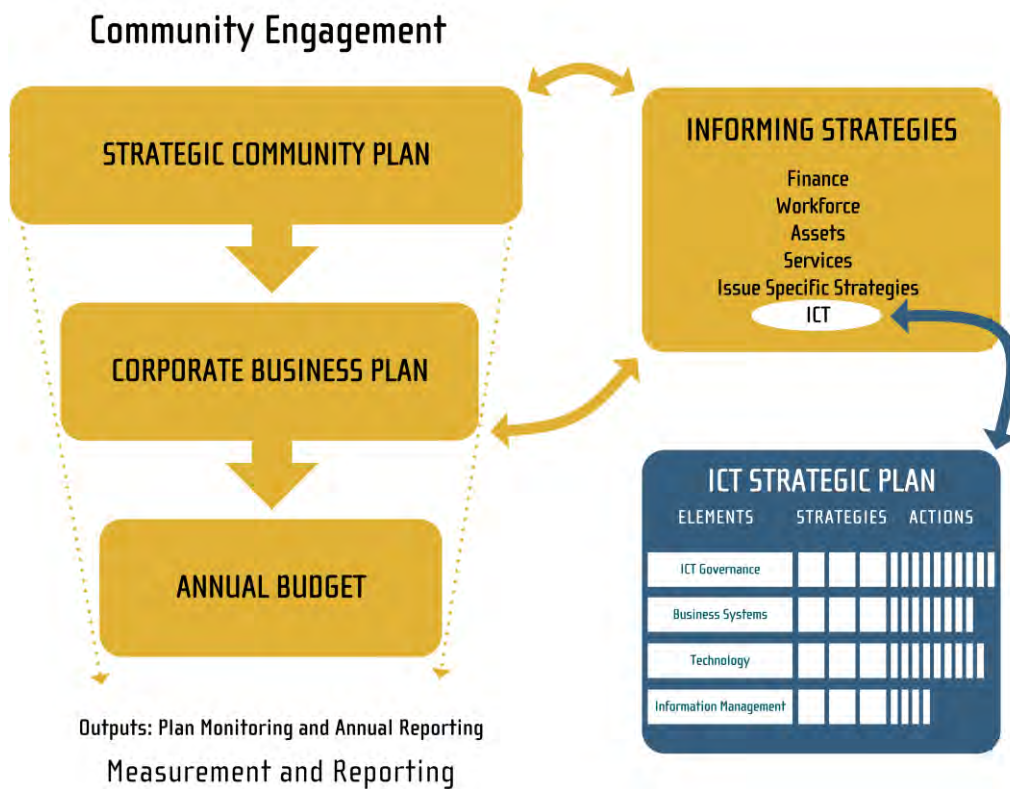
- 1.1 Plan 2015 to 2018 - Adopted
- 2.1 Plan 2023 to 2026 - Draft

SUMMARY

1. Introduction

This document is the second version of the Information and Communications Technology (ICT)¹ Strategic Plan for the Resource Recovery Group (RRG), and covers the three-year period July 2023 to June 2026. This is an update of version 1 and has been prepared considering both the current state of the ICT Assets and Operational services, as well as the desired state based on future investments in ICT. The actions identified are not just based on technology, but include the dimensions of people, processes and structure as well.

The ICT Strategic Plan is one of a number of informing strategies and plans that form part of the Integrated Planning and Reporting Framework (IPR) adopted by the RRG. The plan identifies strategies and actions that are not only specific to the general operation and implementation of ICT systems and services (issue specific), but enables the objectives identified in the Corporate Business Plan and key focus areas of the Strategic Community Plan to be met. This relationship is shown diagrammatically below.



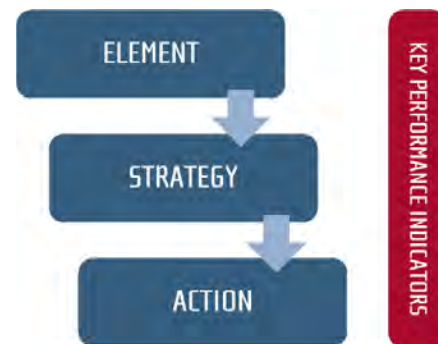
¹ The term ICT is an acronym commonly used for Information and Communications Technology, and includes all the technical facilities and services that are comprised of computer hardware and software. RRG has defined this to include all office systems and hardware; all process control equipment at the RRRC Project plant; all communications facilities such as voice communications (telephones, mobiles, fax, paging / SMS), data networks; internet; and so forth

SUMMARY

While this ICT Strategic Plan has used the Department of Local Government's (DLG) Information and Communications Technology Strategic Framework as a 'high-level' framework, not all of the key elements were considered relevant to RRG at this time.

Each element is supported by a number of strategies, while each strategy will have a number of actions in the form of projects, activities or programs of work.

Key Performance Indicators (KPIs) are defined to ensure that the various strategies are being achieved.



BACKGROUND

The RRG employs around 60 staff, located across two sites. The corporate office in Booragoon provides the core administrative functions for the organisation and operates on a five-day business week (Monday to Friday). The second site is the Resource Recovery Group Centre (CVC) located in Canning Vale, (formerly known as RRRC) which delivers the key business and operational outcomes for the regional council. The CVC operates seven days.

The original ICT facilities were implemented in 2001 when the RRRC became operational. Significant changes in technologies have occurred since 2001, especially in relation to PCs, the Internet and telephones. For the RRG, gradual changes during its life have been implemented through equipment expansions and replacement of infrastructure hardware and software.

There are around 45 personal computers and 80 accounts for access to the ICT facilities and the main ICT technologies being used today includes:

- Personal Computing – is based on Windows 10 operating systems; with hardware such as desktops and laptops.
- Phones System– A Telstra teams calling VOIP phone system is managed for both sites, accessing the Telstra network.
- Mobiles – Telstra MobileNet account for a small number of staff with most staff receiving a cash allowance using private mobiles i.e. Bring Your Own Device (BYOD) mobile.
- Local Area Network (LAN) – provides the local connections (intra-office) for devices and services.
- Wide Area network (WAN) – provides the inter-office and Internet connections.
- Servers – RRG have a mixture and physical and virtual servers using Windows Server Operating Systems.
- Microsoft Office 365 licensing and outlook
- Business Systems including SAP Business One & FileDirector.
- Specialist Systems including Plant Programmable Logic Control (PLC), Weighbridge and Odour Management.
- Web services – cloud based software, internet

SUMMARY

- CCTV @ RRRC – provides a viewing platform assisting with physical safety and security.
- WiFi Wireless
- Printing and scanning
- Application software for visitors recording,

The technology employed is typical of medium sized organisations and other Local Governments i.e. windows computers and server environment, Microsoft office for productivity and server applications including email; private and shared folders on servers for data storage; an Internet Protocol (IP) based digital data network; and rudimentary data back-up and recovery measures.

