



WINNING BACK WASTE



STRATEGIC COMMUNITY PLAN 2018 - 2037



WINNING BACKWASTE

THE MINDARIE REGIONAL COUNCIL 2017



City of Joondalup

Cr Russ Fishwick JP
Cr Mike Norman



City of Perth

Cr Jim Adamos



City of Stirling

Cr David Boothman JP
Cr Stephanie Proud JP
Cr Samantha Jenkinson
Cr Andrew Guilfoyle



CITY OF VINCENT

City of Vincent

Cr Emma Cole



City of Wanneroo

Cr Russell Driver
Cr Dot Newton JP



Town of Cambridge

Cr Corinne McRae



Town of Victoria Park

Cr Vince Maxwell



Mindarie Regional Council

Address: 1700 Marmion Avenue, Tamala Park WA 6030

Postal Address: PO Box 2746, Clarkson WA 6030

Phone: (08) 9306 6303

Email: admin@mrc.wa.gov.au

www.mrc.wa.gov.au

CONTENTS

	Page
1. Chairperson's Foreword	1
2. CEO's Foreword	3
3. Executive Summary	5
4. Background	7
5. Vision, Mission and Values	17
6. Objectives	19
7. Strategies	21
8. Performance Targets	25
9. The Next Twenty Years	28
10. Planning for the Future	31
11. Integrated Planning	47
12. Corporate Business Plan	49
13. Informing Plans	51

WINNING BACK WASTE



The Mindarie Regional Council recognises that waste has a value as a resource and is committed to managing waste in line with the waste hierarchy and diverting waste from landfill.



1. CHAIRPERSON'S FOREWORD



The Mindarie Regional Council has long been considered a leader in the waste management industry in this State and through this Strategic Community Plan (the Plan) I feel it will continue to be looked upon in that way well into the future.

This is the first review of the Plan conducted in conjunction with our councillors, member councils and other stakeholders. The Plan provides a sound basis for Mindarie Regional Council (MRC) to meet its obligations not only to its region but also in responding to the State Government objectives through its Waste Strategy "Creating the Right Environment".

The Council of the MRC has been brave in its decision making since the endorsement of the original Plan back in June 2013. Endorsing reports developed by consultants, Hyder Pty Ltd that set the MRC in a new direction providing the ability to offer a broader range of service to our member councils. This new model positions the MRC as a procurer of services enabling the provision of a broader range of waste solutions to our member councils. These new services include infrastructure solutions such as Energy from Waste, Municipal Recycling and a Sorting Shed that will significantly reduce MRC's reliance on landfill.

The MRC and its member councils are currently finalising an Establishment Agreement to replace the existing Establishment Agreement (Constitution). The new Establishment Agreement will allow the MRC to expand its waste services to its member councils thus enabling waste solutions that are not possible under the current Constitution.

The MRC has been at the forefront in tackling the challenges set by the State in its strategic objectives for waste management. It was one of the first regional local governments to introduce a Resource Recovery Facility, which takes 100,000 tonnes of the region's municipal waste and converts it to compost. This was achieved using a Public Private Partnership arrangement as an enabler to fund the project valued at almost \$100M. In addition to this, at Tamala Park, the MRC continues to live its environmentally sustainable waste management objectives by heading its operations on the basis of "reusing and recycling" the waste it receives in accordance with the waste hierarchy. This objective also plays a significant role in developing the messages we provide to the region through our Education team, particularly to schools and at community events. In addition the MRC currently holds an internationally recognised ISO14001 Environmental Management accreditation indicating the value placed by the organisation on doing the right thing by the environment.

Since endorsing the Plan in 2013 the Council has diligently worked towards achieving its goals and the change in MRC's service model from being a direct provider of services to procuring services and infrastructure required to meet its new objectives is evidence of this. I congratulate the Councillors, who have been part of this journey, on their commitment to the vision set in the Plan and the member councils CEO's and executive that have supported the new positioning of the MRC. Finally I would like to take this opportunity to thank the MRC executive for driving the changes through the Council of the MRC and its member councils.

Cr Russ Fishwick
Chairman

WINNING BACKWASTE



2. CEO'S FOREWORD



“Winning Back Waste” is what the Mindarie Regional Council (MRC) is all about. Waste management is now more than just landfill with the recovery of the resources contained within waste, and a change in attitude to minimise the amount of waste being produced, becoming increasingly important to a sustainable future.

The Integrated Planning Process legislated by the State Government provides the opportunity for local governments and regional councils to appropriately determine their service provision over a period of up to 20 years based on input from relevant stakeholders including the communities that avail themselves of the services provided.

Developing a new Strategic Community Plan has given the MRC the opportunity to review and assess its operations and create a new, clear vision for the way it will manage waste into the future.

The 20 year Strategic Community Plan (The Plan), whilst important, is only the first investment the MRC will make in creating certainty for its future. The Plan provides a high level focus on the services we will require over the next 20 years and when we will provide them. The Plan is informed by a suite of other important corporate plans, such as the 20 year Financial Plan, Asset Management Plan and Workforce Plan. These documents will provide critical information on both the short term operation of the MRC and inform the Annual Budget process ensuring that the MRC remains focussed on the future positioning anticipated in the Plan and reduce the potential for organisational slip. Each of these plans will be reviewed regularly (most at least annually) to ensure they stay relevant to changes in the industry and requirements of the member councils.

The Plan, having had significant input from various stakeholders including member councils, community groups and MRC staff, brings together the vision, knowledge and ideals of various individuals and groups thus ensuring the best positioning of the MRC in Waste Management for the next 20 years. The Plan has also considered the external factors that will influence the future management of waste in the Perth Metropolitan area such as the Waste Authority's Waste Strategy for Western Australia “Creating the Right Environment” and the infrastructure solutions required such as Energy from Waste.

The Plan demonstrates how much more the MRC can do in providing solutions for its Region and its member councils. The challenge for the MRC in implementing the Plan is that it produces significant benefits to its member councils that they could not achieve individually.

The MRC's commitment to its stakeholders is that it will hold itself accountable to the Planning framework and will ensure that its current and future delivery of service will be consistent with the plans developed and reviewed as part of the process. Finally I would like to particularly thank the MRC's councillors and staff, member Council CEOs and Executives and the working and community groups for their valuable contribution in developing the Plan.

Brian Callander
Chief Executive Officer

WINNING BACKWASTE



3. EXECUTIVE SUMMARY

The Mindarie Regional Council (MRC) is one of Western Australia's largest waste management authorities assisting its member councils, mainly situated in Perth's northern corridor, deal with their waste. The MRC recognises that waste does have a value as a resource and is committed to managing waste in line with the waste hierarchy and in a way sensitive to the environment and future generations.

The MRC's Strategic Community Plan 2018 – 2037 'Winning Back Waste', constitutes not only the consolidation of the MRC as a leader in the industry, but also hails a new direction. The Plan articulates a shared vision for waste management in the Region and shows how the MRC can deliver environmentally sustainable waste management for its communities.

Waste management is changing. Although landfilling is still seen as an important part of the industry, the focus is moving toward resource recovery and other higher order activities that minimise waste. The goal is to treat waste and offer solutions as high up on the waste hierarchy as practicable.

This Plan creates a new vision for the MRC, 'Winning Back Waste' and with this a focus in achieving improved waste outcomes for the region, which focus on:

- Reducing the amount of waste being generated
- Increasing resource recovery
- Diversion from landfill

The MRC provides a broader range of services than that anticipated when it was originally formed. It promotes and works with its member councils to achieve improved waste outcomes throughout the region. This will include solutions that don't involve delivering waste to MRC facilities. Any waste produced in the MRC's regional boundaries therefore needs to be considered in any strategic visioning process.

This plan recognises the MRC's direction of becoming a facilitator of waste solutions for its region. This plan and its associated supporting documents however are dynamic, being reviewed on a regular basis and being flexible enough to accommodate change.

Population growth in the Region will see the amount of waste being generated increase significantly, even with waste minimisation strategies being implemented. To deal with this waste a progressive approach to waste management will be required, including: a focus on improved community education and engagement, under-pinned by progressive waste processing facilities.

This will result in challenges to the MRC as an organisation and the MRC as a region, as the right balance between social, economic and environmental outcomes is sought. However with challenges comes opportunity. The MRC is focussed on grasping these opportunities and "Winning Back Waste."

WINNING BACKWASTE



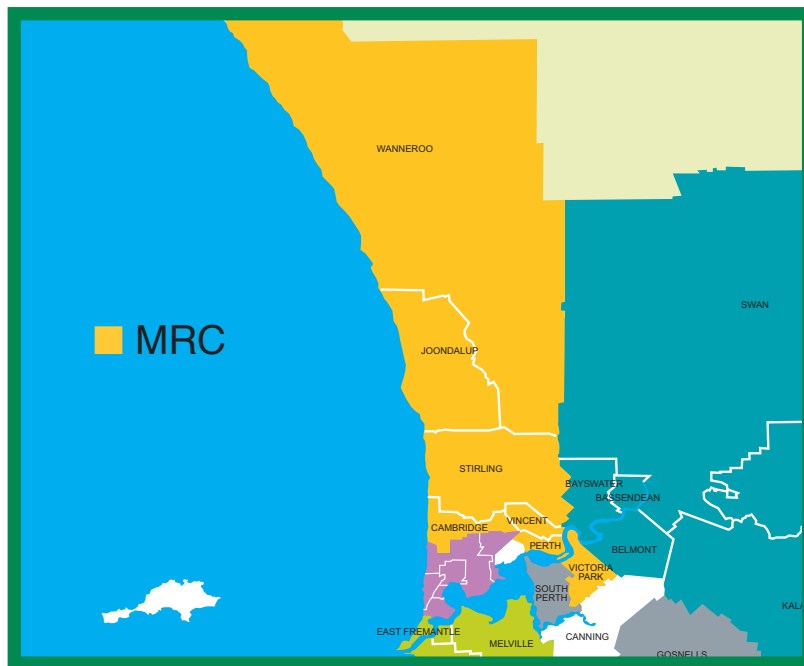
4. BACKGROUND

4.1 The Mindarie Regional Council

The Mindarie Regional Council (MRC) is one of the State's largest waste management authorities. Formed in 1981 when the Cities of Perth, Stirling and Wanneroo purchased land in Perth's northern corridor that included a parcel of land deemed suitable for a landfill. The MRC was constituted as a regional council in 1988.

The MRC's primary role is to manage and dispose of waste delivered to it by its member councils. These currently being: the Cities of Perth, Stirling, Joondalup, Vincent and Wanneroo and the Towns of Cambridge and Victoria Park.

