



Annual Report

2021 – 2022

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Acknowledgement of Country



Grampians Central West WRRG would like to acknowledge the Traditional Custodians of the lands upon which we meet – the peoples of the Kulin nation, and we pay our respects to their Elders past, present and emerging.

We acknowledge that we live and work on the lands of the most sustainable culture in the world, and that the unique knowledge systems of aboriginal people and their contributions to our understanding of climate change and our environment are being slowly, belatedly recognised.

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Responsible Body's Declaration



In accordance with the *Financial Management Act 1994*, I am pleased to present Grampians Central West Waste and Resource Recovery Group's (GCWWRRG) Annual Report for the year ending 30 June 2022.

John Bradley
Secretary
Department of Environment, Land, Water and Planning
30 December 2022

Introductory Note

On 14 December 2021, the *Circular Economy (Waste Reduction and Recycling) Act 2021* (CE Act) was gazetted. This will result in the establishment of Recycling Victoria, whose Head will oversee the waste, recycling and resource recovery sector, and support the development of a circular economy. Recycling Victoria will be established as a business unit within the Department of Environment, Land, Water and Planning (DELWP) and ready to commence operations from 1 July 2022. With the establishment of Recycling Victoria, the seven Victorian Waste and Resource Recovery Groups (WRRGs) including Grampians Central West WRRG will be dissolved.

On 1 July 2022, all staff, resources, assets, rights, obligations, debts and liabilities of Grampians Central West WRRG will be transferred to Recycling Victoria on its commencement.

The Grampians Central West WRRG has been working closely with DELWP on this transition process during 2021-22. This has been a major area of our focus during this period, which provides context for assessing our achievements in 2021-22.

This will hence be the final annual report of the Grampians Central West Waste and Resource Recovery Group.

Chairpersons Message



It's my pleasure to present the final Annual Report for the Grampians Central West Waste and Resource Recovery Group for the year ending 30 June 2022 in keeping with the *Financial Management Act 1994*. Beyond those statutory obligations – the report also provides a review of the groups achievements over the past year in pursuing reduced waste to landfill and increased resource recovery, as well as some broader reflections on the past four years from the Board level.

2021-22 has seen continued efforts to increase the effectiveness and resilience of the resource recovery system in Victoria in the wake of significant market failures associated with the China Sword policy and processing market consolidation in Victoria. While the sector has been relatively stable over the past 12 months, the need to build market resilience and improve processes remains imperative. In this context, the new Waste Authority, if delivered well, represents an opportunity to increase resource recovery levels, capacity and resilience in our waste systems. To fulfil this responsibility, the Group has worked on key priority areas including:

- Supporting the development of regional processing infrastructure for recyclable materials and organic materials
- Furthering efforts to develop a robust data system to support strong decision making
- Supporting DELWP with the transition to the new Waste Authority
- Engagement with the region to support council and industry's ability to implement the Recycle Victoria policy
- Resource Smart Schools.

Particularly we have supported the State Government as they have developed the foundations for the new Recycling Victoria authority. This has formed an additional focus for the Group as we have remained committed to driving and supporting strategic approaches to the delivery of waste services throughout the region.

The Group continued to work between community groups, councils and resource recovery businesses to maintain social license and buffers around processing facilities and landfills as well as supporting the planning and development of future sites.

We continued investigations into the development of organics processing facilities across the region including facilitating collaboration between Horsham and Grampians Wimmera Mallee Water to support processing and bioenergy production. We also worked closely in partnership with the City of Ballarat to develop and mature the business case for a MRF facility at Ballarat to support transition to a circular economy.

Grampians Central West WRRG has also continued a strong community engagement program, engaging with social media program to drive the recycling message alongside our traditional presence at events across the region.

The Forum has continued to be invaluable in maintaining connections and sharing information throughout the region over the numerous disruptions of the past year and beyond. The Forum Chair Tom Sullivan has been unwavering in his support for the WRRG and his commitment to a better regional waste system. I'd like to thank him and all of the councillors and council staff who have contributed to this across the region. Similarly, the Local Government Technical Officer Advisory Group (TARG) has continued their excellent work through numerous disruptions.

Recognition must also be given to the officers of the Department of Environment Land Water and Planning, Sustainability Victoria, other Waste & Resource Recovery Groups and the EPA who have

worked tirelessly, patiently and attentively with us throughout the year. We have been grateful for their commitment to close collaboration and communication to achieve a smooth transition. Among significant upheaval and extended terms, the Board has maintained its commitment and dedication to the organisation, with a focus on providing support to the EO and team in a time of change. I would like to thank my fellow board members, Cr Kevin Erwin, Cr Corinne Heintze, Rob Miller, Robyn Evans and Bridget Wetherall for their support and dedication over the past 12 months. Specifically, I would also like to specifically thank Cr Belinda Coates who stood in for me as Chair while I was on personal leave earlier this year.

On behalf of the Board, I extend our thanks to the GCWWRRG team who have maintained their professionalism, morale and dedication to the business of the Group in the context of change. Thanks particularly to Ragini Prasad who's attention to the wellbeing of staff and general positivity has been amazing.

The Board wishes our GCWWRRG personnel and the other incoming Recycling Victoria staff all of the very best wishes as they seek to deliver progress on the State's journey to a circular economy.



Sebastian Klein
Chairperson, Grampians Central West WRRG
24 June 2022

Executive Officer's Report



Being our last year in operation, Grampians Central West Waste and Resource Recovery Group have had a very busy July 2021 to May 2022. Our team has continued to be a strong support in our region while at the same time having adapted well to remote working and responding to activities around transition of the group into Recycling Victoria.

The focus of 2021-2022 has been the delivery of Recycling Victoria which has been designed to reduce waste, increase recycling and create more value from our resources.

To support the delivery of Recycling Victoria, GCWRRG continue to work on 5 key priority areas including:

- Development of a Materials Recovery Facility in the region
- Development of organics processing in the region
- Enhancing focus on capturing solid data on waste in the region to support robust decision making
- Engagement across the region to support out councils to most efficiently and equitably deliver kerbside transition to a 4-bin service
- Transition of GCWRRG to Recycling Victoria

To support the development of a Materials Recovery Facility, GCWRRG has signed a Memorandum of Understanding with City of Ballarat around the establishment of a circular economy precinct in Ballarat. We have been supporting a number of activities to ensure that the project is set up for success including; Exploration of operating and procurement models in collaboration with 18 councils, engagement and consultation around the project; a materials flow analysis to help understand end markets. The objective for the facility is to support regional circular economies and currently much planning work is being done to ensure that the facility can meet its end goals while ensuring commercial viability.

To support the development of organics processing, the group has been working with councils and the water sector in the west of the state to explore the possibility of a regional bio-hub which will process organic waste including food and garden organics in the region. Our team have been working with councils on a couple of different projects exploring different options for organics processing using both centralised and decentralised approaches. The group is committed to support infrastructure that provides multiple benefits to the region from local jobs to reduced emissions.

Robust decision making is supported by strong data collection and analysis. We completed further waste audits 2021-2022 with Councils utilising the data to improve waste services and have been in the process of developing an internal database to bring this information together. The group also has developed a regional database which holds the latest available data allowing our councils to gain a more regional perspective.

From an engagement perspective the Group delivered a number of community education activities during 2021-2022 via staff attendance at regional events, social media channels and our ResourceSmart Schools Program. We supported the implementation of the single use plastic bag ban, the Rogue gone Vogue fashion competition and delivered waste education at the Begonia Festival. In the year we have been pivoting our engagement activities to provide a greater focus on supporting our councils access grants and with their kerbside transition activities. Key activities include the development of a Sustainable Events Guide which will support the regions events to explore different methods for embedding sustainability into their events. GCWRRG continues to work very closely with our member councils. The TARG and its working groups continue to provide an excellent opportunity to share information and work together to ensure delivery of council waste

and resource recovery services. We continue to use social media to extend our presence across the region.