The Service Delivery structure is fully outsourced with some suppliers supporting the RRG since 2001.

PURPOSE

This ICT Strategic Plan presents the roadmap of investment projects and operational improvement projects that are agreed, approved and funded to be undertaken during the next five year period. After the ICT Strategic Plan is released, new requirements may be recognised, which are important and require funding and manpower. In those cases, the executive management will apply governance principals to assess such proposals for new work and decide on the allocations of additional resources or whether actions in this plan should be varied based on the relative importance to the business.

The ICT facilities and assets at any organisation should be managed and coordinated with recognition that the hardware and software components and their resulting ICT Services require a degree of maintenance, including planned replacement and upgrade from time-to-time.

Like other equipment asset types, ICT equipment does not last forever and sooner or later will suffer impairments or failure, unless maintained or replaced. From a risk management viewpoint, the business that is conducted and data that is held on the ICT equipment may then be put at risk. An ICT Strategic Plan should not only indicate where new investment is required, it should also set out strategies and approaches to ensure current assets are optimised and risks are managed.

ROAD MAP

2023-24	2024-25	2025-26
ICT Governance	ICT Governance	SharePoint
SAP Business One	SAP Business	
Migration of Servers	Upgrade Plant Systems	

SUMMARY

INCLUSIONS / EXCLUSIONS

Inclusions

- ICT Services for the current two sites at Booragoon (Administration) and Canning Vale (CVC);
- Services from the main current approved suppliers; and
- Relevant trends from the ICT industry.

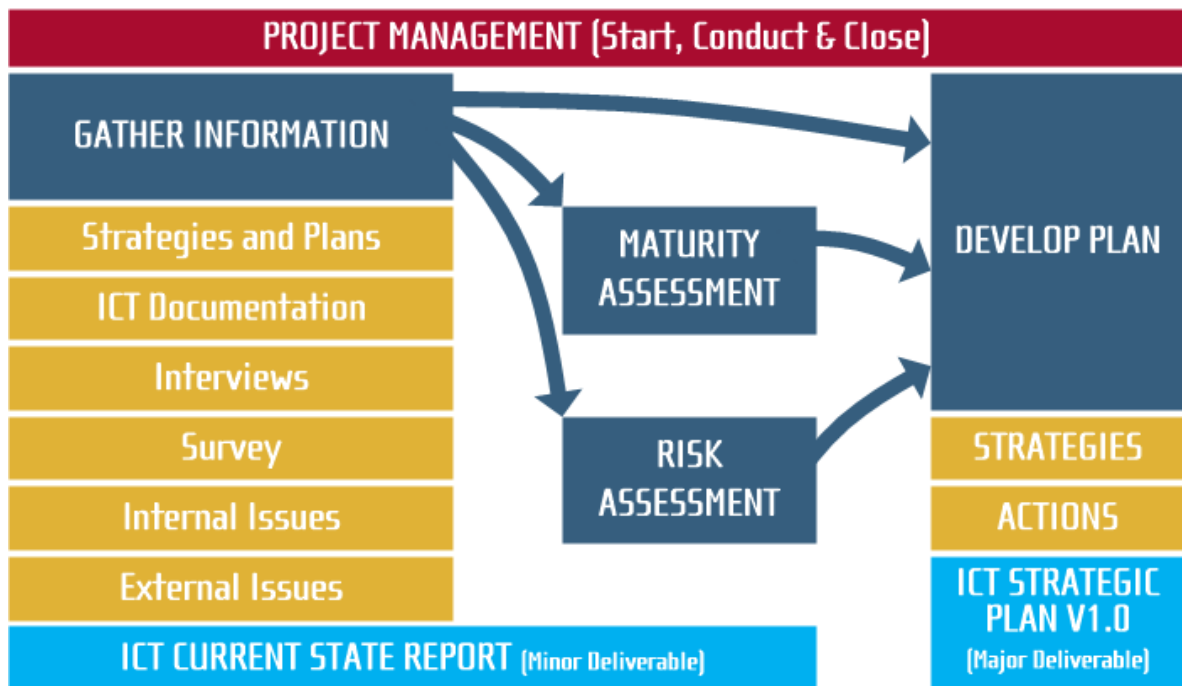
Exclusions

- Nil.

2. Method and Approach Used

For the original ICT Strategic Plan at RRG, the consultants used a 'Gap Analysis' approach. This was achieved by first identifying and examining the Current State of the ICT based on a number of factors; then secondly by identifying the Required Future State taking into consideration timeframes and available resources.

The approach continues to be used and is shown diagrammatically below:



3. Consideration Areas

This ICT Strategic Plan uses a content framework to identify and document the ICT element areas. The framework areas, as set out in the Department of Local Government’s ICT Strategic Framework documentation, are used as a guide only, since they are not mandatory and the Department’s model is considered too extensive in some elements for the Resource Recovery Group. Furthermore, DLG’s ICT framework was never fully completed.

As the RRG is a small organisation with a modest ICT budget and a low level of maturity, it has consequently been decided that this ICT Strategic Plan would use a framework model that focuses on the relevant elements. Governance has been expanded to include ICT service management, ICT project management and risk. This was seen as necessary to focus on more operational aspects of ICT and its effective management. As the information management aspects of the RRG are still being developed, a scaled back view of this element was used. The resultant mapping is shown as follows:

DLG’s Model	Model for RRG
1. Governance	1. Governance
2. Emerging Trends and Technologies	1.1 ICT Management
3. Business Systems and Applications	1.2 Program / Project Management
4. Infrastructure and Technology	1.3 Risk <ul style="list-style-type: none"> • Business Continuity / ICT Continuity • Security
5. IT Business Continuity	1.4 Service Management <ul style="list-style-type: none"> • Service Level Management • Processes • Supplier Service Delivery / Contract management • Reporting
6. Security	2. Business Systems and Applications
7. Project Management	3. Technology <ul style="list-style-type: none"> 3.1 ICT technology 3.2 Telecommunications 3.3 Emerging Trends 3.4 Assets 3.5 Standards
8. Information Management (7 sub-elements)	4. Information Management <ul style="list-style-type: none"> 4.1 EDMS “File Director” 4.2 Ownership 4.3 Data Repositories
8.1 Knowledge Management (for IM)	
8.2 Governance (for IM)	
8.3 Security (for IM)	
8.4 Information Asset Management	
8.5 Information Access and Use	
8.6 Record Keeping (for IM)	
8.7 Data Management (for IM)	

4. Overarching Principles

TARGET NORMAL STATE

In managing the ICT environment and Service Delivery arrangements, RRG should aim for the following attributes as the desired state for their ICT:

- An appropriate set of Policies and Processes will be used to govern ICT.
- Accountability and responsibility for ICT Planning, provisioning and support is assigned.
- ICT is funded appropriately through plans and budgets.
- Investments and Operations is Governed under a Steering Committee, with significant changes documented in the Strategic Plan.
- Structured projects are used to design, install and handover new solutions or significant upgrades and changes to existing ICT.
- Standard operational methods are used to deliver and support consistent and stable services to users.
- Suppliers are contracted, documented and managed.
- ICT documentation and records are developed and maintained to underpin operational support and allow options for switching between suppliers.