The Tamala Park landfill opened in 1991 and at one stage was WA's largest landfill operation and is still regarded in the industry as a best practice facility.



Situated in the heart of Perth's rapidly developing northern corridor the increases in population have and will continue to drive a steady increase in waste the MRC has to manage on behalf of its member councils.

The end of life forecast for the landfill is 2028 and the lease for the Tamala Park site expires in 2032.

The Resource Recovery Facility (RRF) in Neerabup, opened in 2009, and changed the way waste was dealt with in the region with a significant portion of the household green wheelie bin waste now being processed and only the residue going to landfill.

The MRC is contracted to deliver waste to this facility until at least 2030.

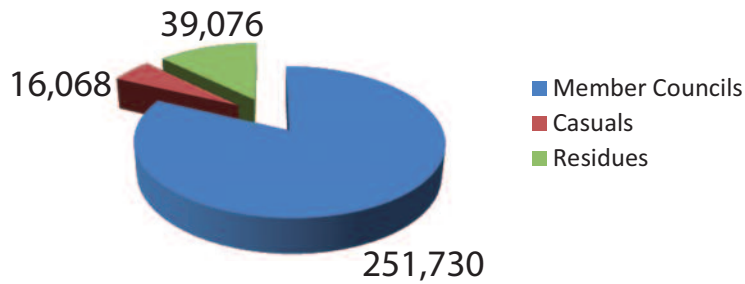
4. BACKGROUND (cont.)

4.2 The Mindarie Regional Council: The Business

WASTE

The 2016 Financial year data showed the total waste received by the MRC to be 306,874 tonnes from the following sources:

Total waste received by MRC (tonnes)

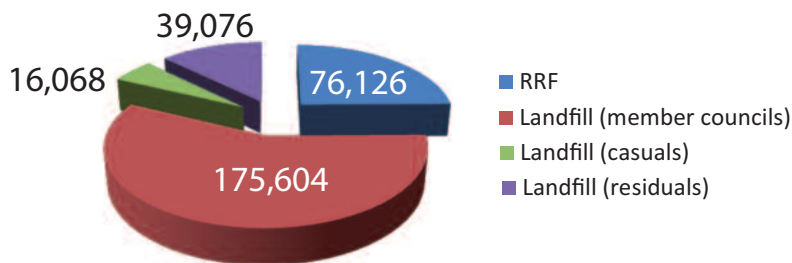


The greater proportion of the residue section is waste from the RRF process and is effectively counted twice, once as untreated waste received at the RRF for processing and then again as processed residues entering Tamala Park.

During this period the City of Stirling, formally MRC's largest tipper, has had an exemption from delivering waste to the MRC.

The majority of this waste however still goes to landfill as shown below.

Waste goes to... (tonnes)



(MRC Annual Report 2016)

In addition to this waste the member councils conduct a kerbside comingled recycling service (yellow top bins) and bulk verge 'greens' collections, both of which don't come to the MRC for processing or disposal.

4. BACKGROUND (cont.)

4.2 The Mindarie Regional Council: The Business (cont)

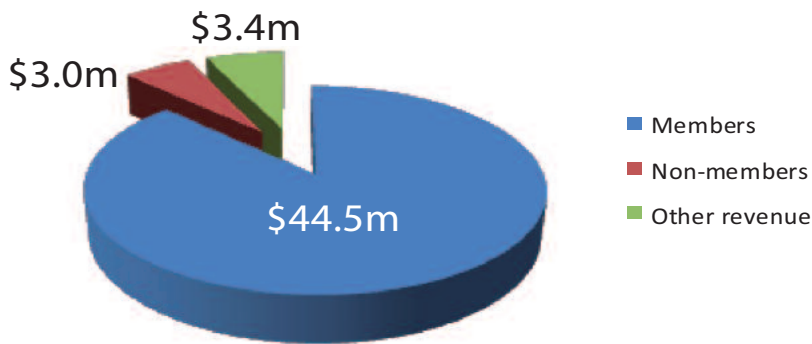
FINANCES

The 2016 figures show the MRC to be a \$48 million dollar a year breakeven business.

Income 2016

The Member Council contributions represent a major part of MRC's business although the Casual revenue is not insignificant.

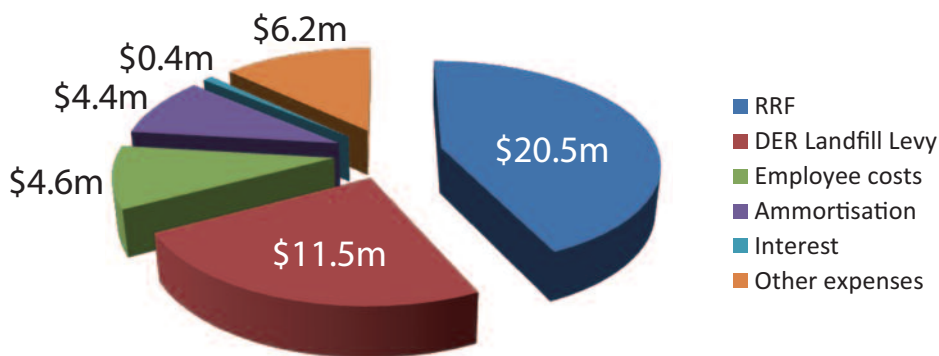
Revenue by Source - 30 June 2016



Expenditure 2016

A significant cost to the MRC is the Resource Recovery Facility (RRF) demonstrating that advanced waste treatment plants (AWTs) are expensive compared to landfill.

Expenses by type - 30 June 2016



(MRC Annual Report 2016)

4. BACKGROUND (cont.)

4.3 The Mindarie Regional Council: Operations

TAMALA PARK

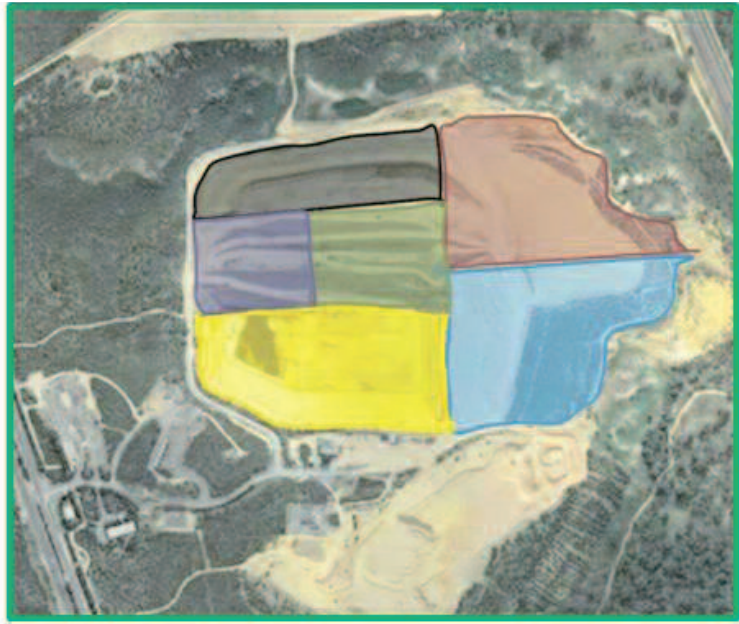
The Tamala Park waste disposal site is still the cornerstone of the MRC business. On the site there is the landfill operations; a transfer station to receive waste; recycling and reuse centre; landfill gas extraction and electricity generation operations; the MRC administration offices; and whole of site environmental management, including areas designated heritage and Bushland Forever.

Located in Perth's northern suburbs it was once quite removed from populous areas. However Perth's rapidly growing population has now spread to its boundaries and beyond. Immediately to the north is the new suburb of Catalina, to the south is the suburb Kinross, to the west is a Bush Forever zone and to the east is the Neerabup National Park.

Landfill

The landfill has been developed in stages over the years. Stage 1 was located on the Eastern side and was opened in two phases. Stage 2, on the western side, has been developed in 4 parts with the Phase 3 pit, being filled now. See colour coding below.

Since opening the site has received over 6 million tonnes of waste.



4. BACKGROUND (cont.)

4.3 The Mindarie Regional Council: Operations (cont)

TAMALA PARK

Transfer Station

The transfer station is designed as a drop off for residential and small business self-haul waste. This reduces the risk of having small vehicles on the landfill and enables some separation and recovery of waste to be made prior to it being sent to the landfill.



Recycling Centre



Located at the entrance to the Tamala Park facility, the Recycling and Reuse Centre is designed as a drop off for residents and small business to dispose of recyclables, household hazardous waste (HHW) and reuse items. Drop off of these items is free and patrons are encouraged to use this facility first before proceeding to the transfer station. A shop is located here for patrons to purchase second hand and reuse items. The purpose built HHW collection station enables safe collection and disposal of a range of household chemicals that have the potential to harm the environment. This not only keeps this HHW out of landfill but also out of the bins that go to the composting facility at Neerabup.

The Weighbridge

A dual weighbridge is sited between the Recycling Centre and the Transfer Station. Vehicles are charged by the tonne (or pro rata) for waste dropped off at the Transfer Station or onto the landfill (in the case of Member Council or large casual loads).



4. BACKGROUND (cont.)

4.3 The Mindarie Regional Council: Operations (cont)

TAMALA PARK

Landfill Gas

Putrescible waste as it decomposes produces landfill gas (which includes significant quantities of methane gas). This gas is extracted from the landfill site through a series of bores and a network of pipes and is used to produce electricity. With the approval of the Council, Landfill Gas and Power are currently producing electrical on site creating an additional income stream for the benefit of the Council and its Member Councils and ratepayers. This activity also helps to manage methane emissions from the landfill which would otherwise be damaging the atmosphere and contributing to the Greenhouse Effect.



Gas pipes, shown below, ring the landfill site and spear into the waste below collecting the gas.



The onsite power station houses 5 x 1 MW gas engines and produce enough green energy to power a small suburb (about the size of Kinross). This operation is a key tool in MRC's methane gas management.

4. BACKGROUND (cont.)

4.3 The Mindarie Regional Council: Operations (cont)

TAMALA PARK

Environment

The whole site is carefully monitored to ensure that it meets all the regulatory requirements. The MRC currently holds an ISO14001 accreditation, an internationally recognised environmental management standard. This covers a wide range of aspects concerning the MRC and the Tamala Park operations with an obligation to meet licensing and environmental conditions. This includes operational aspects like cover and capping of the landfill site; monitoring gas, water, dust, odours; control of vermin; revegetation of old works areas; hazardous waste disposal; protection of heritage and bush-land forever sites; and education to promote a sustainable community.