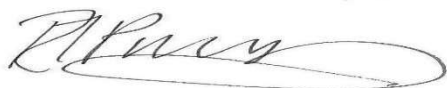
From an industry perspective we continue work through the Ag Plastics working group which includes regional waste and resource recovery groups and some councils and has focused on looking at the potential of remote sensing techniques to understand the magnitude of the Ag Plastics challenge. GCWWRRG has joined the Australian Circular Textiles network and is participating in discussions regarding how to advance textile recycling, both at a national level, and how to utilise local charity and op shop networks to support this activity at the grass roots level.

On a state-wide level GCWWRRG are working collaboratively with our WRRG and portfolio partners (DELWP and SV) to support state-wide initiatives. Specifically, GCW is part of the working group undertaking the preparation of the Victorian Recycling Infrastructure Plan and the Statewide Organics Portfolio working group. Input is being provided on current data, existing infrastructure and land use planning working groups. We have worked closely with our portfolio partners to support the completion of landfill surveys of the four EPA licenced landfills have been completed for the region. Transfer station infrastructure surveys are currently being completed by all councils across the region.

As this is our last year in operation, we have placed significant focus on the wind down of our current entity and contributing to discussions around the establishment of Recycling Victoria on 1 July 2022. While this is an exciting transition it has also created some uncertainty for our staff and councils who are trying to understand how we will continue to work together past 1 July 2022. While many of these discussions are ongoing, I would like to specifically acknowledge the efforts of my team including Keith Jackson, Elanor Mahon, Stuart Horner, Lucy Quartermain, Lou Salt, Hariz Ahmad, Loreen Jackson for their efforts in supporting the implementation of the Recycling Victoria policy and supporting transition activities. I would also like to thank Kerrie Demunk and Erica Hunt for their efforts with the Resource Smart Schools Program in what has been a very challenging time for the educational sector. I would also like to thank the councils and WRRG partners who have banded together to help deliver better outcomes for the waste sector. Our staff have risen to the challenge and have shown unwavering passion to the delivery of a circular economy and continue to show kindness and support to their team members as we navigate these uncertain times.

I would also like to take this opportunity to extend my thanks and appreciation to our Chair Sebastian Klein and the GCWWRRG Board members who have been extremely supportive and continue to generously share their wisdom as I navigate the many nuances of the role. Their commitment to realising circular economy outcomes and continued support for the work our staff do across the region has been vital in generating a positive workplace culture. I would also like to thank our local government councillors and Officers for their on-going support and assistance.

As an organisation we have much to be proud of in what we have delivered over the last 8 years and I would like to take this opportunity to thank all previous staff, Executive Officers and Board Directors.



Ragini Prasad
Executive Officer, Grampians Central West WRRG
26 May 2022

Grampians Central West Waste and Resource Recovery Group (Grampians Central West WRRG) is a Statutory Authority and was established in accordance with *Environment Protection Act 1970* section 49C. This Act was repealed as of 1 July 2021 and replaced with the *Environment Protection Act 2017* (the Act) which states the continuance of Waste and Resource Recovery Groups under section 382. Other governance obligations of GCWWRRG are set out in the Act in sections 383 to 403 inclusive. The organisation commenced operating on 1 August 2014.

The responsible Minister during the 2021-2022 reporting period was;

- the Hon Lily D'Ambrosio MP, Minister for Environment and Climate Action

Legislative Objectives & Functions

Section 49G of the *EP Act 2017*: Objectives of Waste and Resource Recovery Groups

- (1) The objectives of a Waste and Resource Recovery Group are—
- (a) to undertake waste and resource recovery infrastructure planning to meet the future needs of its waste and resource recovery region while minimising the environmental and public health impacts of waste and resource recovery infrastructure; and
 - (b) to facilitate efficient procurement of waste and resource recovery infrastructure and services for its waste and resource recovery region through the collective procurement of waste management facilities and waste and resource recovery services in the region; and
 - (c) to integrate regional and local knowledge into State-wide waste and resource recovery market development strategies; and
 - (d) to educate businesses and communities within its waste and resource recovery region to reduce waste going to landfill by using waste and resource recovery infrastructure and services efficiently; and
 - (e) to ensure Regional Waste and Resource Recovery Implementation Plans and programs are informed by local government, business and community and inform State-wide waste and resource recovery planning and programs.
- (2) In seeking to achieve its objectives, a Waste and Resource Recovery Group must collaborate with councils, Sustainability Victoria, the Authority, industry, business and the community.

Section 49H of the *EP Act 2017*: Functions of Waste and Resource Recovery Groups

The functions of a Waste and Resource Recovery Group are—

- (a) to plan for the future needs of waste and resource recovery infrastructure within its waste and resource recovery region consistently with the State-Wide Waste and Resource Recovery Infrastructure Plan; and
- (b) to facilitate the provision of waste and resource recovery infrastructure and services by councils within its waste and resource recovery region; and
- (c) to facilitate the development of contracts for the joint procurement of waste management facilities and waste and resource recovery services within its waste and resource recovery region; and
- (d) to manage contracts in the performance of its objectives and functions; and
- (e) to work with Sustainability Victoria, councils, businesses and communities to ensure State-wide waste and resource recovery education programs are adapted to the needs of its waste and resource recovery region and to facilitate the delivery of those education programs; and

- (f) to advise, with Sustainability Victoria, councils and businesses within its waste and resource recovery region on best practices for waste and resource recovery systems, facilities and services; and
- (g) (g) to support its waste and resource recovery region's Local Government Waste Forum to enable the Waste Forum to perform its functions; and
- (h) (h) to undertake waste and resource recovery projects as funded by government, councils and other organisations.

Minister's Statement of Expectations

In June 2020, Hon Minister D'Ambrosio issued a Statement of Expectations to all Waste and Resource Recovery Groups, which outlined five priority areas in the delivery of *Recycling Victoria* and Victoria's waste and resource recovery services. WRRGs worked closely with DELWP, SV, Councils and the broader community to deliver on these priority areas over the last 12 months.

1. Supporting Victorian Communities
2. Supporting Victorian Councils
3. Statewide Education and Behaviour Change programs
4. Household recycling reforms
5. Planning for recycling infrastructure

Our Vision

An integrated, innovative and efficient waste and resource recovery system that creates jobs, protects the environment, provides social benefit and is delivered in partnership with the community, industry and all levels of government.

Our Mission

To reduce waste and maximise recycling and resource recovery through information sharing, project development and collaborating with local government and industry.

Strategic Directions of Grampians Central West WRRG

Grampians Central West WRRG is the link between state, local governments and industry and is responsible for facilitating a coordinated approach to the planning and delivery of infrastructure and services in the areas of municipal solid waste (MSW), commercial and industrial waste (C&I) and construction and demolition waste (C&D).

- a) Increase reuse and resource recovery rates across the region;
- b) Facilitate innovation and research to improve waste management and resource recycling recovery infrastructure and services;
- c) Build capacity and promote waste and resource recovery best practice for local government, industry and community through education, networks and partnerships;
- d) Achieve best practice infrastructure siting and operation of waste and resource recovery facilities by integrating statutory and strategic planning;
- e) Minimise the damage to the environment caused by waste disposal;
- f) Gather reliable data to inform current and future waste and resource recovery planning.