KEY DECISION POINTS

Managing the ICT facilities and services involves making choices about implementing new or upgrading existing ICT Assets, both hardware and software.

The RRG should be guided by the following overarching principles.

- The ICT Budget should contain sufficient funds to refresh a portion of the ICT assets each year;
- The main ICT Infrastructure and data networks form a business network which support many types of computer based communications. This infrastructure should be of sufficient quality (robustness; bandwidth etc.) to underpin other services with confidence;
- All key technology devices and services should be of a business-grade quality; and
- All key technology, including external services, should have capability to allow measurements and diagnostics, such as secure remote management.

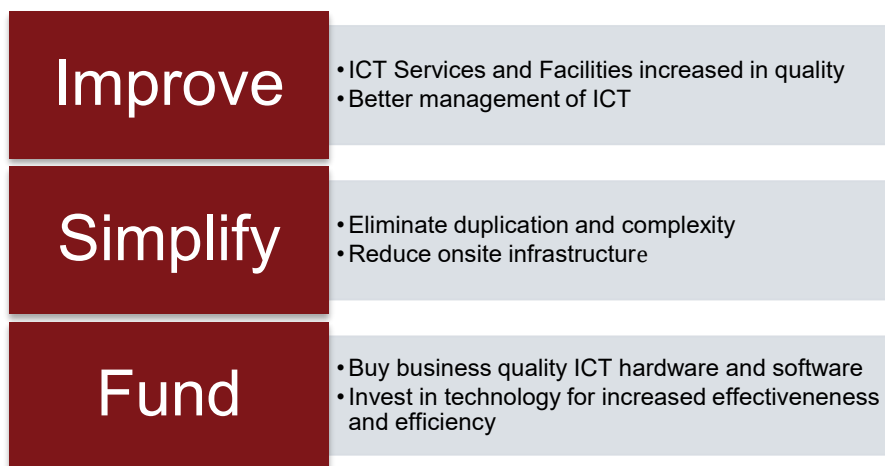
When considering whether existing equipment should be upgraded, the following prioritisation points can be used as criteria:

- 1st Current ICT is no longer functional, or fit for purpose;
- 2nd Current ICT is increasingly unreliable;
- 3rd Current ICT is causing Risk at too high a level; and
- 4th Costs to operate and support the current ICT is higher than replacing with newer and more cost effective technology.

ICT PRINCIPLES

PRINCIPLES FOR THE ICT STRATEGIC PLAN

Three key principles that ICT should strive for have been developed. These principles reinforce how RRG would achieve the strategies identified in this plan.



The application of the above can facilitate:

- Improvement in the quality of the ICT Facilities and Services. This would underpin normal operations and future changes and is achievable by ensuring that all future suppliers offer a broad range of capabilities in addition to their technical skills. Suppliers should be able to provide value-add based on their expertise in other, larger organisations. Ensure all future ICT technology purchases are of sufficient quality
- Better management of ICT. By increasing the level of effective coordination and establishing better practices, an improvement in overall value, and return on investment can result.
- Reduce the ICT risks. Through a reduction in the amount and complexity of on-site ICT, benefits such as increased disaster readiness and better business continuity can be achieved. Since ICT and its management is not our core competency, there should be more consideration of 'cloud' service offerings, where these are available and affordable.
- Better ICT solutions. More performance from hardware and software solutions can be achieved through more appropriate budget allocations for ICT. The appropriate level can be determined through benchmarking the ICT budget with peer organisations, and incorporation of results into a simple budgeting model.
- Efficiency and effectiveness. Appropriate technologies can provide a substantial reduction in business process complexity, even if they are sometimes more expensive.



5. Identified Strategies

The key element areas that form the strategies have been derived from analysing the current state of ICT, while considering the desired 'future' state. Those element areas are:

- ICT Governance;
- Business Systems and Applications;
- Technology; and
- Information Management



ICT GOVERNANCE

Objective – RRG will have an appropriate governance and management framework that improves the effective coordination of all aspects of ICT

What This Means

- We will improve ICT Governance and Management arrangements to ensure ICT is soundly directed, controlled and monitored.
- We will improve ICT Program and Project Management arrangements to ensure consistent project execution.
- We will improve ICT Risk Management arrangements to manage and reduce risks.
- We will improve Business Continuity and IT Service Continuity to assure the continuity of business functions.
- We will improve ICT Procurement Management to ensure supply arrangements are sustainable; are suitable; and provide value for money.

Where will we be by 2026

- We will have met the actions identified and funded via the ICT Strategic Plan.
- Our ICT assets will be recorded and known.
- Our ICT related projects and service delivery will be consistent through the use of appropriate processes and defined services from suppliers.
- Our Risks relating to ICT will be identified and treated.
- We will have assurance of business functions and ICT continuity.

Key Challenges affecting this activity

- The current lack of expertise in managing and coordinating ICT may cause gaps in our knowledge.
- We are highly reliant on external suppliers that are not well coupled or consistent.

WHAT IS NEEDED

BUSINESS SYSTEMS AND APPLICATIONS

Objective – Our main computer systems will be fit for purpose in supporting business processes, and for use by our staff

What This Means

- We will implement the new accounting software 'SAP Business one' to ensure our needs are met and the system is optimised.
- We will appraise new releases of SAP Business One, to ensure we can take advantages of new product features.
- We will manage the Canning Vale Plant systems, to ensure the materials handling functions can operate sustainably.
- The weighbridge ICT solution from Mandalay will ensure the weighbridge function operates soundly.
- An appropriate Electronic Document Management capability will be established replacing the shared drives and "File Director" system.
- The Web service that provides public Web pages will be updated and kept relevant.

Where will we be by 2026

- Our Business systems and applications will adequately support the administration and materials handling functions.
- Our systems will offer an acceptable degree of functionality to support the activities, within budget constraints.
- Our systems will be stable and reliable and hosted where appropriate on 'cloud' technologies.
- The integrity of records and data stored in systems will be assured.
- Our systems will be factored into the Business Continuity and IT Service Continuity Management framework.

