Western Metropolitan Regional Council
Managing waste wisely

Minutes

SPECIAL COUNCIL MEETING (SC 01/26)

2 July 2026
Commenced at 4:30pm

WMRC
2/317 Churchill Avenue, Subiaco WA 6008

Dear Chair and Councillors

I advise that a Special Council Meeting of the Western Metropolitan Regional Council will be held at the WMRC Offices on **2 July 2026** commencing at **4:30 pm** for the purposes of addressing matters relating to the annual budget.

Stuart Devenish

Chief Executive Officer

30 June 2026

Note for members of the public: Council Meetings – Procedures

1. All Council meetings are open to the public, except for matters raised by Council under “confidential items”.
2. Members of the public may ask a question at an Ordinary Council Meeting under “public question time” or prior to the meeting online through this link.
3. Members of the public who are unfamiliar with meeting procedures are invited to seek advice at the meeting.
4. All other arrangements are in accordance with the Council’s Meeting Procedures Local Law, policies and decisions of the organisation.

Stuart Devenish

Chief Executive Officer

CONTENTS

1. DECLARATION OF OPENING

The meeting was opened at 4:30pm

2. RECORD OF ATTENDANCE AND APOLOGIES

Councillors

Cr. P Kelly	Chair	Town of Claremont
Cr. A Maurice	Deputy Chair	Town of Mosman Park
Cr. R Jones	Member	City of Subiaco
Cr. B Wylynko	Member	Town of Cottesloe
Cr. P Macintosh	Member	Shire of Peppermint Grove

Staff

S Devenish	Chief Executive Officer	WMRC
B McInnes	Chief Operating Officer (online)	WMRC
J Fenlon	Finance Lead	WMRC
L Eustance	Strategy & Corporate Lead	WMRC
B Jackson	Projects Lead	WMRC
E Hindle	Communications & Education Lead	WMRC

Leave of Absence

Visitors

Observers

Apology

3. DISCLOSURES OF INTERESTS

Nil

4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5. PUBLIC QUESTION TIME

Nil

6. APPLICATIONS FOR LEAVE OF ABSENCE

Nil

7. PETITIONS, APPROVED DEPUTATIONS AND PUBLIC STATEMENTS

Nil

8. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION

Nil

9. REPORTS OF COMMITTEES AND OFFICERS

9.1 ANNUAL BUDGET 2026/2027

Responsible Officer:	**Chief Executive Officer**
Date:	**30 June 2026**
Attachments:	**9.1A Annual Budget 2026-2027**
	9.1B Fees and Charges 2026-2027

PURPOSE

To consider adopting the Annual Budget for the 2026-27 financial year including fees and charges, general revenue and expense, capital investment, reserve funds, Councillor sitting fees and other matters.

BACKGROUND

On 29 January 2026, Council endorsed the program for the preparation and adoption of the 2026-27 Budget. This included the consideration and adoption of the Budget Parameters Paper at the 26 March Ordinary Council Meeting. The paper established the key strategic directions and assumptions for the budget, providing a framework for the administration to develop budget proposals aligned with Council's priorities and objectives.

Councillor workshops were subsequently held on 7 May, 10 June and 29 June to review the forecasts underpinning budget revenue and expenditure and to consider the overall provisions of the proposed budget.

While the original program anticipated consideration and adoption of the budget on 11 June, significant changes in key personnel necessitated a revised timetable.

DETAILS

A proposed budget for the 2026-27 financial year has been prepared and is provided at **Attachment 9.1A**. The financial statements and accompanying notes have been prepared in accordance with the requirements of the *Local Government Act 1995*, the *Local Government (Financial Management) Regulations 1996*, and applicable Australian Accounting Standards. The proposed Schedule of Fees and Charges - **Attachment 9.1B** has been developed in conjunction with the budget and forms the basis of the revenue estimates contained within the proposed budget.