Our Stakeholders

Our stakeholders represent the broad community of interest in sustainable uses of resources and environmental protection. Effective communication strategies are vital to the future role of the Group as it strives to satisfy all interests from its limited resource base. There are high expectations from key stakeholders. There is a continuing emphasis on constructive partnerships to have Grampians Central West WRRG as an effective voice for the future of solid waste management in the region.

Our Focus

- a) Implement the GCW Regional Waste and Resource Recovery Implementation Plan
- b) Improve knowledge and understanding of regional issues related to waste and resource recovery
- c) Continue to build effective partnerships with all stakeholders
- d) Continue the development of an effective organisation that is well respected by stakeholders and has a strong governance framework.

Values and Behaviours

Our Values and Behaviours are:

- a) Integrity – We will act with honesty, fairness and consistency
- b) Respect – We will value, learn from and respect the views of one another
- c) Openness – We will work together and share knowledge in a spirit of openness
- d) Make a difference – We will achieve quality outcomes
- e) Leadership – We will be leaders through our engagement and innovation.

Grampians Central West WRRG



The Grampians Central West WRRG encompasses twelve (12) local government areas. From Bacchus Marsh to the South Australian border, the Grampians Central West WRRG works with the following Councils:

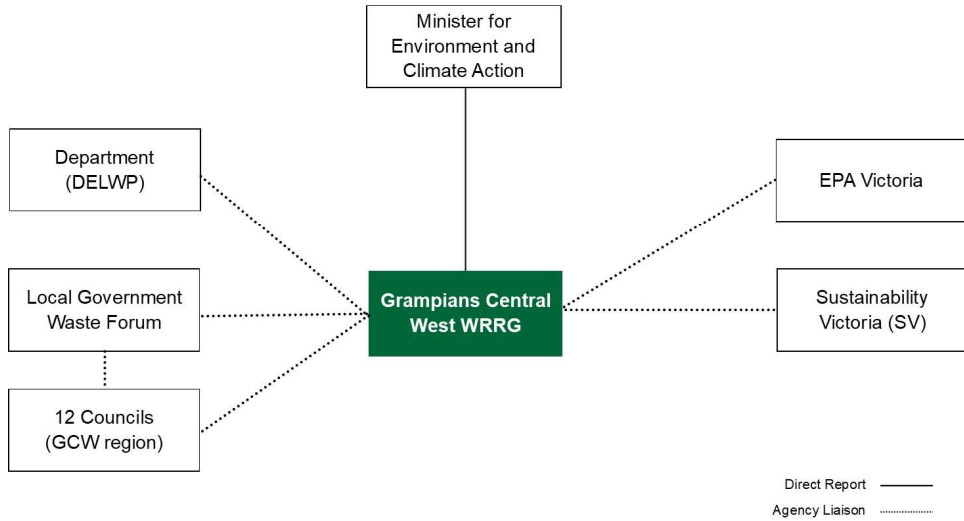
- Ararat Rural City Council
- City of Ballarat
- Central Goldfields Shire Council
- Golden Plains Shire Council
- Hepburn Shire Council
- Hindmarsh Shire Council
- Horsham Rural City Council
- Moorabool Shire Council
- Northern Grampians Shire Council
- Pyrenees Shire Council
- West Wimmera Shire Council
- Yarriambiack Shire Council



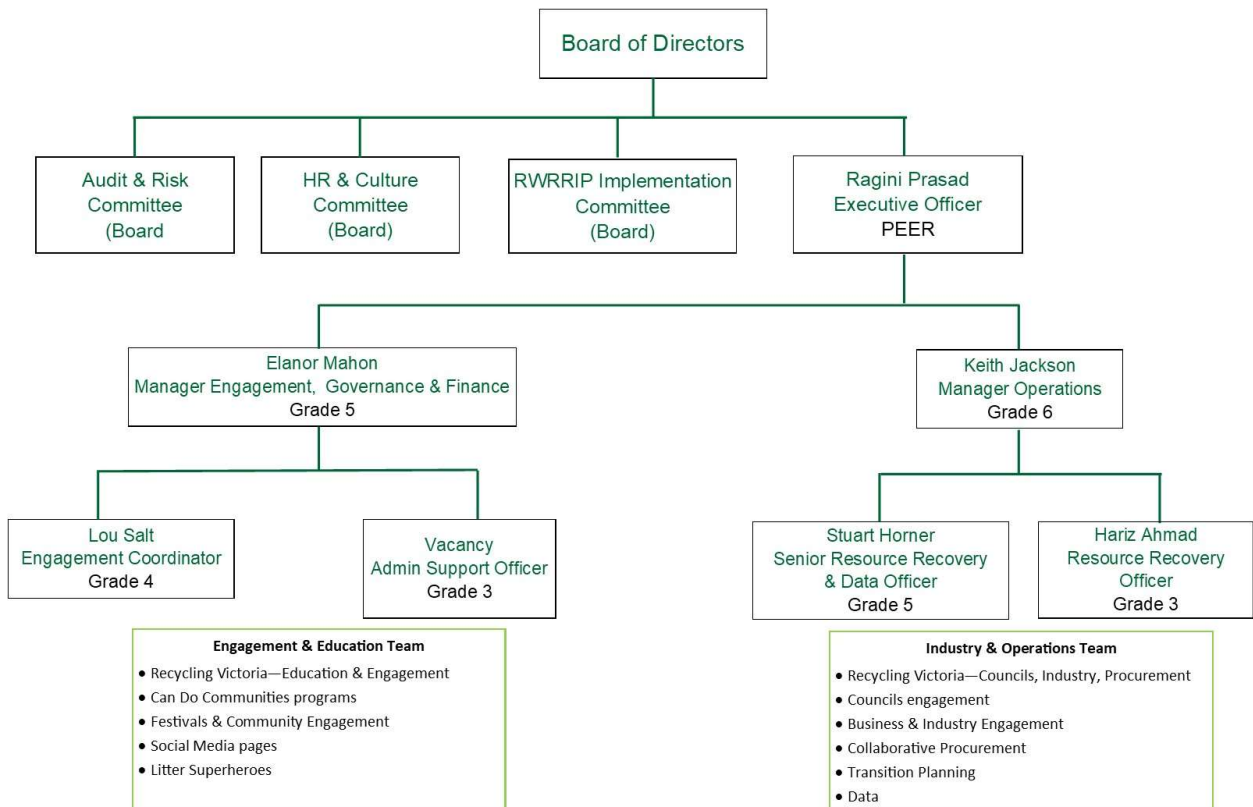
Operational Framework



Operational Framework



Organisational Structure



Grampians Central West Staff



Grampians Central West WRRG is currently served by a total of 6.6 staff located in Ballarat. The Executive Officer is Ragini Prasad, who has primary accountability for administration, governance and strategic direction as well as being the Accountable Officer as required by the *Financial Management Act 1994*.

Current Staff

The Group employs six full time staff:

- Executive Officer – Ragini Prasad
- Manager Operations – Keith Jackson
- Manager Engagement, Governance and Finance – Elanor Mahon
- Senior Data and Resource Recovery Officer – Stuart Horner
- Engagement Coordinator – Louise Salt
- Resource Recovery Officer - Hariz Ahmed

The Group also employs part-time staff members:

- Administration Support Officer – Loreen Jackson – 0.6 FTE (casual appointment)

Former Staff

- Corporate Services & Engagement Officer – Lucy Quartermain (0.8EFT) (to April 2022)
- ResourceSmart Schools Facilitator – Kerry Demunk (0.6EFT) (to September 2021)
- ResourceSmart Schools Facilitator – Erica Hunt (0.6EFT) (to October 2021)
- ResourceSmart Schools Facilitator – Heinz de Chelard (0.4EFT) (to December 2021)

Grampians Central West WRRG Board



The Directors of the Grampians Central West Waste and Resource Recovery Group in 2021-22 were:

Board Member	Term
Sebastian Klein Chair	01/05/2017 to 30/06/2022
Kevin Erwin	01/08/2014 to 30/06/2022
Belinda Coates	01/05/2017 to 30/06/2022
Corinne Heintze	01/05/2017 to 30/06/2022
Robert Miller	01/08/2014 to 30/06/2022
Patrick Goodall	01/08/2014 to 04/08/2021
Bridget Wetherall	01/08/2018 to 30/06/2022
Robyn Evans	01/08/2018 to 30/06/2022

Board members are required to operate in the best interests of the Grampians Central West WRRG as a whole, rather than in a representative capacity for any stakeholders or customer groups.