4. BACKGROUND (cont.)

4.3 The Mindarie Regional Council: Operations (cont)

RESOURCE RECOVERY FACILITY

The RRF was established through a public/private partnership arrangement where the facility is built, owned and operated by BioVision 2020 on land owned by the MRC. They are contracted to receive MRC waste for 20 years.

The RRF processes over 400 tonnes of general household (green lidded wheelie bin) waste per day.

In a year, 100,000 tonnes is processed, 51,000 tonnes of that is diverted to produce over 20,000 tonnes of compost (the remaining 30,000 tonnes are predominantly moisture losses during the process).

During 2016, the RRF was closed for 3 months to allow critical repair work to be undertaken. This resulted in less waste being delivered to the plant than otherwise would be in a normal contract year.



4. BACKGROUND (cont.)

4.3 The Mindarie Regional Council: Operations (cont)

EDUCATION

The MRC's educative role is quite broad in its application.

As an organisation the MRC is seen as a leader in the waste industry where it contributes at all levels providing information, advice and support. The MRC acts as a conduit between the member councils, waste industry initiatives and the community, actively engaging with all these groups and facilitating new programs.

The MRC works closely with member councils, driving new initiatives and providing support to programs into the community. Materials and activities are co-branded (using member councils name and logos to increase awareness) and message are aligned to the MRC and member council goals to improve resource recovery and education outcomes.

At the community level, whilst delivering message of placing the right thing into the different bins assists in reducing the contamination rates, the community is also advised of different disposal options for various products.

The messages are very Waste Hierarchy focused. Strong on high order messaging, reduce and reuse, plus diverting from landfill and recovering what we can. The efficiency of infrastructure can be improved by targeting problematic waste or low volume wastes that make collection or processing of waste difficult i.e. e-waste, household hazardous waste.

Reduce, Reuse,
Recycle, and
Dispose Wisely



Taking people on a waste journey and connecting them back to their waste is important, showing that the story doesn't just end once you put waste in the bin. The waste becomes everyone's problem.



4. BACKGROUND (cont.)

4.3 The Mindarie Regional Council: Operations (cont)

EDUCATION

The focus is very much on personal contact with members of the public. Educate them well and then rely on them becoming engaged with waste and to spread the word to friends and family, throughout the community. This is done through:

- Tours of facilities
- Education Centre (Tamala Park) and Visitors Centre (RRF)
- Talks and visits to schools and community groups
- Roaming Recycler waste education display at fairs, shows, concerts, shopping centres other events
- Earth Carers, a waste related community outreach program
- Community engagement and behavioural change programs (Household Hazardous Waste, dry celled battery recycling, e-waste, event recycling)



Traditional means of communication like brochures, flyers, newspaper adverts and articles are also used, and increasingly online tools such as the MRC website, blogs and social media are proving useful.



5. VISION, MISSION AND VALUES

The Mindarie Regional Council is one of Western Australia's largest waste management authorities assisting its member councils, mainly situated in Perth's northern corridor, deal with their waste. The MRC recognises that waste does have a value as a resource and is committed to managing waste in line with the waste hierarchy and in a way sensitive to the environment and future generations.

Our Vision is

WINNING BACK WASTE

This vision is a guiding principle and can be explained through the MRC's Mission, which is to:

Our Mission

ASTUTELY MANAGE WASTE
IN LINE WITH WASTE HEIRARCHY
FOR THE COMMUNITY

Underpinning this are the values of the organisation, the way we operate our business and the way we deal with our stakeholders, community and ourselves.

Our Values

TEAMWORK ... IS HOW WE ACHIEVE

INNOVATION ... IS HOW WE CREATE

POSITIVE ... IS WHAT WE ARE



6. OBJECTIVES

To achieve the vision of 'Winning Back Waste' through the mission of 'Astutely manage waste in line with the waste hierarchy for the community' the following objectives are seen as being important:

1. LONG TERM VIABILITY

GOOD CORPORATE GOVERNANCE

RESPONSIBLE USE OF RESOURCES

MAINTAINING A SOUND FINANCIAL FOOTING WITH A COMMERCIAL FOCUS

2. EFFECTIVE MANAGEMENT

INDUSTRY LEADING WASTE MANAGEMENT AND PRACTICES

IMPROVING RESOURCE RECOVERY AND WASTE DIVERSION

RELIABLE SYSTEMS AND PROCESSES

3. SUSTAINABLE WASTE MANAGEMENT

ENGAGING WITH NEW OPPORTUNITIES TO ACHIEVE AN OPTIMAL MIX OF WASTE SOLUTIONS

EVALUATING AND IMPLEMENTING INITIATIVES

BEING AN EFFECTIVE ADVOCATE FOR IMPROVED WASTE OUTCOMES



7. STRATEGIES

For each Objective a series of strategies has been developed to ensure that throughout the life of this Plan the intent of the objectives will be met. Each of these strategies will be supported by a series of actions outlined in the Corporate Business Plan.

Objective 1: Long Term Viability

Will be achieved by:

- Good corporate governance;
- Responsible use of resources; and
- Maintaining a sound financial footing with a commercial focus

STRATEGIES

- 1.1 REVIEW AND IMPROVE EXISTING SYSTEMS FOR THE GOVERNANCE OF THE COUNCIL
- 1.2 IMPROVE COLLABORATION BETWEEN PARTICIPATING COUNCILS AS PRIMARY STAKEHOLDERS ON MATTERS ASSOCIATED WITH WASTE MANAGEMENT
- 1.3 MANAGE AND PROCURE SUITABLE ASSETS TO ACHIEVE AN OPTIMAL MIX OF WASTE MANAGEMENT SOLUTIONS
- 1.4 MAINTAIN A LIQUIDITY AND DEBT PROFILE APPROPRIATE FOR AN INFRASTRUCTURE BASED WASTE OPERATION
- 1.5 ENSURE THE COUNCIL IS COMMERCIALY RELEVANT TO ITS INDUSTRY

7. STRATEGIES (cont.)

Objective 2: Effective Management

Will be achieved by:

- Industry leading waste management and practices;
- Improving resource recovery and waste diversion; and
- Reliable progressive systems and processes

STRATEGIES

- 2.1 OPERATE WASTE MANAGEMENT ACTIVITIES EFFECTIVELY**
- 2.2 CONTINUALLY ASSESS AND UTILISE THE BEST APPROPRIATE WASTE MANAGEMENT SOLUTIONS**
- 2.3 MAKE ONGOING REVIEWS OF WASTE STREAMS TO ENSURE OPTIMAL RECOVERY/DIVERSION IS BEING ACHIEVED**
- 2.4 ADHERE TO RELEVANT POLICY AND PROCEDURES WITH REGARDS TO SYSTEMS AND PROCESSES**
- 2.5 EVALUATE THE EFFECTIVENESS OF SYSTEMS AND PROCEDURES IN LIGHT OF CHANGING BUSINESS REQUIREMENTS**

7. STRATEGIES (cont.)

Objective 3: Sustainable Waste Management

Will be achieved by:

- Engaging with new opportunities to achieve an optimal mix of waste solutions;
- Evaluating and implementing improved initiatives; and
- Being an effective advocate for improved waste outcomes

STRATEGIES

3.1 IDENTIFY AND ADOPT IMPROVED APPROACHES TO WASTE MINIMISATION, RESOURCE RECOVERY AND THE ASSOCIATED COMMUNITY ENGAGEMENT

3.2 DEVELOP A REGIONAL PLAN FOR WASTE MANAGEMENT

3.3 IDENTIFY OPPORTUNITIES FOR THE MRC TO PARTICIPATE IN THE OPERATION OF ADDITIONAL WASTE MANAGEMENT VENTURES BASED ON PROVEN TECHNOLOGIES

3.4 PARTNER WITH ORGANISATIONS IN ORDER TO ADVOCATE FOR NEW AND INNOVATIVE APPROACHES TO WASTE MINIMISATION AND RESOURCE RECOVERY

3.5 PROVIDE AND CONTRIBUTE TO THE COMMUNITY AND INDUSTRY LEADERSHIP, THROUGH A STRONG FOCUS ON ENVIRONMENTAL, ECONOMIC, SOCIAL AND GOVERNANCE PRINCIPLES AND PRACTICES

7. STRATEGIES (cont.)

Values

Underpinning these objectives are the organisation's values, the people, and the culture.

VALUES

DELIVERY OF THE MRC'S VISION AND MISSION
WILL BE ACHIEVED THROUGH ITS VALUES OF:

- TEAMWORK
- INNOVATION
and being
- POSITIVE



8. PERFORMANCE TARGETS

The measures of performance of the Objectives and their associated strategies will be made annually within the Mindarie Regional Council's Annual Report as a result of the strategic actions taking place as outlined in the Corporate Business Plan.

The following performance indicators and targets will be used as measures for the MRC as an organisation and the MRC as a region.

Objective 1. Long Term Viability	
Indicator: Good corporate governance	Target: 100% compliance as recorded in the Annual Compliance Report
Indicator: Responsible use of resources	Target: Resources will be deployed in line with the objectives of the Strategic Community Plan
Indicator: Maintain a sound financial footing with a commercial focus	Target: Performance in line with the Financial Plan, maintaining a Debt Ratio at or below 65% and Liquidity Ratio above 1.1 in the long term

8. PERFORMANCE TARGETS (cont.)

Objective 2. Effective Management	
Indicator: Industry leading waste management and practices	Target: Maintaining the MRC's position as a market leader through peer review and by continued visits by private and government delegations
Indicator: Improving resource recovery and waste diversion	Target: Improved regional resource recovery and waste diversion
Indicator: Reliable progressive systems and processes	Target: Reduction in the number of minor non-compliances recorded
	Target: No major non-compliances with DEC licensing conditions and a reduction in minor non-compliances

8. PERFORMANCE TARGETS (cont.)

Objective 3. Sustainable Waste Management	
Indicator: Engaging with new opportunities to achieve an optimal mix of waste solutions	Target: A new plan to be finalised by June 2014, with implementation of strategies to follow
Indicator: Evaluating and implementing improved initiatives	Target: Present four new initiatives per annum for consideration by the Strategic Working Group
Indicator: Being an effective advocate for improved waste outcomes	Target: Develop a marketing and education plan for the region, including an annual calendar, promoting a more coordinated approach to waste messaging





2030

- New waste processing infrastructure
- RRF BioVision 2020 contract expires

2029

- Re...
- Co...
- Ta...
- ex...

2029

- Review of Strategic Community Plan

2028

- Procurement of Third Party landfill services
- Post closure capping of Tamala Park landfill

2027

- Start of c...
- Start pro...
- new AW...