Key Challenges affecting this activity

- The current lack of in-depth technical knowledge in the business systems and applications.
- Reliance on having competent external suppliers.
- ICT Budget, which limits choice.



WHAT IS NEEDED

TECHNOLOGY

Objective – Our ICT Technology assets will be fit for purpose to support business processes and for use by our staff.

What This Means

- We will optimise the investment in ICT Hardware and Software, through sound management and operation.
- We will carry out upgrade projects to improve the ICT Hardware and Software as business needs and/or technologies change.
- We will manage ICT Hardware and Software in line with an agreed 'Lifecycle'.
- We will monitor options for cloud based services which reduce our on-site ICT infrastructure

Where will we be by 2025

- Our ICT technology infrastructure will more adequately support the business current and future needs.
- Our ICT Infrastructure and networks will be stable and have sufficient capacity and reliable performance.
- We will have investigated and implemented where appropriate 'as-a-service' cloud technology solutions for improved effectiveness and economy.

Key Challenges affecting this activity

- The current lack of in-depth technical knowledge in the ICT Infrastructure.
- High reliance on external suppliers, which compromises 'end-to-end' management of systems and services.
- ICT Budget, which limits choice.
- Introduction of enterprise (corporate) class ICT Hardware.
- Refreshing all end-of-life ICT Hardware and Software.
- Introduction of remote network management capability for better capacity and performance.



WHAT IS NEEDED

INFORMATION MANAGEMENT

Objective – Introduce IM tools and capability that supports the business and ensure we can meet our statutory requirements under the State Records Act.

What This Means

- Incorporate appropriate Information Management practices using a new Document Management System – Microsoft SharePoint, replacing our shared file sand File Director.
- Ensure accountability and responsibility for Corporate Data is assigned through Information Ownership and Roles.
- Approved Information Repositories.
- Improved information stores that only contain relevant data.
- Effective information backup and archiving.

Where will we be by 2026

- We will have achieved 'Basic' level of maturity for IM.
- Data retention policies will be implemented.

Key Challenges affecting this activity

- The current lack of in-depth knowledge regarding Information Management (IM).
- High reliance on external suppliers.
- Incorporating the new EDMS system "SharePoint"
- Identifying data that should be archived and removed from online stores and/or records.



ACTIONS

6. Action Plans

Planning

Delivery

Business As Usual

ELEMENT 1 - GOVERNANCE AND MANAGEMENT

LEGEND

Plan

Project

Operations

Strategy G-01: Improve ICT Governance and Management arrangements to ensure ICT is soundly directed, controlled and monitored.

Strategies	Actions	Responsibility	Timeframe				KPIs / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
<p>G.01.1</p> <p>An appropriate ICT governance model will be implemented, including ICT Management activities, that would validate activities and decisions associated with ICT and use 'Best Practice' management processes.</p> <p>Area Outcomes</p> <ul style="list-style-type: none"> • More effective implementation of ICT related activities • Alignment with objectives and key focus areas • Improvement in service capability • Responsible, transparent management of ICT • Continuous improvement 	<p>a. Manage the ICT Strategic Plan, to ensure approved actions are implemented. This includes at a minimum annual reviews and new plan every three years.</p>	<p>E/Manager Governance & Culture; Exec Mgt Team</p>					KPI - Projects identified within the ICT Strategic Plan are completed
	<p>b. Ensure that the ICT Steering Committee meets regularly as part of SMG and has input from relevant business areas.</p>	<p>E/Manager Governance & Culture Exec Mgt Team</p>					KPI - Steering committee implemented. Approval process to be via steering committee.
	<p>c. Formulate a suitable ICT Policy framework and appropriate Key ICT Policies.</p>	<p>E/Manager Governance & Culture Consultant</p>			\$15k	\$5K	KPI – Policy Framework published and key Policies implemented Linkage – Annual Budget - Consultants
	<p>d. Establish and maintain appropriate documentation and records for ICT facilities and services.</p>	<p>Manager Corporate Services Network-IT</p>					KPI - ICT Records standards set and published. Usage implemented.
	<p>e. Establish standards for ICT documentation, including document naming and numbering standards.</p>	<p>E/Manager Governance & Culture</p>					KPI - ICT Document standards set and published. Usage implemented.
	<p>f. Establish Support Model and Plan. Support Documentation including service and support matrix (level 1, 2 3). Escalation and Call Out approach, including after-hours periods. Amend vendor support agreements.</p>	<p>Manager Corporate Services Suppliers</p>					KPI - Support Plan and Model documented and published.

ACTIONS

Strategy G-02: Improve ICT Program and Project Management arrangements to ensure consistent project execution.

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
G.02.1 Establish an improved and consistent approach to managing ICT projects, and ICT components of corporate projects. Area Outcomes <ul style="list-style-type: none"> Improved ICT Project consistency and transparency Reduce Risk - higher level of project success Better confidence in project costs / quality / timeframe Project overruns minimised Creation of suitable documentation and records 	a. Manage the RRG's chosen Project Management Methodology (PMM)	Manager Corporate Services					KPI – Program and project management method designed and published. Usage implemented.
	b. Ensure projects conducted by ICT suppliers are cross checked for impact on other suppliers, including variations to service agreements including for example any operations effort	Manager Corporate Services					KPI – Project scope statement and checklist designed for suppliers. Usage implemented.

Strategy G-03: Improve ICT Risk Management arrangements to manage and reduce risks to SMRC

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
G.03.1 Establish an improved and consistent approach to managing ICT risks. Area Outcomes <ul style="list-style-type: none"> Identify risks so they can be managed Reduce risk levels for ICT Projects and Operations 	a. Revise the approach to identifying and managing ICT risks; create an ICT Risk Register and factor those higher rated ICT risks into the Corporate Risk Register.	Manager Corporate Services					KPI – Risk management method; Risk register designed and published. Usage implemented. Linkage – Risk Register
	b. Arrange an external contractor to conduct an independent ICT security and vulnerability assessment. This should in the first instance include a review of systems and server administration practices, plus an external network penetration security test. Schedule the penetration testing to be conducted every year.	Manager Corporate Services	\$10K	\$10k	\$10k	\$10k	KPI – Engage independent third party. Inaugural security assessment conducted. Linkage – Audit Plan & Annual Budget – IT Consultant

ACTIONS

Strategy G-04: Improve Business Continuity and IT Service Continuity to assure the continuity of SMRC business functions.