Meeting Attendance – Board Meetings

During 2021-2022 reporting period, the Grampians Central West WRRG Board met as outlined below. Over the course of the year a number of 'out of session' meetings were also held. These were in addition to the scheduled meetings and are marked as such. During 2021-2022, Board, Audit & Risk Committee, LG Forum and TARG meetings were held online where possible.

Meeting Number	Date of Meeting	Location
01/21	13/08/2021	Zoom
02/21	15/10/2021	Zoom
03/21	17/12/2021	Ballarat
01/22	11/02/2022	Zoom
02/22	08/04/2022	Zoom
03/22	10/06/2022	Zoom
04/22	27/06/2022	Creswick

Name	Role	Total Attended
Period of Service:	1 July 2021 – 30 June 2022	
Sebastian Klein – Chair	Chair, Forum nominated Representative	5 (26/6 tba)
Belinda Coates – Deputy	Forum nominated Representative	5 (26/6 tba)
Kevin Erwin	Forum nominated Representative	5 (26/6 tba)
Corinne Heintze	Forum nominated Representative	6 (26/6 tba)
Robyn Evans	Skills based Director	6 (26/6 tba)
Robert Miller	Skills based Director	6 (26/6 tba)
Bridget Wetherall	Skills based Director	3 (26/6 tba)
Patrick Goodall	Skills based Director	0

Meet the Board



Cr Sebastian Klein, Local Government Nominee Director & Chair

Sebastian has been a Councillor at Hepburn Shire since 2008. An interest in sustainability led him to pursue opportunities in reducing carbon emissions leading to his involvement in community groups such as Hepburn Renewable Energy Association (parent body of the community-owned Hepburn Wind project) and the Building Communities Leadership Journey. He has pursued these interests into a degree in Ecological Agriculture Course, focusing on the intersection of land management, biomass, waste, energy and carbon. Further self-funded study tours in Austria, India and New Zealand, have yielded insights into different interpretations of waste to energy and approaches to resource recovery. He has a focus on resource recovery, energy efficiency and renewable energy in Local Government.

Cr. Kevin Erwin, Local Government Nominee Director

Kevin Erwin lives at Stawell, and has been involved with Waste Boards since 2005. He has been a councillor since 2003, acted in the Mayoral role four times, as well as serving on the Audit Committee. He is a former CFA board member and a CFA volunteer and current chair of a number of Development, Transport and Festival committees in the Wimmera region.

Cr Belinda Coates, Local Government Nominee Director

A Councillor of the City of Ballarat, Belinda was first elected in 2012 and held the position of Deputy Mayor during 2016. She is a former chair and board member of the Highlands Regional Waste Group and is a current board member for Central Victorian Greenhouse Alliance.

Cr Corinne Heintze, Local Government Nominee Director

Corinne Heintze lives in Minyip and is a councillor from the Yarriambiack Shire an elected in 2016. Corinne has maintained a significant involvement in her local community over many years and owns and runs a grain and sheep farm and Agricultural Chemical Supply outlet at Minyip.

Mr Robert Miller, Skills based Director

A senior manager/engineer with extensive experience (35 plus years) in the waste management, environment, mining and construction industries, Rob is a skills-based Director for the Grampians Central West WRRG. Rob has permitted, designed and operated a portfolio of landfills and is now focussed on AWT development, including waste resource recovery and energy. With strong strategic, financial, project management, people, marketing and negotiation skills, he also has extensive international experience in Asia, Europe and the USA.

Mr. Patrick Goodall, Skills based Director

Paddy has an extensive background in operations and risk management. Paddy was appointed as a skills-based Director to the Board in 2014 and resigned in August 2021.

Ms Bridget Wetherall, Skills based Director

Appointed to the Board in 2018, Bridget is an experienced environmental professional, with qualifications in engineering and environmental law. Currently employed as Executive Manager Environmental Services at Central Highlands Water, Bridget has skills and experience in areas including contaminated land management, water resources management, strategic planning, community behaviour change, and environmental policy reform.

Ms Robyn Evans, Skills based Director

Robyn has over a decade of experience in local government, largely in sustainability, strategic planning and infrastructure. She also has a background in delivering change programs and community initiatives.

Directors' Roles

The role and duties of the Board include strategy, governance, and risk management. Grampians Central West WRRG Directors undertake a number of responsibilities including:

- setting the broad strategy for the Group to meet its objectives and performance targets;
- approving, where appropriate, Group policies and other recommendations received from the Group, its sub-committees and staff;
- monitoring all Group policies; reviewing and recommending changes to the Group's internal strategies and policies manual;
- establishing and monitoring governance arrangements for the entity;
- integrating risk management into the entity's strategic planning process;
- monitoring and reviewing the effectiveness and currency of internal financial and operational risk management, compliance and reporting systems;
- ensuring the preparation of and approving strategic plans, annual reports, key procedures and policies
- considering and approving the Group's Annual Budget;
- appointment and release of the Executive Officer; and
- assisting to develop and maintain positive relations among the Board, committees, staff, stakeholders and the community to enhance the Group's mission.



GCW Board, photo taken August 2018

Left to Right:

Back Row: Bridget Wetherall, Kevin Erwin, Paddy Goodall, Rob Miller

Front Row: Corinne Heintz, Belinda Coates, Sebastian Klein, Robyn Evans

Audit and Risk Committee



The Audit & Risk Committee's role is to:

- monitor the management of the Grampians Central West WRRG finances, cash flows and solvency;
- ensure compliance with all relevant statutory regulation and other legal obligations including, but not limited to, the *Financial Management Act 1994*, *Public Administration Act 2004* and any other financial, regulatory or administrative guidance issued to and applicable to the Grampians Central West WRRG, notably from the Department of Environment, Land, Water and Planning (DELWP);
- consider the effectiveness of management information and other systems of internal control;
- review the annual financial statements with management and the external auditors prior to their approval by the board;
- review and consider reports issued by the external auditor or any other internal or specialist auditor on weaknesses in internal controls and plans by management to rectify any matters noted;
- oversight development and management of the annual budget;
- review any significant transactions which are not a normal part of Grampians Central West WRRG operations; and
- ensure a risk management framework and processes are effectively operating to support Grampians Central West WRRG governance and management;

The Audit & Risk Committee is comprised of the following members; Mr Robert Miller, Cr Kevin Erwin, Ms Robyn Evans and an independent member Mr Andrew Pittard. In 2021-22 the Audit & Risk Committee was chaired by Mr Patrick Goodall (July - August). From August, Ms Robyn Evans was the Chair of the ARC.

Mr Sebastian Klein (Board Chair), Ms Ragini Prasad (Executive Officer) and Ms Elanor Mahon (Manager Engagement, Governance & Finance) are all ex-officio.

The Audit & Risk Committee met on 5 occasions during 2021-22. Exemptions were granted by the Minister for Finance that required two independent members on the Committee. In addition, an exemption was granted from the requirement to hold an internal audit.