2021

- Capping of Stage 2 - Phase 2 of landfill
- Review of Strategic Community Plan

2022

- E/W Plant goes on line: 100,000 tpa
- Replacement of loaders

2023

- Eva...
- sta...

2020

- 65% Waste Disposal target
- EfW plant construction
- Landfill compactor replacement
- Introduction of 3-Bin system
- Regional MRF

2019

- IT System replacement project
- Transfer Station redesign project
- Landfill compactor replacement
- EfW contract negotiations/constr...

2013

- Strategic Community Plan adopted
- Investigate methods to improve Regional waste diversion
- New Establishment Agreement

2014

- Purchase of new landfill site
- Construction of a sorting shed
- Replacement of dump truck and loaders
- Partial lining of Stage 2 - Phase 3
- Investigating the beneficial use of RRF waste
- Regional waste minimisation plan

2015

- Expanded Recycling/Reuse Centre
- Replacement of compactor
- Partial lining of Stage 2 - Phase 3
- WA Waste Strategy 50% Diversion rate target for MSW

2016

- Evaluate the addition of an RRF pre-sort
- Partial lining of Stage 2 - Phase 3

TWENTY YEARS

2033
 Review of Strategic Community Plan
 Amala Park lease expires

2037
 Review of Strategic Community Plan



2027
 Mapping Stage 2 Phase 3 procurement process for T Plant

2026
 Replacement of dump truck and excavators



2023
 Evaluate construction of new transfer station/s

2024
 Replacement of landfill compactor

2025
 Review Strategic Community Plan



2018

- New establishment agreement
- Recycling Area redevelopment - Phase 2
- Award EfW tender
- Replacement of loaders
- Transfer Station redesign
- IT System tender process
- Precinct development

2017

- Review new waste management opportunities
- Investigate new waste processing infrastructure
- Partial Lining of Stage 2 - Phase 3
- Review of Strategic Community Plan

9. THE NEXT TWENTY YEARS (cont.)



10. PLANNING FOR THE FUTURE

10.1 Waste in the Region

There is little uniformity in waste collection systems within the MRC region as shown by the presence of:

- 1, 2 and 3 bin systems;
- Variations to recycled items collected in yellow top bins;
- Various bulk verge collection systems, both green and hard waste; and
- Various opportunities for problem product disposal

Each member council has a waste minimisation plan which should dovetail into the MRC's waste minimisation plan and this is done to various effect.

There are two ways of looking at the MRC's waste. One is the waste that is directly delivered to the MRC, either at Tamala Park or to the RRF. The second is a more holistic view that takes into account all of the waste collected by the Member Councils, this particularly includes a large recyclable component from verge collections which are processed elsewhere.

Looking firstly at the waste delivered to the MRC:

Waste delivered analysed by source:

Source	Tonnes received by the MRC 2016	Tonnes diverted to the RRF	Tonnes landfilled at Tamala Park	Tonnes received by the MRC 2015	Variance
Town of Cambridge	7,814	19	7,795	8,011	(197)
City of Joondalup	62,496	29,726	32,770	65,320	(2,824)
City of Perth	13,036	-	13,036	13,344	(308)
City of Stirling	75,536	-	75,536	114,751	(39,215)
Town of Victoria Park	12,460	5,993	6,467	12,990	(530)
City of Vincent	14,643	5,284	9,359	15,094	(451)
City of Wanneroo	65,609	35,104	30,505	66,516	(907)
Total members	251,594	76,126	175,468	296,026	(44,432)
Other casuals	16,067	-	16,067	19,897	(3,830)
Total casuals	16,067	-	16,067	19,897	(3,830)
RRF residue*	39,076	-	39,076	51,575	(12,499)
City of Wanneroo	137	-	137	4,862	(4,725)
Total other	39,213	-	39,213	56,437	(17,224)
TOTAL	306,874	76,126	230,748	372,360	(65,486)

10. PLANNING FOR THE FUTURE (cont.)

Waste processed by the Mindarie Regional Council:

Period/Year	Total tonnes received by the MRC	Tonnes diverted to the RRF	Residue returned from RRF	Tonnes landfilled at Tamala Park	Tonnes landfilled offsite
1991	32,991	-	-	32,991	-
1992	150,487	-	-	150,487	-
1993	156,024	-	-	156,024	-
1994	151,945	-	-	151,945	-
1995	163,818	-	-	163,818	-
1996	179,006	-	-	179,006	-
1997	186,875	-	-	186,875	-
1998	225,620	-	-	225,620	-
1999	249,114	-	-	249,114	-
2000	336,502	-	-	336,502	-
2001	339,285	-	-	339,285	-
2002	331,576	-	-	331,576	-
2003	319,756	-	-	319,756	-
2004	328,655	-	-	328,655	-
2005	333,437	-	-	333,437	-
2006	349,156	-	-	349,156	-
2007	352,544	-	-	352,544	-
2008	380,189	-	-	380,189	-
2009	368,495	7,868	2,112	362,739	-
2010	352,035	65,010	28,889	315,914	-
2011	323,834	97,353	44,489	270,970	4,276
2012	249,783	105,213	45,414	189,984	6,239
2013	234,237	97,957	48,016	184,296	965
2014	339,262	101,622	44,059	281,699	-
2015	320,785	105,657	51,575	266,703	-
2016	267,798	76,126	39,076	230,748	-
TOTAL	7,023,209	656,806	303,630	6,670,033	11,480

As show in the previous tables much of the waste delivered to the MRC goes to landfill although in recent years the importance of RRF in terms of waste diversion is clearly seen. The MRC's diversion rate pre-RRF was minimal compared with a current waste diversion rate of 17%.

Waste in the region

It is important to look at the total waste generated in the region as even though it does not come to the MRC facilities now it could do so at some time in the future. The MRC also actively encourages and promotes activities that divert waste away landfill, to improve resource recovery and achieve the best possible waste outcomes. By doing this, the MRC is involving itself into these other waste streams.

10. PLANNING FOR THE FUTURE (cont.)

Looking then at the waste generated in the Region:

Municipal Solid Waste (MSW) in the MRC Region 2016

Across the MRC there is a range of waste collection, disposal and treatments with each member council having, to varying degrees, different systems.

Waste Stream	Destination	Diversion/Recovery
Green top (general waste)	to RRF	Over 50% is diverted The residue is sent to TPK
Green top (general waste)	to Tamala Park	none
Red top (general waste), (City of Stirling and Town of Cambridge)	to Tamala Park	none
Yellow top (recycling) bins	Third party private contractors	Approx. 85% Residue to 3 rd party landfill
Lime green top (garden waste) bins (City of Stirling and Town of Cambridge)	Third party private contractors	Approx. 95%
General bulk/hard waste verge	Tamala Park and Third party contractors	Some recycling/recovery
Special verge pick up:white goods, mattresses, metals	Third party contractors	High recycling rate
Greens bulk verge	Third party contractors	Approx. 95%
Public self haul <ul style="list-style-type: none"> ■ Recycling ■ Mixed waste ■ green waste ■ disposal of problematic waste i.e. HHW ■ reuse at tip shops 	to Tamala Park And Balcatta	Variable with load type (typical 1% mixed load to 98% recyclables)
Disposal event/days (HHW, ewaste, clothing)	Third party contractors	High recycling rates
Other MC waste (Parks/dumping/cleanups)	To Tamala Park	Low recycling/diversion

(Indicative diversion figures, 2014/2015 Local Government Waste and Recycling Census)

It is a complicated web of waste collection, disposal and treatment with the MRC and numerous third party contractors delivering waste services in the Region.

State waste data

The MRC, due to the size of its population, significantly influences the Perth Metropolitan waste figures. The 2014/2015 Local Government Waste and Recycling Census figures for the Perth Metropolitan Area show on a per capita basis:

- Waste produced, 0.55 tonnes
- Waste landfilled, 0.36 tonnes, and
- Material recovered, 0.20 tonnes.

10. PLANNING FOR THE FUTURE (cont.)

This 36% recovery rate is that from across all metropolitan councils.

Although this is an indicative figure for the Region, MRC's collective diversion rate is in excess of the Perth figure due to a high number of waste diversion and recovery initiatives, including:

- the operation of the RRF,
- a 3 bin system in two of the non-RRF councils,
- skip bins for bulk hard waste collection in two of the biggest councils,
- two regional self-haul recycling centres,
- active resource recovery programs at Tamala Park, and
- regular disposal days and collections (HHW/e-waste/clothing/batteries)

Individual MRC member councils have diversion rates of around 50% mark (the 2015 waste diversion target set by the Waste Authority).

Trends

The trend for waste in the Region is:

- waste production per capita, down
- waste landfilled per capita, down
- waste recycled/recovered per capita, up.

However total waste tonnages in each of these areas, due to a growing population, is trending up. This placing pressures on existing infrastructure to deal efficiently with this waste.

The MRC in 2015 commissioned Hyder Consulting to review the waste collection and treatment practices across the Region with the view of how best to recover and divert waste from landfill.

In the report produced 'MRC Infrastructure Options Assessment', modelling showed that significant increases in recycling and resource recovery was required just to maintain current diversion rates.

Increased community education and improvements to current systems, if applied across the Region, were thought to be able to make sizable increases to diversion. However these rates would still fall short in achieving the Waste Authority target of 65% by 2020.

It was determined that in order for the Region to achieve significant increases in its waste diversion new infrastructure solutions were going to be required.

10. PLANNING FOR THE FUTURE (cont.)

Population

In 2015 there were approximately 712,000 people in the Region.