Key Features

Key aspects of the proposed budget include:

- **Balanced Budget Position** – The proposed budget has been structured to ensure that operating expenditure, revenue and reserve movements result in a balanced financial outcome for the 2026-27 financial year. After accounting for transfers to reserves, a modest surplus of **$5,702** is projected.
- **Capital Investment** – New capital works totalling **$750,000** are proposed. This includes the installation of a second static waste compactor at an estimated cost of **$490,000**. The remaining capital projects are focused on enhancing operational efficiency, service capability and workplace safety.
- **Reserve Contributions** – Contributions totalling **$310,000** are proposed to the Operational Reserve and Development Reserve. These transfers will strengthen the organisation's financial sustainability and increase total reserve balances as at 30 June 2027.
- **Unit Rates** – charge rates for the various waste streams for member councils have been set on a full cost recovery basis. Applicable margins are allocated proportionately across non-member and other customers to ensure the equitable revenue.

Materiality Limit

The *Local Government (Financial Management) Regulations 1996* require a local government to adopt a materiality threshold for each financial year, determined in accordance with applicable Australian Accounting Standards. This threshold is used to identify and report material variances between actual and budgeted revenues and expenditures in the monthly financial reports presented to Council.

Council currently applies a materiality threshold of greater than $20,000 or 10%, which assists users of the financial reports in assessing the significance of budget variances. It is proposed that this threshold remain unchanged for the 2026-27 financial year.

RISK MANAGEMENT

Strategic;
- SS1 – Long term planning
- SS7 – competitiveness

Financial;
- SF1 – financial health
- SF2 – cross-subsidisation
- OF3 – undefined liabilities

Operational;
- SO1 – remuneration packages
- SC3 – economies of scale

Reputational;
- SR1 – decision-making
- SR2 – executive leadership
- SR6 – excessive cost escalation

COMMUNICATION AND CONSULTATION

A Budget Parameters Paper was endorsed by Council on 26 March 2026. Key elements of the budget were discussed with Councillors at subsequent budget workshops detailed above. Similarly, key budget terms have been discussed with Member Council CEOs at CEO Forums.

Budget advice will be formally communicated to Member Councils as soon as possible after adoption.

REPORT IMPLICATIONS

Legislation and Policy Alignment

Section 6.2 of the *Local Government Act 1995* requires that on or after 1 June and no later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, (by Absolute Majority) in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.

Section 6.16 of the *Local Government Act 1995* permits the imposition of fees and charges when adopting the annual budget or during the financial year via an Absolute Majority decision of Council.

The *Local Government (Financial Management) Regulations 1996* detail the form and content of the budget.

Sections 5.98(1)(b), 5.98(5), 5.98A(1), 5.99(b) of the *Local Government Act 1995*, Regulations 30, 33, 33A,34(A) of *Local Government (Financial Management) Regulations 1996*, Parts 6.2(1), 6.3(1)(a), 7.2(1), 7.3(1), 9.2(2) of the Determination of Local Government Elected Council Members, and Section 7B of the Salaries and Allowances Act 1975 deal with the setting of allowances for Councillors.

Regulation 34(5) of the *Local Government (Financial Management) Regulations 1996* requires that a Local Government adopt a percentage or value for reporting material variances.

Regulation 33 of the *Local Government (Financial Management) Regulations 1996* requires a copy of the budget document to be submitted to the Department of Local Government, Sport and Cultural Industries within 30 days of its adoption.

Business and Strategic Alignment

The annual budget is central to the organisations ability to deliver on key themes of the strategy Council Plan 2026, namely:

> Theme 1 – Service Excellence and Asset Optimisation
>
> *Deliver reliable, safe and high-quality waste and resource recovery services that meet current and emerging member and customer needs, while optimising the performance, capacity and value of core assets.*

Theme 2 – Environmental Performance and Resource Recovery

Maximise environmental performance through waste prevention, increased resource recovery and processing outcomes, whilst maintaining cost-effective service delivery.