Mr Andrew Pittard, External Member – Audit & Risk Committee



Andrew holds a Bachelor of Business Degree from Federation University with major studies in Accounting and Law. He is a Certified Practising Accountant and lives in Melbourne. He has held senior financial roles with listed multinational corporations such as Fonterra, Gardner Denver and Honeywell. In addition, Andrew has undertaken public sector roles for the Australian Bureau of Statistics, Victorian Electoral Commission and Australian Electoral Commission. Amongst the 30 years business experience, he acquired, managed and disposed of Refine Engineering, a precision engineering business servicing the Petrochemical and Construction industries. He currently consults in the area of Research and Development Tax Incentives and Export Market Development Grants.

RWRRIP Implementation Committee



The RWRRIP Implementation Committee will oversee and guide the implementation of the approved Grampians Central West Waste and Resource Recovery Implementation Plan (RWRRIP).

The Committee's scope is to

- ensure GCWRRRG is focussed on and delivering the priority actions identified in the plan
- regularly review and report on implementation progress of the plan
- identify emerging issues that may impact the delivery of the plan and provide guidance on changes to priorities or redirection of the resources of the group.

The committee is not a decision-making body, it advises and makes recommendations to the EO or the board on matters relating to the progress of implementing the plan

The members are appointed by the board, and in 2021-22 were:

Rob Miller (chair)
Sebastian Klein
Belinda Coates
Bridget Wetherall
Corinne Heintze

The committee will meet at least 4 times each year, and provides a quarterly progress report to the board (at the end of August, November, February and May each year).

HR & Culture Committee



The Human Resources and Culture Committee has met on a quarterly basis with the objective of overseeing the performance assessment and professional development of the Executive Officer and monitoring the culture of the organisation. The committee sought in our meetings to identify, discuss, and plan ways to promote and to drive the desired culture throughout the organization.

With regards to professional development and performance appraisal of the Executive Officer we oversaw two 360 feedback processes which were used to support our Executive Officer to grow in her role. Similarly, the Executive Officer was empowered to undertake appropriate professional development and performance assessment of staff to ensure that they had some clear direction in their roles while being supported to deliver on these through a number of professional development activities.

The culture of the group is strong and there is a clear commitment to deliver strong outcomes in the region.

Local Government Waste Forum



Section 49B of the *Environment Protection Act 1970* establishes Local Government Waste Forums in each Waste and Resource Recovery Region.

Each council in a waste and resource recovery region may nominate a representative to a Local Government Waste Forum for that region. The functions of a Local Government Waste Forum are—

- a. to nominate the 4 persons who are to be the representatives of the councils for the purposes of section 49K(2)(a); and
- b. if there is a vacancy in the office of a director nominated under section 49K(2)(a), to nominate a person to fill that vacancy; and
- c. to advise the Board of directors of the Waste and Resource Recovery Group on matters and issues affecting the role of councils in waste management and resource recovery; and
- d. to act as a conduit for consultation between the Waste and Resource Recovery Group and the councils in the waste and resource recovery region of that Group.

Members of the Local Government Waste Forum from July 2021 – June 2022 were:

Council	Name	Attended
Ararat Rural City Council	Cr Bill Waterson	1
	Ms Deidre Andrews	1
	Ms Veronica Schilling	0
Central Goldfields Shire Council	Cr Wayne Sproull	3
	Ms Louise Turner	3
	Mr Ross Cowie	0
	Ms Rebecca Stockfeld	0
City of Ballarat	Cr Ben Taylor	0
	Mr Les Stokes	3
Golden Plains Shire Council	Cr Helena Kirby	1
	Mr Phil Josipovic	0
	Mr Richard Brown	0
	Mr David Collins	0
	Ms. Marina Desa	3
Hepburn Shire Council	Cr Tim Drylie	3
	Mr Simon Mennie	3
	Mr Bruce Lucas	0
Hindmarsh Shire Council	Cr Rob Gersch	3
	Mr Wayne Schulze	2
	Ms Angela Hoy	1
Horsham Rural City Council	Cr Claudia Haenel	3
	Cr Penny Flynn	1
	Mr Rehan Majeed	2
	Mr Jared Hammond	0
	Mr John Martin	3
	Ms Enga Lokey	0

Moorabool Shire Council	Cr Tom Sullivan	4
	Cr Moira Berry	3
	Mr Justin Horner	0
	Mr Phil Jeffrey	3
	Ms Caroline Rantall	0
Northern Grampians Shire Council	Cr Kevin Erwin	4
	Mr Trenton Fithall	3
	Ms Kate Sage	0
Pyrenees Shire Council	Cr Damian Ferrari	0
	Mr Doug Gowans	4
	Mr Philip Diprose	3
West Wimmera Shire Council	Cr Tom Houlihan	2
	Mr Mark Marziale	0
	Mr Terry Ough	0
	Mr Ram Upadhyaya	0
Yarriambiack Shire Council	Cr Andrew McLean	4
	Mr Michael Evans	3
	Mr Ram Upadhyaya	0
	Ms La Vergne Lehmann	3

Technical Advisory Reference Group (TARG)



The Technical Advisory Reference Group (TARG) has been set up to provide technical support for the Forum. The principal role of the TARG is to advise the Grampians Central West Local Government Waste Forum on relevant issues. The TARG meetings provide the council officers with the opportunity to share information, raise waste related issues, make recommendations and provide expert advice to the Forum on technical matters relevant to the delivery of Grampians Central West waste and recycling services.

There were four meetings during the 2021-22 year, plus a combined Forum – TARG meeting (attendances for this meeting are recorded in the Forum section).

Members of the Technical Advisory Reference Group from July 2021 – June 2022 were:

Organisation	Representative	Attendance
Ararat Rural City Council	Deidre Andrews	2
Central Goldfields Shire Council	Louise Turner	3
City of Ballarat	Emily Keen	0
	Emma Swift	0
	Quenton Gay	1
	Ruby Ogier	0
	Les Stokes	2
	Siobhan Dent	1
Golden Plains Shire Council	David Collins	0
	Marina Desa	4
Hepburn Shire Council	Simon Mennie	2
	Sophie Pritchard	0
	James Hendy	4
Hindmarsh Shire Council	Garry Salt	2
	Wayne Schulze	1
	Aiden Dent	0
	Noella Smith	1
Horsham Rural City Council	Andy Van	1
	Jared Hammond	1
	Enga Lokey	1
	Rehan Majeed	1
	Kelvin Howe	0
Moorabool Shire Council	Caitlin Findley	4
	Caroline Rantall	1
	Justin Horne	0
Northern Grampians Shire Council	Kate Sage	0
	Gina Handy	2
	Melissa Gunn	3
Pyrenees Shire Council	Doug Gowans	0
	Phillip Diprose	3

West Wimmera Shire Council	Fiona Baxter	3
	Terry Ough	1
	Alastair Griffiths	0
	Vlad Adamek	0
Yarriambiack Shire Council	Ram Upadhyaya	1
	Tony Brennan	0
	La Vergne Lehmann	2

Objectives and Performance



Grampians Central West WRRG has developed six objectives that reflect the overall strategic direction of the organisation, as outlined in the Grampians Central West Waste and Resource Recovery Implementation Plan and following on from the previous business plan. The approach in developing the deliverables for each of these objectives is to demonstrate that Grampians Central West WRRG is endeavouring to work more efficiently and effectively in alignment with the Statewide Waste and Resource Recovery Infrastructure Plan and other regional implementation plans. The priority actions listed here are those from the implementation plan with the short-term activities numbered according to priority actions.