Population for MRC Member Councils

COUNCIL	2001	2015	2026 (Projected)
City of Joondalup	156,000	167,890	177,000
City of Perth	8,000	24,240	30,000
City of Stirling	169,000	227,000	263,000
City of Vincent	25,000	37,460	42,000
City of Wanneroo	84,000	188,790	261,000
Town of Cambridge	24,000	28,250	32,000
Town of Victoria Park	27,000	38,450	48,000
TOTAL	493,000	712,080	853,000

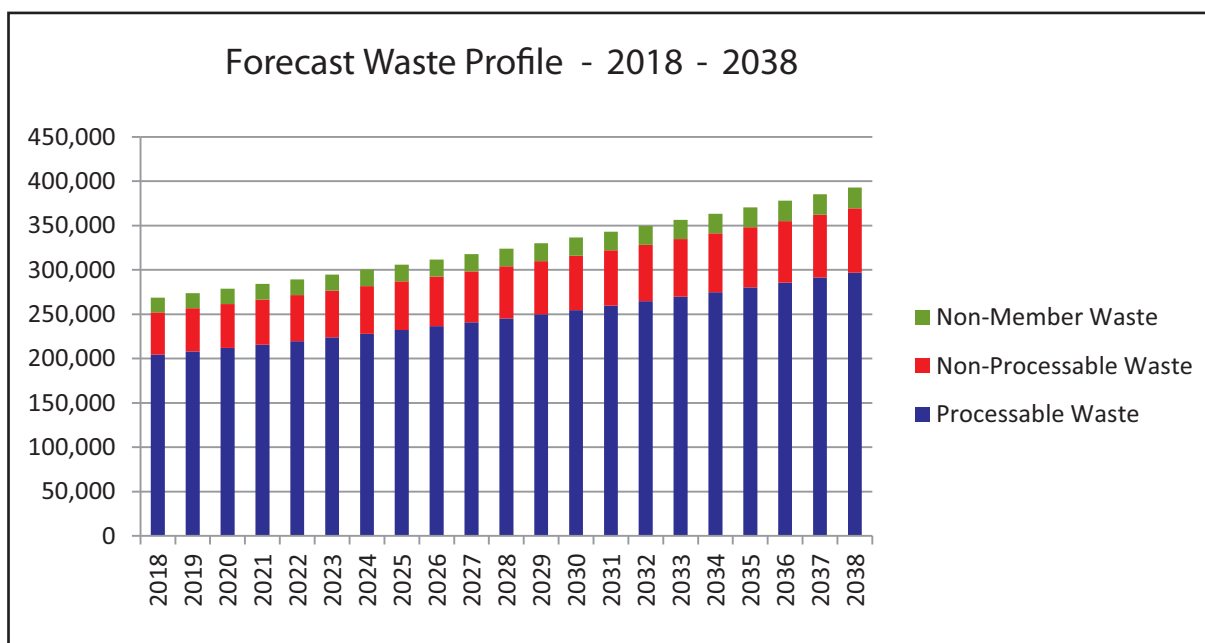
The population in the Region shown in the table above is seen growing from about 500,000 people in 2001 to nearly a million in 2026, if you use high end projections, and well beyond the million mark by 2033. People produce waste so it is reasonable to expect a significant increase in the amount of waste being generated in the Region in the coming years.



10. PLANNING FOR THE FUTURE (cont.)

Forecast Waste Profile - 2014-2034

Using today's figures as a guide, the graph below shows the forecast tonnes of waste received at Tamala Park directly from members and non-members, excluding any secondary processing residues.



In order to meet the WA Waste Authority's waste diversion targets for MSW of 65% of MSW diverted from landfill by 2020, significant new waste processing infrastructure is planned.

WINNING BACKWASTE



10. PLANNING FOR THE FUTURE (cont.)

Western Australian Waste Strategy

A major feature of the WA Waste Strategy is the targets it has set to see diversion from landfill. In the case of MSW they are:

50% by 2015

65% by 2020

To achieve these targets the Waste Authority is advocating an infrastructure solution.

The MRC has already seen the importance of infrastructure in waste diversion. The role of the RRF in the MRC's current waste diversion performance is very significant. As a region, taking into account Member Council verge green collections and yellow topped recycling bins, the MRC has a MSW diversion rate of close to 40%. Without the RRF this figure would be a far less impressive 18%.

The increased population and consequently more waste produced, along with the focus on improved diversion rates in the future, would result in the MRC as a region requiring at least 3 to 5 times more waste processing capacity than what the current infrastructure is delivering

Implications for the MRC Business

It can be expected that there will be continued growth in waste being generated in the region particularly due to population growth.

Increased infrastructure, methodology (ways of collecting and dealing with the different waste streams) and education will be required just to maintain current diversion rates.

Waste producers are being incentivised to find alternatives to landfill by the increases in the landfill levy being applied by the State Government. The levy will increase to \$70 per tonne in 2018, with every indication being that it will increase further as the State looks to follow the lead of other States.



10. PLANNING FOR THE FUTURE (cont.)

10.2 Guiding Principles

When developing the Strategic Community Plan a number of things were taken into account. The following are some of the principal considerations which have helped the Plan take its shape.

Member Councils

As primary stakeholders in the MRC business, the member councils have a significant interest in the Plan and the associated strategies contained within.

The general community has high expectations regarding best practice waste management solutions, but are price sensitive. The Member Councils therefore require environmentally sustainable waste practises that are also cost effective.

Western Australian Waste Strategy

As the overarching strategy for waste in this State this document was a major driver in shaping the look of the MRC's Plan.

As a snapshot of this Strategy the main features were:

Vision - sustainable waste management strategies to reduce the environmental impact of waste and maximise conservation of natural resources through reduced overall material use and increased materials and energy recovery

Key approaches – engagement with the Western Australian community to shift to a low-waste society by providing the required knowledge, infrastructure and incentives

Strategic Objectives

1. Planning for waste and recycling processing
2. Enhanced regulatory services
3. Measures and reporting
4. Use of existing economic instrument
5. Communication and behaviour change

Targets – A key pillar of this strategy was the setting of waste diversion targets.

For municipal solid waste (MSW) in the Metro region, the major sphere where the MRC operates, diversion from landfill is set as:

- 50% by 2015
- 65% by 2020

The Construction and Demolition (C&D) and Commercial and Industrial (C&I) sectors of the waste industry have higher targets to achieve. The MRC does collect waste from these sectors, particularly C&I which represents about 40% of the waste received at Tamala Park. The C&I diversion targets are: 55% by 2015 and 70% by 2020, a further challenge.

10. PLANNING FOR THE FUTURE (cont.)

The Waste Hierarchy

The waste hierarchy is an internationally accepted best practice model for dealing with waste with a focus on conservation of resources and energy.

Currently the major focus is still on disposal but there is a need to revisit the hierarchy on its head with far more emphasis being placed on avoiding and reducing waste in the first place.



Landfill (Dispose) is likely to always be needed as part of a balanced waste solutions profile. Even if this infrastructure is only required during times of disaster clean ups (ie storms, major flooding, earthquake).

Efforts though should always be made to deal with waste items/streams at the highest possible level of the Waste Hierarchy.

The Waste hierarchy diagram below shows where emphasis should be placed and where some current activities are placed.

Activities that sit in the different levels:

Refuse/Avoid – banning single use plastic bags

Reduce – Buy quantities only as needed, less packaging

Reuse – tip shop, repairs, swap meets, garage sales, drink containers

Recycle – yellow top bin, e-waste, dry celled batteries, mobile muster

Recover – RRF, landfill gas extraction, W2E, bulk verge greens, tip face recovery

Dispose - landfilling



10. PLANNING FOR THE FUTURE (cont.)

MRC Community

In 2010 the Minister for Local Government introduced regulations which established requirements for local governments to the plan for the future. The Regulations require that the Strategic Community Plan be developed with input from the local government's electors and ratepayers. A Regional Council does not have ratepayers therefore the MRC community is defined as being the Member Councils the MRC has been formed to provide a service to. MRC's Strategic Community Plan has been developed in close consultation with each of the member councils' representatives on the MRC being a councillor/s nominated by each of the member councils. In addition to this the member councils' CEO's and Executive Staff along with a number of other stakeholder/groups have also been closely involved.

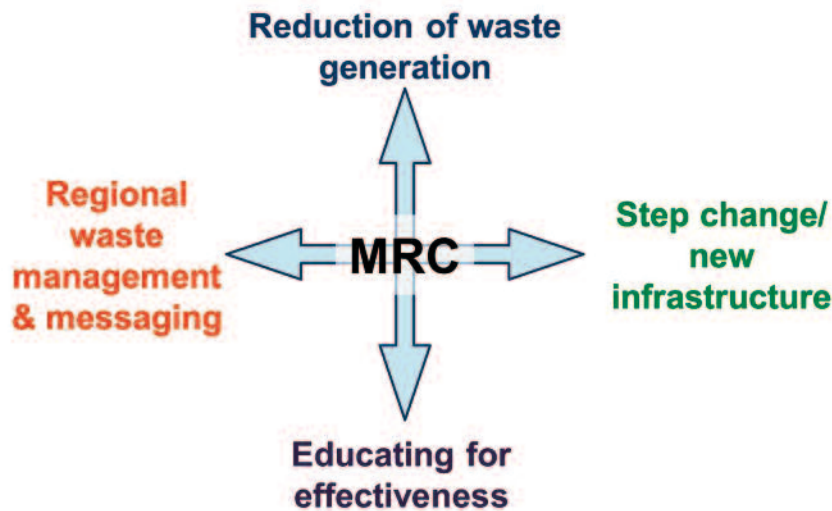
The timetable below provides an overview of the consultation process undertaken as part of the review of the Strategic Community Plan.

April 2016	Detailed Strategic Community Plan review with: <ul style="list-style-type: none"> ■ MRC Councillors ■ MRC Staff ■ MRC Strategic Working Group (SWG) ■ MRC Waste Education Strategy Steering Group WESSG)
November 2016 to February 2017	Updates to Strategic Community Plan and supporting plans drafted
February 2017	Final proposed changes put to MRC Councillors for comment
April 2017	Final revised plans put to MRC Council for adoption

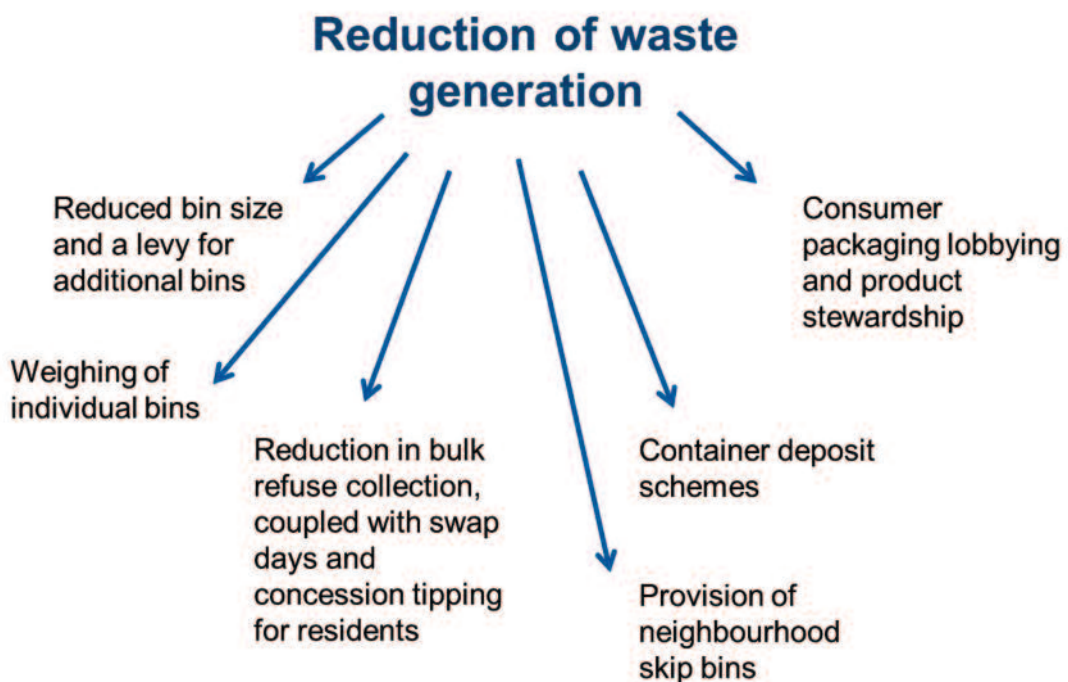
10. PLANNING FOR THE FUTURE (cont.)