Theme 3 – Market Development, Revenue and Financial Sustainability

Strengthen the organisation's financial sustainability by growing self-generated revenue streams, improving economies of scale and supporting the development of viable markets for recovered resources.

Theme 6 – Organisational Capability and Resilience

Maintain a capable, adaptable and resilient organisation that can sustainably deliver services, manage risk and support long-term strategic objectives.

COMMENTS

The proposed budget, fees and charges, together with sitting fees and allowances, have been prepared in accordance with the principles and parameters set out in the *Budget Parameters Paper* endorsed by Council on 26 March 2026.

Services provided to non-member councils and other external customers continue to generate a positive net financial contribution, thereby reducing the level of funding required from Member Councils. In particular, the Verge Valet service, which is proposed to be delivered to six non-member councils during 2026-27, is expected to make a significant contribution to this outcome.

The proposed budget further strengthens the organisation's financial position by maintaining a balanced operating result and delivering a modest surplus after reserve transfers. Strategic capital investment will improve operational efficiency, enhance service capability and support workplace health and safety outcomes. Concurrently, contributions to the Operational and Development Reserves will strengthen long-term financial sustainability and increase organisational capacity to fund future priorities.

The application of full-cost recovery pricing for Member Councils, together with appropriate commercial margins on services delivered to non-members, ensures that costs are recovered on an equitable basis while reducing reliance on member contributions. Collectively, these measures enhance financial resilience, preserve asset capability and support the sustainable delivery of high-quality services into the future.

Accordingly, the proposed 2026-27 Budget is recommended for adoption.

VOTING REQUIREMENT

Absolute majority for recommendations 9.1.1 to 9.1.3. Simple majority for recommendation 9.1.4.

Moved: Cr P. Macintosh Seconded: Cr. B. Wylynko

RESPONSIBLE OFFICER RECOMMENDATIONS AND COUNCIL RESOLUTIONS

9.1.1 Annual Budget for 2026-27

Council resolve, pursuant to Section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulation 1996*, to adopt the budget contained in attachment 9.1A for the Western Metropolitan Regional Council for the 2026-27 financial year which includes following:

- **Statement of Comprehensive Income by Nature**
- **Statement of Financial Activity**
- **Statement of Cash Flows**
- **Notes to the budget**

9.1.2 Fees and Charges for 2026-27

Council resolve, pursuant to Section 6.16 of the *Local Government Act 1995* to adopt the Fees & Charges contained in Attachment 9.1B for the 2026-27 financial year.

9.1.3 Elected Members' Sitting Fees & Allowance for 2026-27

In accordance with the *Local Government Act 1995*, *Local Government (Financial Management) Regulation 1996* and the *Salaries and Allowances Act 1975*, Council adopts:

- **Councillors' sitting fees and allowances (provisioned at 90% of the maximum rates), totaling $11,020.**
- **Chair's sitting fees and allowance (provisioned at 90% of the maximum rates), totaling $16,524.**
- **Annual ICT allowance of $600 per elected member.**
- **Annual WMRC Chair's allowance of $11,628.**
- **Annual WMRC Deputy Chair's allowance of $2,907.**
- **Attendance fee per independent Audit, Risk and Improvement Committee member: $450 per meeting.**

9.1.4 Material Variance reporting for 2026-27

In accordance with regulation 34(5) of the *Local Government (Financial Management) Regulation 1996*, Council resolve to set the level to be used in statements of financial activity in 2026-27 for reporting variances at 10% or $20,000, whichever is the greater.

CARRIED: 5/0

10. INFORMATION BULLETINS

Nil

11. MOTIONS FOR WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

12. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

13. MEMBERS' QUESTIONS WITHOUT NOTICE

Nil

14. URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION

Nil

15. MATTERS BEHIND CLOSED DOORS

Nil

16. BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil

17. GENERAL BUSINESS

Nil

18. CLOSURE OF MEETING

The meeting was closed at 4:38 pm