Objective 1: Increase Resource Recovery and Market Development

Priority action 1. Assess and, where viable, support the development of solutions and systems to increase the recovery of priority materials

Priority action 2. Facilitate the development of regional partnerships to produce efficiencies in resource recovery, materials transport and disposal.

Objective 2: Improve Infrastructure and Operations

Priority action 3. Work across all levels of government, industry and investors to explore innovative and technological advancements that could inform future infrastructure development and investment.

Priority action 4. Work with councils and industry to upgrade (and rationalise) infrastructure, improve operations and engage communities.

Priority action 5. Facilitate work between councils and/or industry and the Environmental Protection Authority (EPA) to progress any rehabilitation assessments and requirements for closed landfills.

Objective 3: Advance Data Collection and Planning

Priority action 6. Work with councils and relevant state planning authorities to site new infrastructure appropriately and protect existing facilities and hubs from encroachment

Priority action 7. Contribute to the development and application of a reliable state and regional integrated data system to inform waste and resource recovery decisions.

Priority action 8. Share information across government on regional infrastructure and market development needs and priorities.

Objective 4: Foster Relationships to Optimise Diversion from Landfill

Priority action 9. Continue to work with relevant agencies, councils, industry, schools and the community on waste and resource recovery education and engagement

Objective 5: RWRRIP Implementation

Ensure Grampians Central West Waste and Resource Recovery Implementation Plan is implemented, promoted, monitored and evaluated in partnership with local and state government, business and community and inform state-wide waste and resource recovery planning and programs.

Objective 6: Good Governance

Ensure transparency and accountability for all corporate practices to demonstrate we are a reputable organisation that can provide accurate factual and timely advice and data to our stakeholders.

The outcomes for each objective, as articulated in the previous business plan is measured as follows:

Objective 1

Objective 1 – Increase Resource Recovery and Market Development

Priority action 1. Assess and, where viable, support the development of solutions and systems to increase the recovery of priority materials

Priority action 2. Facilitate the development of regional partnerships to produce efficiencies in resource recovery, materials transport and disposal.

We will know we are successful when

- Specific waste streams that are currently not diverted are identified and solutions created
- Local governments are effectively maintaining continuity of WRR services
- Successful collaborative procurements are in place

SHORT-TERM ACTIVITIES (5 years)	WHEN	PROGRESS TOWARDS OBJECTIVE
1.1 Investigate viable and innovative opportunities to increase recovery of food and garden organics as feedstock for regional w2e options	2020–2022	Skipton Hospital constructed straw fired boiler Horsham Rural City Council completed feasibility study on green waste processing including potential W2E option with expert assistance from GCW. Northern Grampians Shire received final version of report documenting organics volume characterisation and processing options across GCW region. GCW has received a final report detailing options for a Wimmera Organics Co-processing facility in partnership with Grampians Wimmera Mallee Water and Horsham Rural City Council. .
1.2 Facilitate discussions with the waste and resource recovery industry to investigate opportunities for resource recovery improvements	2020–2022	Industry Engagement Plan progress documented. Significant engagement Undertaken with industry to seek funding for infrastructure development. Recycled workshop for local government delivered in partnership with all Waste and Resource Recovery Groups. Maddingly Brown Coal received approval to develop contaminated soil processing facility in Bacchus Marsh.
1.5 Investigate and, where viable, inform and facilitate opportunities to increase recovery of priority materials, including organics, timber, tyres, aggregates, e-waste, glass, and textiles	2020–2021	Ritchie Engineering and REDcycle developed initiatives to process agricultural plastic and trace agricultural plastic material Engagement with Dairy Australia regarding a product stewardship pilot for silage wrap. Research and information provided to councils on CDS and glass processing as part of kerbside transition planning. Exploration of potential product stewardship for non-silage wrap Ag plastics. Proposed funding of Ag plastic bailer discussions held. Kerbside transition plans completed by all councils describing implementation of new FOGO and glass collection services. Horsham Shire Council and Northern Grampians Shire council undertook organics collection and processing trials. 10 councils received transfer upgrade funding to facilitate Recycling Victoria’s kerbside

		<p>reforms. 3 Councils received funding from the Sustainability Victoria's Council fund to purchase glass crushing equipment and undertake transfer station and organics feasibility studies. Pyrenees Shire Council introduced the first glass kerbside collection service in the region.</p>
1.6	Identify appropriate co-location sites, that have the appropriate buffers and social license to operate to receive, process or treat organic waste	<p>2020-2021</p> <p>Supported development of new Australian Biofert organic waste processing plant at Lethbridge via EPA referral. Strategic buffer report completed for Maddingly Brown Coal Landfill City of Ballarat developed business case for Material Recycling Facility at Ballarat West Employment Zone. Ongoing engagement with CoB WRT the next steps needed to establish the MRF, extending to discussions re. a recycling precinct. GCW established MOU with City of Ballarat to undertake Material Recycling Facility establishment and operating models in conjunction with surrounding councils. City of Ballarat received funding from Sustainability Victoria to undertake a material flows analysis across the region to support potential MRF in Ballarat. with CoB on material flows, data and potential other infrastructure to support the MRF GCW facilitated engagement with EPA to assess the potential for organics processing at St Arnaud Landfill community support groups engaged to establish social license for processing facilities.</p>
1.7	Work with councils and state authorities to develop mechanisms to appropriately manage waste and recover resources during and after emergency events	<p>2020 –2022</p> <p>All councils reviewed and implemented COVID 19 contingency plan as part of the pandemic 2nd wave. Regular participation on statewide COVID 19 contingency working group Contributed to statewide contingency planning to ensure continuity of waste and resource recovery services.</p>
2.2	Facilitate collaborative procurements to maximise waste and resource recovery outcomes, where viable and providing cost effective solutions to optimise resource recovery	<p>Ongoing</p> <p>Waste audits undertaken for 2 councils. Collaborative Procurement approach prepared for region and presented to council forum. S186 exemptions received to enable councils to delay procurement of Waste and Recycling Services until mid-2022. Weekly engagement with councils on strategic procurement project and presentation to Forum 4 local councils prepared tender documentation to undertake collaborative procurement of waste services. 2 councils implemented new contracts for collection and processing of waste and recycling services.</p>

Objective 2



Objective 2 – Improve Infrastructure and Operations

Priority action 3. Work across all levels of government, industry and investors to explore innovative and technological advancements that could inform future infrastructure development and investment.

Priority action 4. Work with councils and industry to upgrade (and rationalise) infrastructure, improve operations and engage communities.

Priority action 5. Facilitate work between councils and/or industry and the EPA to progress any rehabilitation assessments and requirements for closed landfills.

We will know we are successful when:

- Local governments have developed transition plans to implement the Recycling Victoria policy
- Appropriate waste and resource recovery infrastructure is built and operating in the region
- Local governments are actively including innovation in infrastructure upgrades and development

SHORT-TERM ACTIVITIES (5 years)	WHEN	PROGRESS TOWARDS OBJECTIVE
3.1 Assist councils to establish policy and strategies for resource recovery, waste management, infrastructure, the environment and sustainability which are aligned with the Grampians Central West Implementation Plan and the State Infrastructure Plan and the Recycling Victoria: a New Economy policy	2020-22	TARG and Forum meetings convened with focus on implementation of new waste act, waste authority, CDS, strategic procurement and kerbside reforms. 12 GCW councils have developed and submitted Kerbside transition plans to DELWP. 4 councils have developed and approved new waste plans. 10 councils received transfer station upgrade funding to assist in implementing transition plans. 1 council implemented new glass kerbside collection.
3.6 Assist councils and industry in responding to key waste and resource recovery issues and topics to foster enhanced relationships and continuous infrastructure and operational improvement	2020-22	Forums, TARGs and working groups operating effectively engaged expert speakers to lead discussion on new policy and innovative topics. Participation in working groups on market, CDS, infrastructure development, Discussions with councils on proposed infrastructure upgrades. Grant funding information shared with councils as it is announced. New landfill cells designed and constructed at Doon and Smythesdale landfills. 3 councils received funding from Sustainability Victoria's Council fund, 10 councils received transfer station upgrade funding to implement RV reforms across the region. Statewide collaborative procurement project identified preferred approach to infrastructure processing. Organics statewide and regional studies undertaken to support implementation of regional organics processing.
4.2 Investigate and consider options for asset rationalisation, consolidation and upgrade of landfill and RRC infrastructure, primarily in rural and remote areas.	2020-22	Lake Bolac and Warracknabeal transfer station upgrade works completed. New contaminated Soil processing infrastructure approved at Maddingley Brown Coal.