The issues and directions as given by the MRC community at these workshops fell into four themes or categories.

These were:

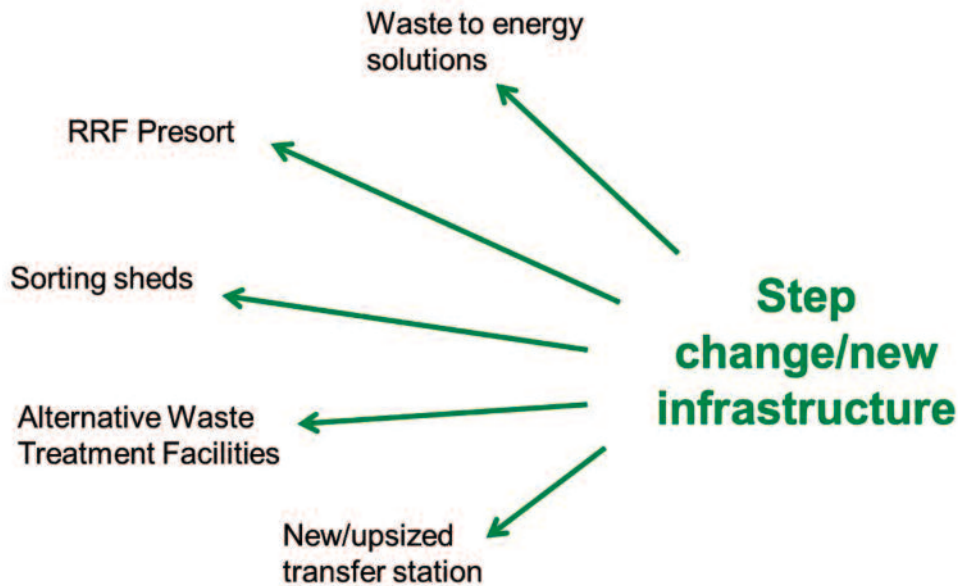


Reduction of waste generated – Need to put structures and processes in place to help reduce the amount of waste entering the system

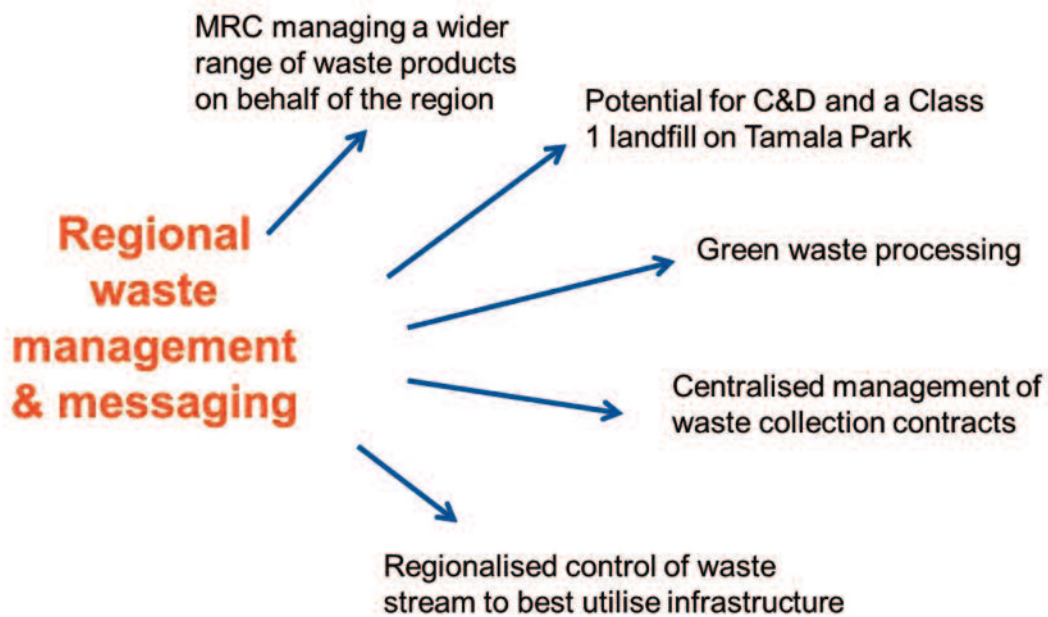


10. PLANNING FOR THE FUTURE (cont.)

Step change/new infrastructure – In order to achieve the Government’s waste diversion targets we need to build new processing facilities to divert waste from landfill.

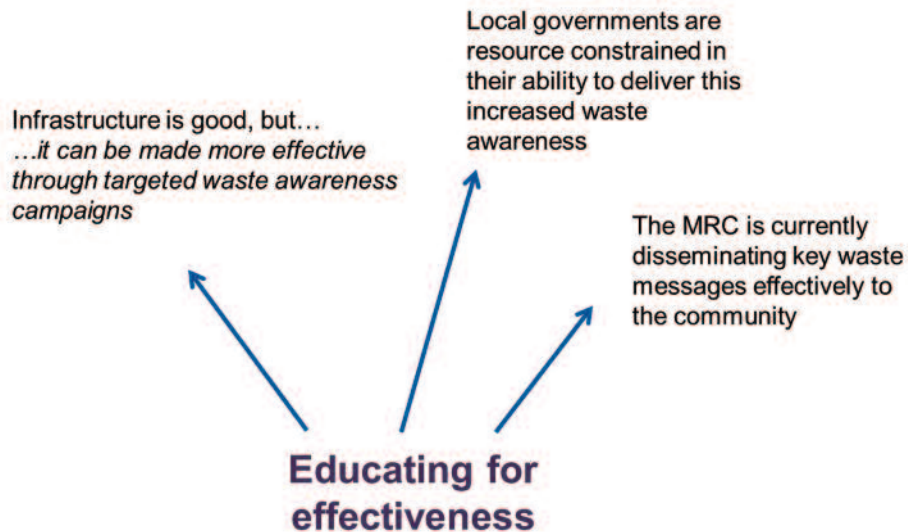


Regional waste management and messaging – Waste is managed most effectively on a regional basis to achieve economies of scale.



10. PLANNING FOR THE FUTURE (cont.)

Educating for effectiveness – Processes and infrastructure assets are made more effective through education



These four items were significant drivers used to formulate this Plan.

Implicit within this Plan and its subsequent Objectives and Strategies is the need to address:

- Environmentally sustainable waste practices underpin much of what this Plan hopes to achieve
- Education needs to be provided at all levels to keep the community informed, to bring about sustained waste avoidance. On-going communication of key messages needs to occur to ensure that the systems and infrastructure put in place work efficiently and effectively
- Safety of the community and MRC's employees is paramount.

All activities and processes employed to deliver the strategies will give consideration to these elements.

10. PLANNING FOR THE FUTURE (cont.)

10.3 Challenges and Opportunities

Potential Challenges

At the time of the setting of this Plan there are a number of key challenges that have been identified and have influenced the directions given in the Plan. These include external dynamics, things over which the MRC has no control and may influence the delivery of the strategies contained within the Plan.

Government

- Uncertain commitment by either Federal or State Governments toward waste and waste issues
- Federal Government and industry driven product stewardship schemes
- WA Waste Strategy, how rigorously targets are going to be pursued
- Land fill levy increases – how much and how soon/fast they are to be implemented
- Uncertainty regarding State Government changes to environmental legislation impacting on waste processing operations in WA

Waste

- Population growth, changing consumer habits
- Changing waste streams
- Changes to Waste sorting, processing and diversion requirements and capabilities
- Timing of Tamala Park's closure

Economic

- Cost of service
- Landfill levy and other taxes and levies
- Competition – Private landfills
- Commodity prices (recycling)
- Distance to markets for recycled products
- Challenges in accessing State Government funding for waste projects

10. PLANNING FOR THE FUTURE (cont.)

10.3 Challenges and Opportunities

Education

- Variable commitment towards engaging with the community and informing about waste issues at all levels
- Targeted, ongoing, broad spectrum/multi-faceted education campaign is required for maximum effectiveness
- Consistent messaging (across region at minimum)
- Infrastructure doesn't just work by itself there are efficiencies to be gained through education
- Often intangible results and long term in nature
- Preparedness and acceptance of the community to behavioural change

Local/MRC

- Current establishment agreement limits the ability of the MRC to diversify and offer a wider range of services, to all or to a sub-set of its member councils
- The current MRC governance structure can result in sub-optimal decisions for the Council due to a potential conflict of interest by councillors between their own council and the MRC
- Divergent interests of member councils
- Collection systems, currently variable between the councils.

Opportunities

The waste industry faces an exciting time in its lifecycle. It is growing as an industry and some of the challenges it is facing are being acknowledged. There is a growing desire to see things change and for waste management to be approached in a different way.

The MRC is seen in the industry as a big player and as a leader in the field. It is well positioned to take advantage of new opportunities. These may include:

- Diversification of services
- Expertise (intellectual knowledge)
- Provide an economy of scale
- Willingness to be a leader
- A broker/finder of waste solutions

11. INTEGRATED PLANNING

The Strategic Community Plan guides the development of the operational plans, the Corporate Business Plan and the Informing Plans to deliver the MRC's Vision.

The MRC has a vision, but circumstances change and the strategies outlined in this plan need to reflect and respond to these changes. It is to be a dynamic plan reviewed regularly along with the plans that inform/guide it.





12. CORPORATE BUSINESS PLAN

The Corporate Business Plan:

- Identifies and prioritises the principal strategies and activities the MRC will undertake in response to the aspirations and objectives stated within the Strategic Community Plan; and
- States the services, operations and projects the MRC will deliver over the four year period of the Plan, including the method for delivering these and the associated cost.