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
G.04.1 Establish a revised approach to Business Continuity Planning to assure RRG executive and stakeholders that business operations can be recovered to a desired level in a known timeframe should a severe ICT outage occur e.g. significant equipment or site failure. Area Outcomes <ul style="list-style-type: none"> • Lower risk levels • BCP Framework • ICT Continuity Plan • ICT Recovery Plan • Improved supplier contracts 	a. Establish the IT Service Continuity Plan and supporting artefacts (ICT Continuity Plan; ICT Recovery Plan; ICT Test Strategy and Program; amended ICT vendor agreements). Note: prefers BCP be conducted at Business Level first.	Manager Corporate Services Exec Mgt Team; Consultant					KPI – BCP and supporting matters revised and published. Usage implemented. Linkage – Risk Register
	b. Ensure current backup arrangements are sound and can be demonstrated each month. Document and test approach to be done in Year 0 and Year 1.	Manager Corporate Services Supplier (Network-IT)	\$5K	\$5k	\$5k	\$5k	KPI – Review report on current backup arrangements, with simple checklist report to demonstrate integrity checks. Usage implemented. Linkage – Risk Register & Annual Budget - IT

Strategy G-05: Improve ICT Procurement Management to ensure supply arrangements are sustainable; are suitable; and provide value for money.

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
G.05.1 Revise approach to selecting and managing ICT Suppliers, to ensure the fully outsourced RRG model works optimally. Area Outcomes <ul style="list-style-type: none"> • Selection of ICT suppliers that are more capable. • Reduce Risks • After-hours ICT Support • Leverage wider experience • Benefit from lessons learned • Improved service and business outcomes 	a. Carry out a Risk / Reliance / Viability assessment of current ICT Suppliers to identify risks. Prepare a brief sourcing strategy/policy with attention to the contract management approach; improvement plans; and any contingency.	Manager Corporate Services		\$15k			KPI – Supplier assessment completed and documented. Simple action plans in place. Linkage – Audit Plan and Annual Budget - IT
	b. Review current contracts and service level agreements, and any other documentation with a view to extracting better value and better service level targets.	Manager Corporate Services					KPI – Contracts and agreements reviewed. Simple action plans in place. Usage implemented.

ACTIONS

ELEMENT 2 - BUSINESS SYSTEMS

Strategy BS-01: Manage SAP Business One to ensure our needs are met and the use of the system is optimised.

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
BS.01.1 Optimise the use of Business and accounting systems. Area Outcomes <ul style="list-style-type: none"> Ensure consistent use through improved training and process documentation Retain corporate data and knowledge Ensure issues are identified, tabled and resolved Initiate regular meetings (at least annual) with IT vendors for account management 	a. Implement new SAP Business One, by quantifying issues and negotiating fixes, enhancements or appropriate support.	Manager - Finance Manager Corporate Services	\$70k	\$10k	\$10K	\$10K	KPI – Action plan to improve the effective use of the Inventory module. Usage implemented. Linkage – Annual Budget - IT
	b. Establish Contract Management and Service Management with supplier. Identify any other shortcoming and use an Issues List to log them with the vendor. Reach an understanding about options to improve, and a decision (resolve / accept).	Manager - Finance					KPI – Management regime agreed and implemented. Meeting records viewable (minutes, action log)
	c. Identify In-House 'champions'. Train if required. Determine skills issues and Training needs	Manager - Finance		\$5k	\$5k	\$5k	KPI – Action plan for improving in-house knowledge and skills with SynergySoft. Usage implemented. Linkage – Annual Budget - Training

Strategy BS-02: Appraise new releases of SAP Business One, to take advantages of new product features.

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
BS.02.1 Monitor SAP Business One product range (Solutions Plus). Area Outcomes <ul style="list-style-type: none"> Gain benefits of technology, where appropriate including: <ul style="list-style-type: none"> Externally hosted 'cloud' service. Reduction in onsite infrastructure 	a. Monitor and improve new products and processes.	Manager - Finance					KPI – Information obtained and decision considered.
	b. Monitor Business Process	Manager - Finance					KPI – Information obtained and decision considered.

Strategy BS-03: Manage the Canning Vale Plant Systems to ensure the materials handling functions can operate sustainably

ACTIONS

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
BS.03.1 Maintain and upgrade Plant systems as budgeted. Area Outcomes <ul style="list-style-type: none"> • Reduce risks to Canning Vale operations • Improved functionality and performance 	a. Server Upgrade	Exec Manager Operations Manager Corporate Services		\$25K			KPI – Server upgrade project completed and records updated. Server operational and supported. Linkage – Asset Plan & Annual Budget - IT
	b. update licenses	Exec Manager Operations		\$25k			KPI – Licenses acquired and records updated. Linkage – Annual Budget - IT
	c. SCADA - firmware update	Exec Manager Operations		\$20k			KPI – Firmware upgrade project completed and records updated. Linkage – Annual Budget - IT

Strategy BS-04: Update the weighbridge system to provide improved weighbridge processes.

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
BS.04.1 Maintain and upgrade the weighbridge ICT as required. Area Outcomes <ul style="list-style-type: none"> • Improved processes • Improved system integration • Improved reporting 							
	a. Develop reports generated from Software	Exec Manager Operations			\$10k		KPI – Reports negotiated, written, installed, documented and staff trained. Usage implemented. Linkage – Annual Budget - IT

ACTIONS

Strategy BS-05: Establish Electronic Document Management capability using "Microsoft SharePoint".

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
BS.05.1 Implement Sharepoint Area Outcomes <ul style="list-style-type: none"> Improved Record Management capability Improved process control and accountability Phase out File Director 	a. Carry out project to design and implement SharePoint	E/Manager Governance & Culture			\$50k		KPI – SharePoint system implemented and documented. Staff trained. Usage implemented. Linkage – Annual Budget - IT;
	b. Implement Process Management Workflow software	E/Manager Governance & Culture			\$15k		KPI – Workflow software negotiated, installed, documented and staff trained. Usage implemented. Linkage – Annual Budget - IT
	c. Phase out 'file director'	E/Manager Governance & Culture				\$15k	KPI – Workflow software negotiated, installed, documented and staff trained. Usage implemented. Linkage – Annual Budget - IT

Strategy BS-06: Staff intranet Page

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
BS.06.1 Review the corporate web site hosting, Content Management System (CMS) and ongoing update responsibilities with the intent of improving content, browser and mobile compatibility, and ongoing maintenance. Area Outcomes <ul style="list-style-type: none"> Improved public awareness Distributed responsibility for content Maximise benefits of Office 365 Enterprise subscription 	a. Staff Intranet update with SharePoint	E/Manager Governance & Culture			\$5K		KPI – Information obtained and decision considered. Project conducted. Linkage – Annual Budget - IT