Tour of Active Waste composting facility at St Arnaud

Kerbside transition plans developed by all councils identifying required drop off facilities to implement the new services.

Organics feasibility study undertaken by Horsham Rural City Council and independently reviewed.

Landfill and Resource Recovery Centre surveys completed.

Tours undertaken of REPLAS, Creswick in vessel composting trial, Active Waste composting facility St Arnaud and Zero Waste Plastics.

Objective 3

Objective 3 – Advance Data Collection and Planning

Priority action 6. Work with councils and relevant state planning authorities to site new infrastructure appropriately and protect existing facilities and hubs from encroachment.

Priority action 7. Contribute to the development and application of a reliable state and regional integrated data system to inform waste and resource recovery decisions.

Priority action 8. Share information across government on regional infrastructure and market development needs and priorities.

We will know we are successful when:

- Waste and resource recovery facilities are recognised in planning schemes and have appropriate buffers in place.
- There is accurate and timely data consistently recorded and accessible
- Information is readily shared and easily accessible across key stakeholders to facilitate improved waste and resource recovery outcomes across the region
- Industry and local government are collaborating to develop and implement projects

SHORT-TERM ACTIVITIES (5 years)	WHEN	PROGRESS TOWARDS OBJECTIVE
6.1 Work with councils to discuss potential planning mechanisms to protect buffers for existing and proposed facilities and hubs where required	2020– 2022	Strategic buffer report completed for Maddingley Brown Coal Planning permit approved for upgrades at Statewide landfill Support for councils to implement planning amendments to protect infrastructure.
6.2 Work with industry and councils to identify possible sites for new infrastructure including mechanisms to consider this plan in relation to relevant planning scheme amendments and planning permit applications for new waste and resource recovery infrastructure	2020– 2022	City of Ballarat submitted application to Recycling Victoria Infrastructure Fund to establish a Material Recycling Facility in Ballarat. Discussions indicate 'precinct level' proposals are preferred. Hepburn Shire Council established an in vessel composting facility at Creswick in partnership with GEKKO. New straw fired boiler installed at Skipton hospital. Business case completed for proposed Waste to Energy facility at Bacchus Marsh Engagement with Water Authorities to identify potential for new organics processing and Waste to Energy facilities at treatment plants. BioGro and PineGro explored the potential to establish organics processing facilities in the region. Workshop undertaken to support development of a Bioenergy Centre of Excellence in Ballarat.
7.1 Work with SV and other WRRGs to develop and support an integrated data system that responds to state and regional needs	2020– 2022	GCWWRRG chairing state-wide data group and contributing to DELWP, SV, WRRG data platform development, reviewing and sharing data. Publication of GCWWRRG priority data project including user interface linking to relevant data. GCWWRRG database readied for integration with SV database. Database optimised for continual updating Collaborative Waste audits undertaken for 2 councils

<p>8.2 Inform and participate in the development of state policies and co-regulatory programs by communicating regional needs and priorities for infrastructure, innovation opportunities and market development for materials</p>	<p>2020-22</p>	<p>TARG, and Forum regular meeting and engaging with policy development, data updates and advocacy to state government on new recycling reforms. This included workshops on the Waste Act, Waste Authority, CDS and Collaborative Procurement Extensive engagement, coordination of information flow and facilitating government assistance with local governments due to the recycling crisis and contract negotiations. Facilitated council engagement with implementation of new EPA Act</p>
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Objective 4



Objective 4 – Foster Relationships to Optimise Diversion from Landfill

Priority action 9. Continue to work with relevant agencies, councils, industry, schools and the community on waste and resource recovery education and engagement

We will know we are successful when

- Our key stakeholders regularly and consistently engage with us to deliver improved waste and resource recovery outcomes

SHORT-TERM ACTIVITIES (5-years)	WHEN	PROGRESS TOWARDS OBJECTIVE
9.1 Play a role in assisting SV, the Victorian Litter Action Alliance (VLAA) and councils in facilitating the development and implementation of best practice litter prevention programs	2020-22	Participation and promotion of new Sustainability Victoria behaviour change project to support implementation of Recycling Victoria initiative. This included workshops and promotion of funding opportunities
9.2 Implement community education and engagement activities in conjunction with councils, schools, industry and communities.	2020-22	ResourceSmart Schools program continued to be delivered online whilst COVID-19 lockdowns were in place. Ethical Fashion Week program delivered including Vogue gone Rogue competition successfully completed. Sustainability Victoria education campaign developed in partnership with GCW and Councils. Social media tools (linked in, Facebook, Twitter and Instagram) actively used. Presentations to several community groups
9.3 Provide assistance to industry to ensure infrastructure, facilities and services are operated and managed to protect the community, environment and public health	2020-22	Industry engagement plan reviewed and implementation prioritised. Regular support provided to industry and councils on the operation of landfills, transfer stations and processing facilities Participated in developing stewardship program for Ag plastics managed by RCMG consulting and Dairy Australia. Engagement with Landfills, providers of WRR recovery processing equipment and Australasian Circular Textile Association.

Objective 5



Objective 5 – RWRRIP Implementation

RWRRIP Implementation. Ensure Grampians Central West Waste and Resource Recovery Implementation Plan is implemented, promoted, monitored and evaluated in partnership with local and state government, business and community and inform state-wide waste and resource recovery planning and programs.

We will know we are successful when

- Our key stakeholders are engaged and understand the strategic directions of the plan in line with the Recycling Victoria Policy
- Priority actions are being implemented according to the plan timeframes
- The progress of the plan is regularly reported and promoted to key stakeholders

SHORT-TERM ACTIVITIES (5-years)	WHEN	PROGRESS TOWARDS OBJECTIVE
1. Promote the strategic directions of this plan to key stakeholders across the region	2020-22	Communications plan reviewed and being implemented Industry Engagement Plan reviewed and actions prioritised Direct engagement and presentations with all councils undertaken Broad engagement with councils on new RV programs. Promotion of GCW activities through social media channels. Regular use of social media to promote WRR activity. Participation in education campaign labs and support for councils to apply for Sustainability Victoria education and behaviour change funding.
2. Develop monitoring and evaluation framework for the Implementation plan	2020-22	Implementation Plan subcommittee convened quarterly to review plan progress. Waste audit data completed and analysed to assist councils implement waste plans and projects. Waste Audit data incorporated into GCWRRRG database.
3. Implement the priority actions in the Regional Implementation Plan	2020-22	Business plan prepared and approved by board. Staff work aligned with the SOE provided by the minister. GCW Planning workshops completed with staff and board to identify and implement priority projects.
4. Demonstrate the plan is being implemented through appropriate reporting and promotion to key stakeholders (DELWP, SV, Local Government and Industry)	2020-22	TARG and Forum meetings held to report on progress. Wide use of social media platforms and website to share WRR information and news. EO participation and reporting to portfolio managers and EO's groups. Regular reports to board and implementation committee. Participation in WRRG monitoring and reporting on RV implementation progress

Objective 6

Objective 6 – Good Governance

Good governance. Ensure transparency and accountability for all corporate practices to demonstrate we are a reputable organisation that can provide accurate factual and timely advice and data to our stakeholders.