The Corporate Business Plan draws on the information contained within the Informing Plans, these being the Workforce Plan, the Asset Management Plan and the Financial Plan.

The Workforce Plan describing how the workforce is managed and flags the need for any changes in workforce numbers and requirements of the workforce.

The Asset Management Plan looks at the assets required to support the operations and changes to these assets (including replacements and maintenance of existing assets).

The Financial Plan is a long term plan, 20 years, ensuring that the aspirations of the organisation can be met financially, particularly highlighting foreseen major costs (infrastructure or other).

Due to uncertainties as outlined in the Strategic Community Plan, particularly with regard to the Local Government Review and the future role of Regional Councils, the Plan outlined a model where the MRC is to move forward and make step changes toward the vision of “Winning Back Waste”. This Corporate Business Plan looking at the next four years therefore largely reflects a refocussing of the business with a gradual implementation of step changes within the business. As a result many of the actions outlined in the Corporate Business Plan will be performed using existing workforce arrangements and assets to perform these actions. These actions will also be performed within the existing budgeting parameters.

The MRC operates with 3 business units

- Office of the CEO
- Operations
- Corporate Services

Together the business plans of each of these business units combine to address the strategies within the Strategic Community Plan and as such also form the Corporate Business Plan which guides the business for the next four years.

These are the operational plans and will be reviewed annually.

It is these plans and the actions that are contained within the Corporate Business Plan that are directly used to prepare the Annual Budget.

Reporting

The success in delivering the strategic actions as outlined in this plan will be measured by key performance indicators (KPIs) within the operational plans of the business units. These will then be reported in the MRC’s Annual Report and their effectiveness in assisting in the achievement of the Strategic Community Plan’s Performance Targets.

WINNING BACKWASTE



13. INFORMING PLANS

The following documents are crucial in the development of the overall Strategic Community Plan as they provide guidance for the organisation, taking it from where it is now through to the future, in these key areas.

13.1 Workforce Plan (2018 - 2022)

The MRC Workforce Plan 2018 - 2022 has been developed in line with its Vision of “Winning Back Waste”, its Mission to “Manage Waste” and its Value statement of “Teamwork, Innovation and Positivity”.

The MRC’s Workforce Plan aims to design strategies for continuous improvement ensuring the organisation’s objectives are met now and in the future.

Key objectives;

- To ensure our employees and positions achieve the MRC’s objectives
- To ensure we are equipped to meet our strategic objectives
- To guide, monitor and aid staff activities ensuring alignment with Business Plans
- To ensure we are culturally aligned
- To create an environment that empowers and enables staff to be able to deliver the MRC’s strategic objectives
- To ensure clear lines of communication
- To provide leadership at all levels
- To train and develop staff to perform to the best of their potential and to meet performance indicators
- To meet organisational service provision obligations

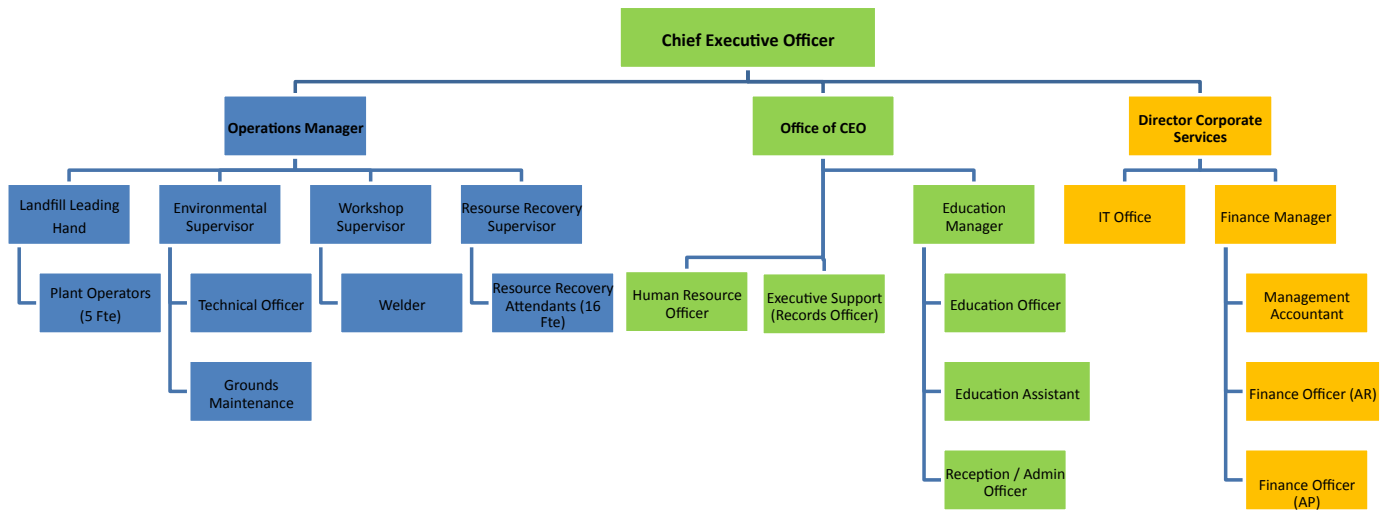
The MRC’s Workforce Plan identifies its services, organisational structure, workforce strategies and workplace culture.

It identifies future service delivery, organisational changes and strategies to further promote an effective and efficient workforce going forward.



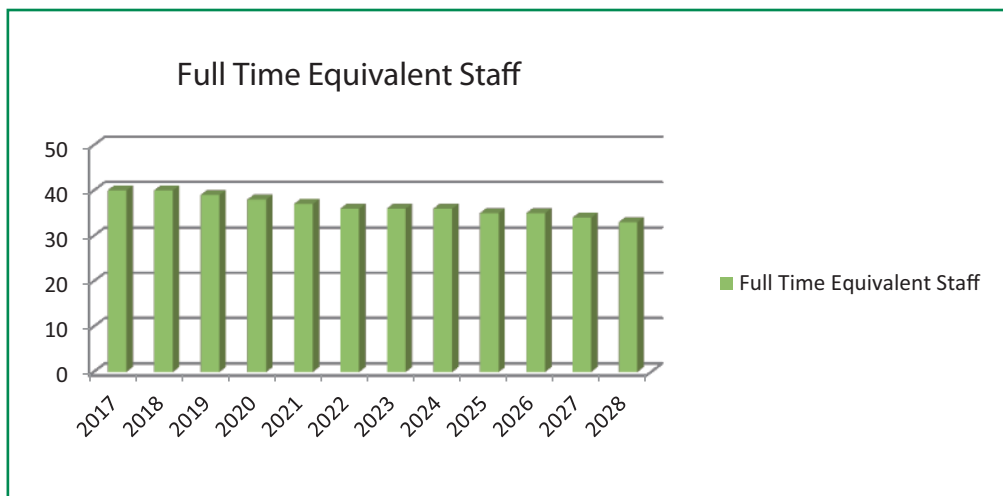
13. INFORMING PLANS (cont.)

The MRC employs 37.6 (June 2016) full time equivalent staff (FTE) and a small pool of casuals to operate and maintain its services provided to its member councils and the general public.



13. INFORMING PLANS (cont.)

As many of the strategies within the Strategic Community Plan initially involve a refocussing of some of the MRC's activities, existing staffing and procedures are largely described under the existing Workforce Plan. However it is expected that with the implementation of the Strategic Community Plan, other projects and infrastructure will occur and these will impact on the Workforce Plan requiring additional FTE's and/or contract staff.



Some of the key workforce challenges facing the MRC include:

1. A highly competitive labour market in WA
2. Salary banding inhibiting the MRC's ability to attract the best candidates with the right skills
3. An ageing workforce
4. The ability to effect succession planning in a small organisation

13. INFORMING PLANS (cont.)

13.2 Asset Management Plan (2018 - 2037)

The MRC is focussed on reducing the amount of waste being sent to landfill through finding alternative uses for those materials, taking into account the economic needs of its constituent members.

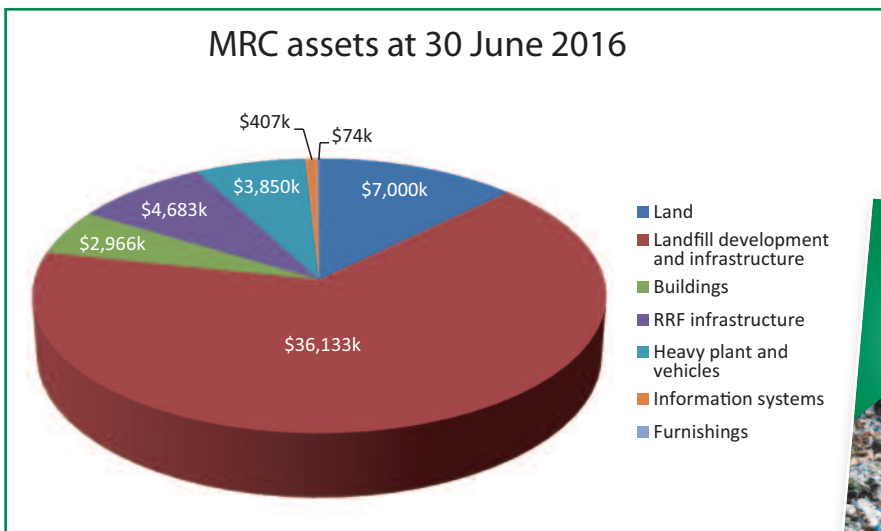
By the nature of its operations, the MRC has had to invest heavily in infrastructure and as a consequence, it is important that these assets are managed in such a way as to deliver the best value over their useful lives for the benefit of the MRC's member councils.

This Asset Management Plan is designed to cover the ongoing management of the existing land, road infrastructure, buildings, heavy plant and machinery and vehicles, equipment and information systems associated with each of those sites.

The AMP also makes takes into account the acquisition of future assets and infrastructure to support the delivery of the MRC's vision.

Given the relatively limited nature, extent and complexity of the MRC's assets and operations, all aspects of asset management have been included in the one document.

The MRC has various classes of tangible assets totalling approximately \$55 million. A breakdown of these assets is shown in the graph presented below.



13. INFORMING PLANS (cont.)

13.2 Asset Management Plan (2018 - 2037)

The table below outlines the expected capital expenditure in each class of assets identified above for the first 5 years of the plan.