ACTIONS

ELEMENT 3 - TECHNOLOGY

Strategy T-01: Optimise the investment in ICT Hardware and Software through sound management and operational practices

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
<p>T.01.1 Manage the current ICT assets to ensure they are fit to provide service to employees.</p> <p>Area Outcomes</p> <ul style="list-style-type: none"> • Ensure all future equipment is fit for purpose • Ensure old equipment is removed before it becomes unreliable • Ensure all new equipment is remotely 'network manageable' via SNMP or similar 	a. Conduct an audit of software licenses to check RRG and its ICT suppliers have acquired sufficient licenses to cover those installed (Server Op Sys & CALs; MS Office) See comment	Manager Corporate Services Supplier (Network-IT)					KPI – Software audit conducted and reported to SMRC management. Action plan approved.
	b. Establish a recording approach to contain all records of ICT Hardware and Software	Manager Corporate Services Supplier (Network-IT)		\$5k			KPI – ICT Records Plan produced. Usage implemented. Linkage – Annual Budget - IT
	c. Establish policies for lifecycles of ICT equipment, so that all equipment can be upgraded or replaced before end of life. This should feed into the Asset Plan	Manager Corporate Services Supplier (Network-IT)		\$5k			KPI – Asset Lifecycle standards set and approved. Factored into ICT Budget. Replacement report available. Linkage – Annual Budget - IT
	d. Ensure all future purchases of PCs and servers are brand name (Tier 1), business grade devices, and take advantage of supplier warranty options.	Manager Corporate Services Supplier (Network-IT)					KPI – Policy approved and usage implemented.
	e. Establish records of all small UPS devices and establish battery upgrade / changeover program (3 year cycle).	Manager Corporate Services Supplier (Network-IT)		\$20k	\$10k		KPI – UPS inventory conducted and records created, and updated. Replacement program implemented. Linkage Risk Register & Annual Budget - IT
	f. Ensure ICT suppliers have monitoring capability and provide regular reports to support IT Service Management.	Manager Corporate Services Supplier (Network-IT)					KPI – Monitoring and reporting in place, evidenced by reports.

ACTIONS

Strategy T-02: Carry out upgrade projects to improve the ICT Hardware and Software

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
T.02.1 Improve facilities and service levels by a series of upgrade projects Area Outcomes <ul style="list-style-type: none"> • Meet our needs • Remove old equipment subject to higher risks • Provide improved performance and capability • Integrate and remove duplication where possible 	a. Cloud based hosting eg Microsoft Azure	Manager Corporate Services Supplier (Network-IT)		\$30K			KPI – Upgrade project completed and records updated. Usage implemented. Linkage – Annual Budget - IT
	b Backup processes	Manager Corporate Services Supplier (Network-IT)					KPI – Upgrade project completed and records updated. Usage implemented.
	c. PLC Server Upgrade. Note: this is a duplicate from Business Systems BS-03 (action a.) as it spans business systems and technology. Note: Costs are shown once, in BS-03.	Exec Manager Operations					KPI – Upgrade project completed and records updated. Linkage – Annual Budget - Capex
	d. Conduct a review of CCTV with the potential to move to a Digital High Definition system coexisting on the corporate network and number plate recognition for some cameras. Note: Tactical upgrade of the main entrance camera Year 1.	Exec Manager Operations					KPI – Review conducted. Upgrade project completed and records updated. Linkage – Annual Budget - Capex
	e. Replace network Manageable switches (e.g. Cisco or HP)	Manager Corporate Services Supplier (Network-IT)					KPI – Upgrade project completed and records updated. Linkage – Annual Budget - IT

ACTIONS

Strategy T-03: Carry out lifecycle upgrade projects of ICT Hardware and Software

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
T.03.1 Maintain facilities and service levels by a series of end-of-life planned upgrade projects Area Outcomes <ul style="list-style-type: none"> • Meet SMRC needs • Remove old equipment subject to higher risks • Provide improved performance and capability 	a. Cloud based hosting eg Microsoft Azure).	Manager Corporate Services Supplier (Network-IT)		\$45k	\$45k	\$45K	KPI – Upgrade project completed and records updated. Usage implemented. Linkage – Annual Budget - IT
	b. Replace old desktop PCs & laptops	Manager Corporate Services Supplier (Network-IT)		\$12k	\$12k	\$12k	KPI – Upgrade project completed and records updated. Linkage – Annual Budget – Minor Capital
	c. Upgrade Windows Server licences	Manager Corporate Services Supplier (Network-IT)		\$5k	\$5k	\$5k	KPI – Upgrade project completed and records updated. Linkage – Annual Budget - IT
	d. Replace old photocopiers/printers	Manager Corporate Services			\$20k		Review current photocopier/printers, rationalise and upgrade

ACTIONS

ELEMENT 4 – INFORMATION MANAGEMENT

Strategy IM-01: Incorporate appropriate Information Management practices using the new Document Management System – SharePoint

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
IM.01.1 Implement Microsoft SharePoint Area Outcomes <ul style="list-style-type: none"> • Meet requirements of the State Records Act • Improve storage of electronic records 	a. Design the Configuration using IM principles	E/Manager Governance & Culture					KPI – Design project completed and records updated.
	b. Implement SharePoint application; train users; support and manage	E/Manager Governance & Culture					KPI – Upgrade project completed and records updated. Usage implemented.

Strategy IM-02: Approved Information Repositories

Strategies	Actions	Responsibility	Timeframe				KPI's / Linkage to Plans
			2022/23	2023/24	2024/25	2025/26	
IM.02.1 To ensure knowledge management, all information must be stored in approved information repositories and formats. Area Outcomes <ul style="list-style-type: none"> • Improve knowledge retention across the organisation • Improve access to information and conformance to policies and processes 	a. Ensure corporate data is contained within approved information repositories. No 'local arrangements' and that the data/records have the correct retention and disposal. Archive in line with records policy and remove data from storage arrays, servers once archived.	E/Manager Governance & Culture					KPI – Policy approved and Documentation available. Usage implemented.

ACTIONS

7. Cost Summary

The following table provides the summary of costs for the 3 years of the ICT Strategic Plan. Note that \$0k cost items assume activities are conducted using internal labour.

