



The information contained in this newsletter relates to matters discussed at the SMRC Regional Council Meetings during July and August 2016. The Meeting Summary may be circulated or tabled to elected members and officers of the member local governments of the SMRC. To request further information on articles in this Meeting Summary please email smrc@smrc.com.au or phone 9329-2700.

Chair, Cr Cameron Schuster	Melville
Deputy Chair, Cr Doug Thompson.....	Fremantle
Cr Kevin Allen	Cockburn
Cr Michael McPhail	East Fremantle
Cr Wendy Cooper.....	Kwinana

MEETINGS HELD SINCE LAST COUNCIL MEETING

Aug 10.....	Agenda Briefing
Aug 11.....	Community Advisory Group
Aug 16.....	CEO Performance Review Committee
Aug 22.....	Audit & Risk Committee
Aug 22.....	Stakeholder Relations Committee
Aug 25.....	Ordinary Council Meeting

COMMUNITY ADVISORY GROUP- 11 AUGUST

On the 11th of August the Waste Recycling Education Network (formerly known as the Community Advisory Group) met for their regular bi-monthly meeting. Chairperson Ms Durga Bhamidipaty has moved interstate and as a result Ms Christine Cooper has taken over as chair.

Key outcomes from the meeting included:

- A number of members of the WREN have offered to join SMRC staff at a number of upcoming public events over the coming months.
- The group will continue to work on a project aimed at spreading the reuse message and reducing waste. The project will supply subsidised keep cups and subsequent community engagement in Fremantle through the responsible cafes program.

CEO PERFORMANCE REVIEW COMMITTEE- 16 AUGUST

The facilitation of the review was conducted by Mrs Hardcastle, Learning Horizons and the Committee agreed that the CEO met or exceeded the required performance in 2015/16.

STAKEHOLDER RELATIONS COMMITTEE- 22 AUGUST

The Committee reviewed and updated the SMRC's **Communication Plan and Community Engagement Plan**. The plans align with the revised strategic plans and address stakeholder and community communications strategies for 2016/17.

AUDIT AND RISK COMMITTEE- 22 AUGUST

Auditors Report for the Year ended 30 June 2016

The Auditor, Mr van der Merwe, Butler Settineri, attended the meeting to present Auditor's report and the Annual Financial Report year ended 30th June 2016. The Auditor reported that there were no non-compliance matters raised during the course of the audit.

RRRC Assurance Program

The RRRC has achieved certification following a recent independent audit for its three (3) assurance programs in ISO 9001 Quality Management Systems, ISO 14001 Environmental Management Systems and AS 4801 Health and Safety Systems.

Risk Management

The strategic risks rated 15 and higher are reported to the Audit & Risk Committee at each meeting. Members discussed the risks and treatment plan relating to the City of Cockburn withdrawal notice from the RRRC Project.

ORDINARY COUNCIL MEETING – 25 AUGUST

SALE OF MRF

Panel members of the tender evaluation (representatives from the RRRC Project Participants) met on the 8 July and the key matter under consideration was the withdrawal of CoC from the RRRC Project Participants Agreement PPA and the issues to be considered prior to entering into negotiations with a preferred tenderer. The project participant Councils are undertaking this process and expect to have sufficient clarity in relation to such matters by the end of September, at which time a further written update will be provided to all tenderers.

CEO PERFORMANCE REVIEW 2016

The Council resolved to accept the recommendations of the CEO Performance Committee.

TENDERS T2016-03, T2016-04, T2016-05

The SMRC invited public tenders for the provision of the following services to support administration, waste and recycling operations:

- Consultancy Services – Engineering & Technical
- Provision of trades services
- Mobile plant servicing

Council resolved that that delegated authority be given to the CEO to award one supplier for each specialised sub-category from all three tenders in accordance with the tender evaluation report and the details of the evaluation be reported at the next ordinary council meeting, following the award of the tenders.

SMRC ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2016

The Annual Report highlights the activities of the SMRC for the financial year 2015/16.

The Report is available at www.smrc.com.au

CORPORATE POLICY REVIEW

The purchasing policy No 25 was amended to include panels of pre-qualified suppliers in accordance with the Local Government regulations.





SOUTHERN METROPOLITAN REGIONAL COUNCIL

Meeting Summary

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FINANCIAL REPORTS

The 2015/16 end of year results are:

The Council's operating result is a deficit of \$8.9 million.

The deficit relates to the following:

- Depreciation of \$6 million is a non-cash transaction and is not fully reimbursed as revenue due to project life of the RRRC Project.
- 2016 asset revaluation decrements of \$8 million consisting of the following:
 - a. RRRC Digester equipment repairs of \$5 million capitalised and written down due to fair valuation
 - b. RRRC Plant and equipment fair values decrease of \$3 million.

Therefore, the cash operating result before these non-cash items is a surplus of \$5 million used to fund MRF loan repayments, transfers to reserves, subsidise MRF members gate fees and unspent expenses brought forward to the 2016/17 budget.

	2015/16	2014/15
	(\$M)	(\$M)
OPERATING REVENUES	\$28.2	\$28.9
OPERATING EXPENSES	\$29.1	\$30.0
ASSET REVALUATION DECREMENTS	(8.0)	-
OPERATING RESULT DEFICIT	(8.9)	(1.1)
NET OPERATING SURPLUS BEFORE DEPREC & REVALUATIONS	\$5.1	\$4.8
CASH-BACKED RESERVES	\$6.2	\$5.9
OUTSTANDING BORROWINGS	\$25.0	\$28.5
NET ASSETS	\$44.8	\$54.6

CITY OF COCKBURN WITHDRAWAL

Taking into consideration the notice to withdraw from the RRRC Project there may be a number of significant impacts on the SMRC and its remaining members to be confirmed in the coming months. The SMRC has resolved a Plan for the Future in June 2016, to provide a platform for the orderly transition of the member's existing asset base and business structures to an improved resource management framework based on strategic business partnerships.

The regional council is seeking to convene a forum of regional Mayors and CEOs in October/November 2016 to discuss the current status of change effecting the SMRC and potential plans for the future.

CORPORATE POLICY REVIEW

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annual report
2015-2016

FAREWELL TO MR PETER MCKENZIE

The Council acknowledged the contribute and years of service as a representative, Regional Executive Group member from the City of Kwinana and wished Peter a long and happy retirement.

For information about the SMRC visit our website www.smrc.com.au