	2018	2019	2020	2021	2022
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's
Land	6,000	-	-	-	-
Landfill infrastructure	3,966	2,249	1,973	4,378	21,111
Buildings	448	5,000	-	-	-
Heavy plant	1,368	1,553	1,990	937	67
Equipment	312	130	182	137	14
IT systems	156	537	93	187	8
	<u>12,250</u>	<u>9,469</u>	<u>4,238</u>	<u>5,638</u>	<u>1,111</u>



13. INFORMING PLANS (cont.)

13.3 Financial Plan (20 year)

The MRC currently provides waste management services to its constituent member councils, a number of commercial operations and to the general public. At present, these operations are conducted from leased premises known as the Tamala Park Waste Management Facility and from an owned site in Neerabup.

This Financial Plan is designed to cover all aspects of the financial management of the MRC, including annual budget setting, operational and infrastructure funding and delivering long term viability.

Given the extent and complexity of forward financial planning, the MRC's Financial Plan is underpinned by detailed financial modelling. Modelling by its nature requires significant judgements and estimates to be made about future conditions and trends, and as a result, modelled results will not always translate accurately into financial performance in a particular year.

The following key principles have been taken into account in developing the Financial Plan:

- in the absence of formal contract and approved works, modelling is based on the most conservative, likely outcomes;
- the MRC is intended to be an autonomous self-funded entity;
- to the extent possible, member councils are to be protected from significant price shock;
- ongoing operations will typically be funded from internally generated cash flows, while significant infrastructure projects will typically be debt funded;
- in order to limit the MRC's exposure to changes in debt markets, a debt ratio of less than 65% will be maintained in the long term; and
- for the sake of maintaining a strong liquidity position, a liquidity ratio of at least 1.1 times will be maintained in the long term.

Given the significant role that financial management plays in any operation, the MRC is committed to ongoing prudential financial management of its resources, as outlined in this Financial Plan.

The following are some highlight items from the Financial Plan.

LANDFILL CAPACITY

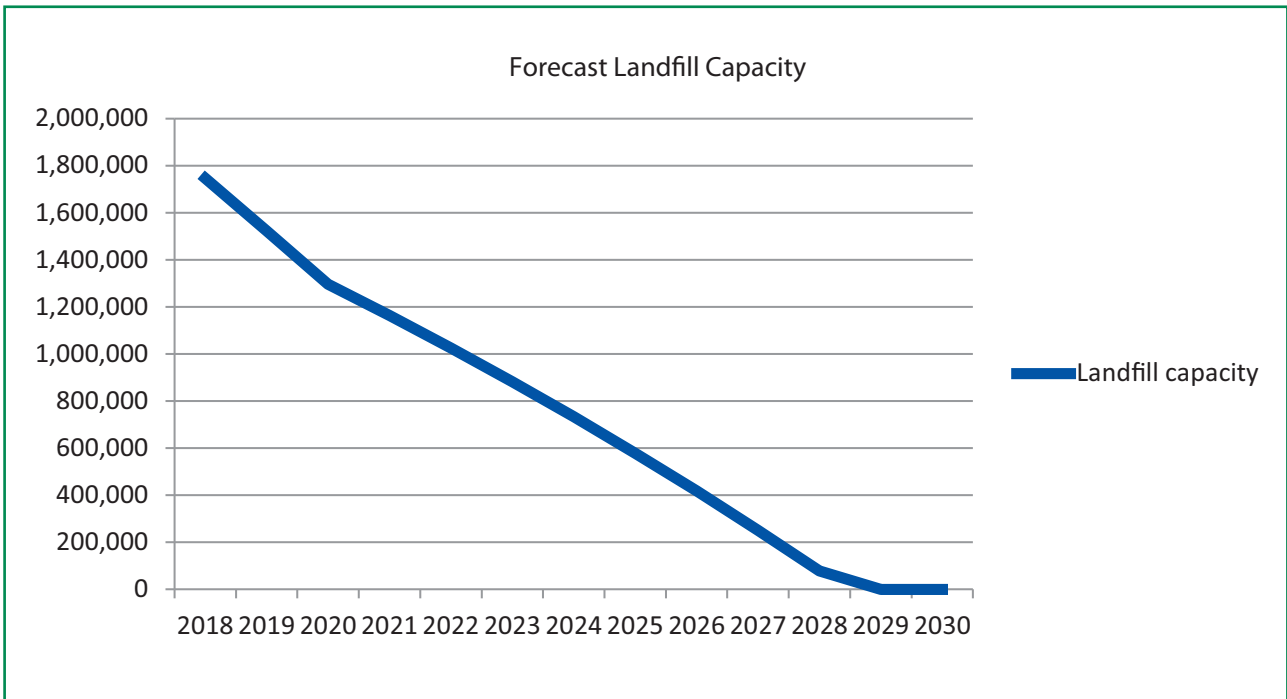
At the end of 2016 the forecast capacity remaining in the Tamala Park landfill site is expected to be 2.2 million tonnes.

Based on present forecasting, it is anticipated that the end-of-life of the landfill will technically be reached in 2028. This has increased from previous estimates as a result of a forecast increase in alternative waste treatment activity, resulting in an increased diversion from landfill.



13. INFORMING PLANS (cont.)

Forecast landfill capacity at Tamala Park 2018 - 2037



REVENUE SETTING

Revenue setting is a function of the gate fees for members and non-members. The gate fee in turn is set in such a way as to achieve a near breakeven position based on the forecast operating costs.

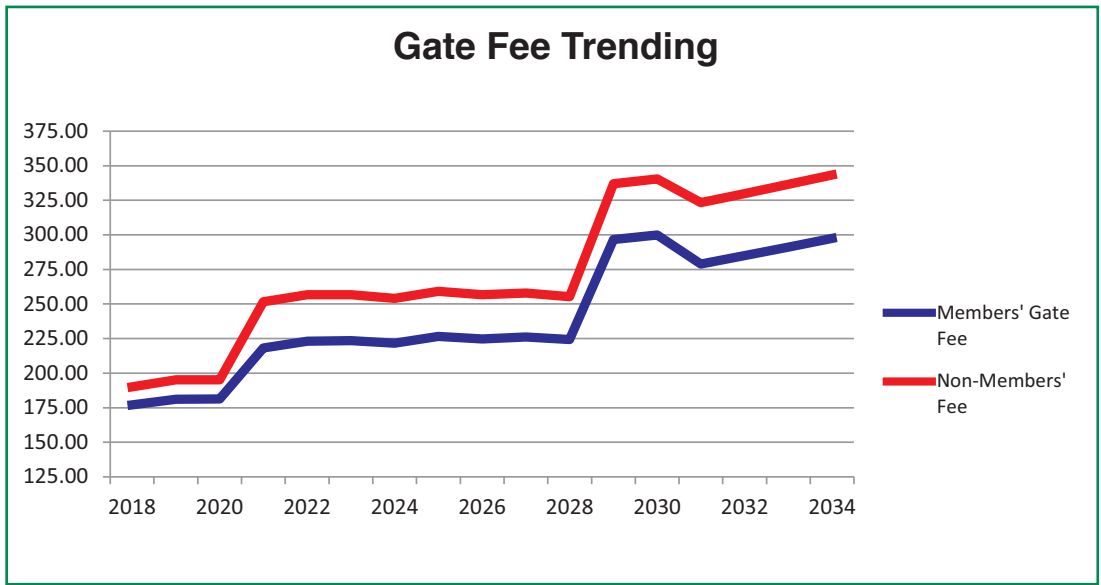
A key objective of the process is to limit the increases in the gate fee so as to insulate member councils, and therefore rate payers, from the effects of price shock. As a result, in some years, the MRC may in fact run a short term loss to accommodate this.

As a result, the overall trend in gate fees matches the movements in the underlying cost structure very closely.

The increases in the members' gate fee over time reflects a proposed AWT facility coming on line in 2021; the closure of the Tamala Park landfill in 2028; the end of the RRF contract in 2030; and additional AWT capacity coming on line in 2031.

13. INFORMING PLANS (cont.)

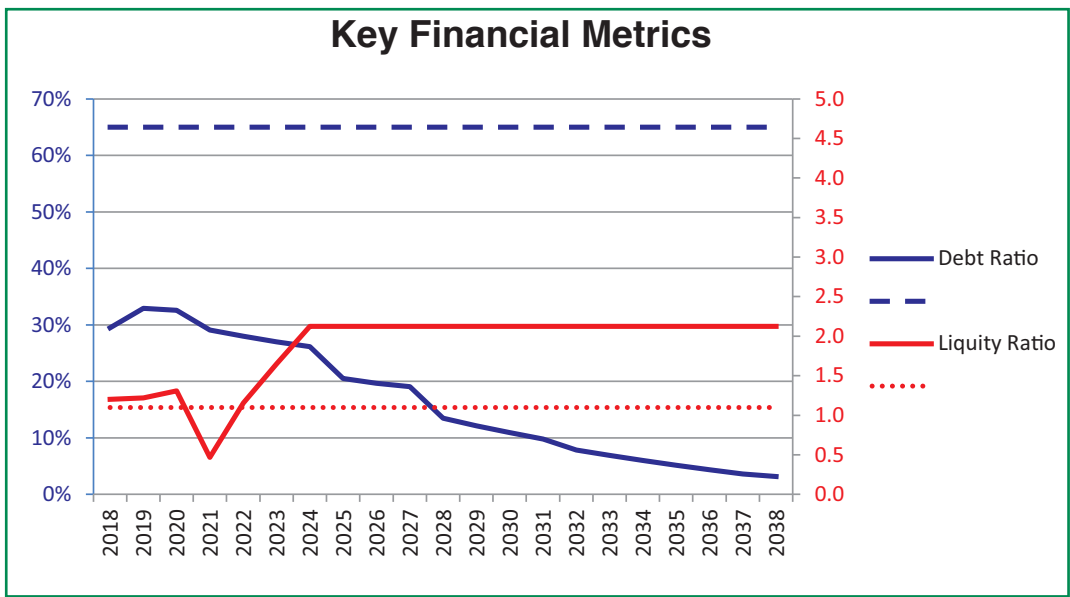
Gate Fee Trending 2018 - 2034



Treasury profile

The MRC uses external to fund all major infrastructure projects, within an overall restriction of wanting to keep the debt ratio below 65%.

Debt in relation to the Tamala Park landfill site will be fully repaid by the forecast end-of-life of the site. In addition, the loans related to the RRF will have been repaid by 2030.



WINNING BACKWASTE





Mindarie Regional Council

Address: 1700 Marmion Avenue, Tamala Park WA 6030

Postal Address: PO Box 2746, Clarkson WA 6030

Phone: (08) 9306 6303

Email: admin@mrc.wa.gov.au

www.mrc.wa.gov.au