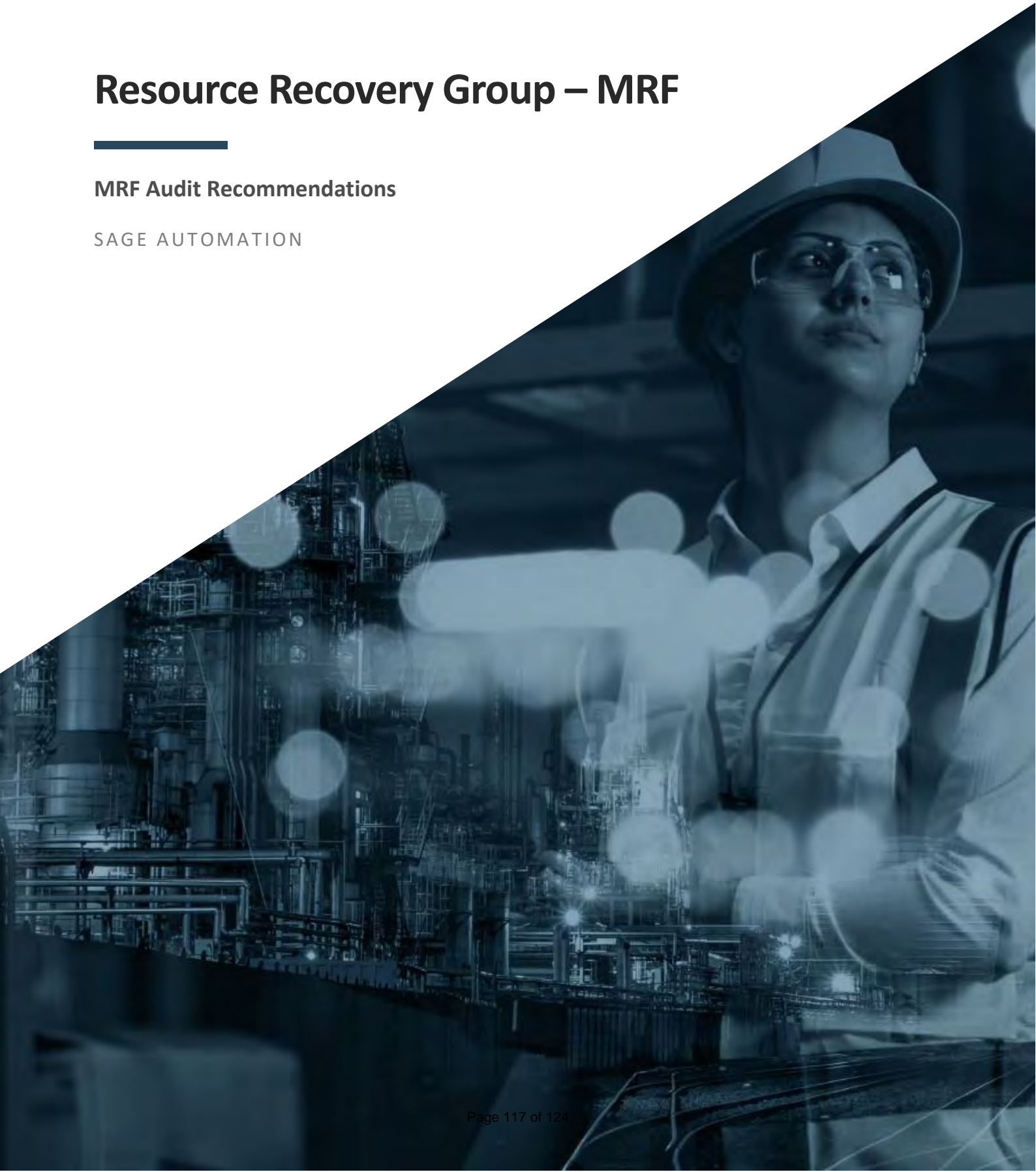
Strategy Areas	Timeframe				Strategy Total
	2022/23	2023/24	2024/25	2025/26	
ICT Governance					
G-01: ICT Management	0	0	15	5	20
G-02: ICT Program and Project Management	0	0	0	0	0
G-03: ICT Risk Management	10	10	10	10	40
G-04: Business Continuity and IT Service Continuity	5	5	5	5	20
G-05: ICT Procurement Management	0	15	0	0	15
Subtotal	15	30	30	20	95
Business Systems and Applications					
BS-01: SAP Business One	70	15	15	15	115
BS-02: SAP - New Releases	0	0	0	0	0
BS-03: RRRRC Plant Systems	0	70	0	0	70
BS-04: Weighbridge Software	0	0	10	0	10
BS-05: New DMS "SharePoint"	0	0	65	15	80
BS-06: Staff Intranet Page	0	0	5	0	5
Subtotal	70	85	95	30	280
Technology					
T-01: ICT Hardware and Software	0	30	10	0	40
T-02: ICT Upgrade Projects	0	30	0	0	30
T-03: Emerging Technologies	15	62	95	62	234
Subtotal	15	122	105	62	304
Information Management					
IM-01: New Document Management System - File Director	0	0	0	0	0
IM-02: Information Ownership and Roles	0	0	0	0	0
IM-03: Approved Information Repositories	0	0	0	0	0
Subtotal	0	0	0	0	0
Total for each year	\$100k	\$237k	\$230k	\$112k	
Total for all years					\$679k



Resource Recovery Group – MRF

MRF Audit Recommendations

SAGE AUTOMATION



Revision control

Rev.	Description	Author	Reviewer	Date
1.0	First Revision	Bill Parkinson	Andrew ORegan	22/04/2024

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1 Introduction

1.1 Purpose

This document aims to outline the requirements investigation pertaining to the control system utilized at SMRC's Material Recovery Facility. The goal is to conduct a comprehensive review that can serve as a basis for formulating recommendations to enhance the existing system and provide estimates for improvements necessary to align with SMRC's specific requirements.

2 System Investigation

2.1 Introduction

This investigation was conducted with remote access, information provided by site and support from SAGE Automation technicians familiar with the site.

2.2 Server Room

In the server room, two rack-mounted servers are present. One is designated as the HMI server, lacking a keyboard, mouse, or monitor. The other lacks labelling but is equipped with a keyboard, mouse, and monitor; however, it didn't respond to mouse movements or keyboard strokes to awaken the monitor.

Adjacent to the server rack, a Wyse thin client is positioned, featuring a secondary monitor outside the door.

There are VMs hosted on the Dell PowerEdge R220 Server (SMRCMRFESXI) labelled as the 'Control System Server,' which operates VMWare ESXi 5.5.

2.3 Server Room Operator Station

The Wyse thin client located in the server room serves as both an FTView interface and an Engineering workstation. This thin client is linked to two virtual machines (VMs) named CONVEYOR, operating on Windows 7 x64, and FTHistorian, operating on Windows Server 2008 R2 Standard. These VMs can be administered using the VM vSphere Client 5.5.

However, when USB drives are inserted into the thin client, the associated VM fails to recognize them. Nonetheless, file transfer is achievable by sharing folders with other PCs on the network.

2.4 VM ESXI Server (SMRCMMRFESXI)

This server hosts the two VMs for the MRF(Conveyor and FT Historian). This server is a Dell PowerEdge R220 that was built in 2014. It comprises of an Intel Xeon CPU E3-1220 V3 CPU with 4 cores and 16GB of RAM and a 500GB HDD. This server is running VM ware ESXI 5.5. VMWare ESXI 5.5 has been out of support since 2020.

2.5 Conveyor VM (SMRC-MRF-ENG1)

The CONVEYOR VM serves as the HMI server and is equipped with a license for 25 displays, crucial for plant operations. In the event of a Wyse thin client failure, this critical VM would likely continue operating, as it is running the SMRCMRFESXI Server, VM. Additionally, it holds licenses for FTHistorian with 500 points and FTMetrics with 10 workcells, although their installation status is unclear.

This software comprises:

- RSLogix5000 V20.01 for PLC programming
- RSnetworx V11 for DeviceNet configuration, encompassing motor protection settings
- FactoryTalk Studio 11 for Factory Talk configuration
- DriveExecutive V5.06 for VSD parameters

2.6 FT Historian VM (SMRC-MRF-HIS1)

The FT Historian VM, while not critical to production, plays a vital role in gathering data from the plant. It holds licenses for FT Historian SE with 500 tags and FTMetrics Server with 10 workcells. It is running on Windows Server 2008. It is currently running FactoyTalk Historian Site Editon 3.01 which cannot run on any modern OS since Windows Server 2008

3 Recommendations

3.1 VM Upgrades

The VMs running in the MRF should be upgraded to more secure operating systems and operations should be divided to ensure optimal operation of the PCS.

3.1.1 Conveyor VM (SMRC-MRF-ENG1) Upgrades

The Conveyor VM is running on Windows 7 SP1 which is out of support and should be updated to a new version of windows. This VM is also operating both as the Engineering Station and the HMI Server for the MRF. This should be split into two VMs, one for Engineering and one to host the HMI server. This would reduce the chances of failure to the HMI server and lower resources required for the VMs operations.

The HMI server could then be independently upgraded from FactoryTalk view Studio V11 to V14 which can run on current in support version of windows.

The Engineering station could also be updated current in support version of Windows.

3.1.2 FT Historian VM (SMRC-MRF-HIS1) Upgrades

This server should be updated to Windows Server 2022 as it is running on Windows Server 2008. The version of FactoryTalk Historian (3.01) running on this VM will also need to be upgraded to version 9.01 to allow it to run on Windows Server 2022.

3.2 Server Infrastructure Upgrades.

The Server currently running the MRF VMs is over 10 years old and running VM software that is out of support. Sage can provide a new rack server to be deployed on site with Intel I7 CPU 256GB ram and 1TB of SSD with Windows Server 2022.

3.2.1 Upgrade to vSphere ESXI 8.0 Deployment

With the change in ownership of VMware the licensing structure for VSphere has changed and beings at approx. \$6000/year so this is not recommended for any small deployments of VMs like this .

3.2.2 Upgrade to Hyper-V Deployment

Hyper V would come free with Windows Server 2022 and the new server that SAGE would provide would be able to run the VM upgrades suggested and other VMs required for this

3.3 SAGE Managed Cloud Solution.

The VM upgrades could be hosted on a Cloud environment with VPN access and flexible costs if site requirements change. The advantage of this approach as it will be patched and maintained by SAGE to ensure the highest levels of Cybersecurity for your OT environment.

3.4 Application Control through HMI Guard

3.4.1 HMI Guard Capability

Malicious activities and unauthorised access can originate from any computer on the internal OT network bringing the need to monitor all possible blind spots. The HMI GUARD solution provides continuous and comprehensive real-time visibility into what is happening on your endpoints (e.g., HMI machines, Engineering stations, Historians, Active Directory servers, etc.). It detects actions like launching unauthorised processes, USB device connection, installation of the new software, change of IP address, etc. All activities are attributed to the user.

Installation of the HMI GUARD does not require significant downtime. Immediately after deployment, the HMI GUARD protects, provides information about the endpoint's configuration, starts to monitor the operator's actions, and reports them to the Security Operation Centre.

The digitally signed kernel driver verified by Microsoft is the HMI GUARD's core component. Operating at the kernel level, HMI GUARD protects the industrial computer from the cyber hack and makes the system considerably more secure from hackers who prefer to work in the "user space" a level up from the OS (Operating System).

HMI GUARD actively blocks malicious software and ransomware and reports any attempts to the Active controller.

3.4.2 HMI Guard Policies

Our current set of HMI Guard™ policies stop the connection of unauthorised removable media and the running of unauthorised software.

i. Application Control/Whitelisting/Ransomware Protection policy

This policy allows only authorised software to run on the HMI computer. A software list is generated on installation of the HMI Guard, this is then verified, and locked by an automation engineer.

This list can also be updated later in when new versions are released, if new software is required, or if some existing verified software is no longer needed.

Once locked, only software from this list can be run and used on the HMI computer.

ii. Removable media policy

OT security best practice recommends that no external devices be allowed to connect via USB ports to HMI computers. The HMI Guard monitors all USB ports and prevents the connection of external USB devices.

Policy rules can allow the ongoing connection of the specific USB mouse and keyboard while blocking and alarming all other attempted USB connections.

4 ROM Costings

This is the ROM costing for these activities. A more thorough cost for these items could be developed once a decision is made on a way forward.

4.1 Recommended Upfront Costs.

Section	Description	ROM Cost
3.1	Build and test of 3 VMs for Engineering Station, FactoryTalk View Studio/Server, FactoryTalk Historian	\$28,080

4.2 Option 1: Locally hosted Server as VM Host

Section	Description	ROM Cost
3.2	Supply of a new Rack Server to run the three VMs on a HyperV instance	\$8,580

4.3 Option 2: SAGE Managed Cloud Service as VM Host

Section	Description	ROM Cost
3.3	SAGE Managed Cloud service with the three VMs with VPN access	\$91,000

4.4 Option 3: Application Control though HMI Guard

Section	Description	ROM Cost
3.4	Installation of HMI Guard for Application control to each instance of VMs	\$10,000

4.5 Ongoing Annual Maintenance Costs.

Section	Description	ROM Cost
3.2	Option1: Annual costs for monthly backups and Patching of VM Host and VMs.	\$7,000
3.3	Option2: Annual costs for Monthly Patching and AWS costs	\$42,000
3.4	Option3: Annual Subscription for HMI Guard.	\$11,000