We will know we are successful when

- Our compliance requirements are consistently met
- We have a consistent corporate brand in place
- Appropriate data bases and knowledge sharing frameworks are in place
- Our board charter and appropriate audit programs are in place and operating well

SHORT-TERM ACTIVITIES (5-years)	WHEN	PROGRESS TOWARDS OBJECTIVE
1. Develop, revise and review all corporate policies and procedures so they are fit for purpose and comply with all legislative requirements	Ongoing	Required annual and financial reporting undertaken. Regular review of policies and recommended updates implemented.
2. Build Grampians Central West WRRG corporate brand and develop effective knowledge sharing arrangements within the organisation.	Ongoing	Comprehensive use of web and social media platforms with content being regularly updated
3. Establish and maintain a strong governance framework	Ongoing	Internal audit recommendations implemented. Board, audit and implementation committees met regularly to ensure sound governance of the organisation. Participation and support in VAGO audit review Annual financial audit undertaken Liaison with DELWP, SV and other WRRGs to progress activities towards transition.

Report of Operations



Office Based Environmental Impacts

Grampians Central West WRRG has made a commitment to lead by example in promoting and maintaining the principles of sustainability within its office environment. To that end Grampians Central West WRRG has continued its commitment to the Take 2 program in 2021-22.

Grampians Central West WRRG employs up to 8 officers that operate from leased premises in Ballarat. The decision was taken to close the Horsham office in late 2020 due to a change in staff locations.

Reasonable efforts are made to minimise consumption of water and power. Recycling is undertaken at both offices and food organic waste is collected from office kitchens and from catered meetings to minimise landfill waste generated at each office. Printing in each office is now minimised and where possible paper is reused if printing is single sided.

The Group has continued to retain 3 vehicles, with two vehicles being diesel vehicles and one being a hybrid.

With the continued restrictions under the COVID-19 pandemic and COVIDSafe Plan, where possible, all meetings have been conducted online via Zoom or MS Teams. Where travel was required, staff either pooled vehicles and travelled together, or utilised public transport wherever possible.

The Group's purchasing activities are environmentally responsible. The Group monitors energy, water and fuel use where possible.

Environmental Aspect	Description	Unit of Measure	2021-22	2020-21 ²	2019-20	2018-19	2017-18
Energy ¹	Use per FTE emission offset with Green Energy	Kilowatt hours	0.25	0.25	0.83	1.35	1.5
Paper	Use per FTE	Reams	0.15 ³	1.72	1.92	2.94	5
	Total Use (100% recycled content)	Reams	1	11	15	30	43
Transportation	Total fuel consumption	Litres	284	373	8074	12167	11905
	Fuel consumption per FTE	Litres	43	58	1035	1193	1384
	Total Travel associated with departmental operations	Kilometres	4345	4348	94474	136700	133032
	Total Travel associated with departmental operations per FTE	Kilometres	--	--	12112	13402	15468
Waste ⁴	Generated per FTE	Kilograms	--	--	48	55	75
	Total Recycled	Kilograms	--	--	255	321	301
Water ⁵	Consumption per FTE	Litres per day	--	--	1.9	2.3	2.2

¹In December 2020, the Horsham office was closed as there were no staff located in this office. The Ballarat office does not have a separate electricity provider, as the site is completely powered by solar panels. Future energy data will not be possible to provide.

²2020-22 saw all staff working from home for the entire year, with the exception of a handful of days in the office when lockdowns were lifted. This has resulted in a significant decrease in travel, energy, fuel and water consumption.

³During 2021-22 supplies left over from previous years were utilised. Our policy of not printing unnecessarily remains in place, hence the very low paper purchase for 2021-22.

⁴In 2018, a Smart Cara unit was purchased for the Ballarat office. All food waste has since been diverted from the landfill bins to the unit. The unit dehydrates and grinds down all food waste into a nutrient rich food which is then put either into our worm farm or compost located at the back of the office area.

⁵Water consumption information is not available for the Ballarat office location. The office is located within Central Highlands Water offices. Water consumption information for that location can be found in CHW's annual report.

Workforce Data Statement



Grampians Central West WRRG employed ten people during the 2021-2022 year. The breakdown of staff for the Group is as follows:

	2021 – 2022	2020 – 2021	2019 – 2020	2018 – 2019	2017 – 2018
Total Employees	10	10	10	13	12
Senior Management (salary over \$120,000)	2	1	1	0	0
Senior Management (salary under \$120,000)	1	1	1	2	2
Male	4	3	4	5	5
Female	6	7	4	8	7
Full Time	6	4	6	8	8
Part Time	4	6	3	5	4
Equivalent Full Time (EFT)	9.0	7.4	7.8	10.2	7.8
Age 20-24	0	0	0	0	1
25-34	1	1	1	3	1
35-44	2	2	2	4	5
45-54	5	5	4	3	3
55-64	2	2	3	3	2
VPS 3	6	5	2	3	2
VPS 4	1	2	4	7	6
VPS 5	2	1	1	1	1
VPS 6	1	1	1	1	1
Executive Officer	1	1	1	1	1

Employees have been correctly classified in workforce data collections.

Grampians Central West WRRG has introduced policies and practices that are consistent with the Victorian Public Sector Commission's employment standards and provide for fair treatment, career opportunities and rather early resolution of workplace issues. The Group has advised its employees on how to avoid conflicts of interest, how to respond to offers of gifts and how it deals with misconduct.

Merit and Equity



Grampians Central West WRRG is committed to Employment and Conduct principles.

'Employment Principles'

means the public sector employment principles enshrined in section 8 of the *Public Administration Act 2004* (PAA) which are that:

- employment decisions are based on merit
- public sector employees are treated fairly and reasonably
- equal employment opportunity is provided
- human rights as set out in the Charter of Human Rights and Responsibilities are upheld
- public sector employees have a reasonable avenue of redress against unfair or unreasonable treatment.

'Conduct Principles'

means the public sector values in s.7, PAA, which are: Responsiveness, Integrity, Impartiality, Accountability, Respect, Leadership and Human rights.

Additionally, Grampians Central West WRRG is committed to the principles of equal employment opportunity (EEO) and the establishment and maintenance of a non-discriminatory work environment.

Grampians Central West WRRG is committed to applying merit and equity principles when appointing staff. The selection processes ensure that applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination.

This approach reflects Grampians Central West WRRG's desire to have a workplace free from discrimination, where each person has the opportunity to progress to the extent of their ability and the needs of the organisation.

Grampians Central West WRRG is committed to the principles of merit and equity as covered under the *Public Administration Act 2004*, including:

Employers must ensure	Employees must
Decisions are based on merit	Act impartially
Employees are treated fairly and reasonably	Display integrity including avoiding real or apparent conflict of interests
EEO is provided	Show accountability for actions
Reasonable avenues of redress against unfair or unreasonable treatment	Provide responsive service
Human rights as set out in the Charter of Human Rights and Responsibilities are upheld	Demonstrate leadership by actively implementing, promoting and supporting public sector values
	Demonstrate respect for colleagues, other public officials and members of the Victorian community
	Respect and promote the human rights set out in the Charter of Human Rights and Responsibilities

Grampians Central West WRRG is working towards to creating a balanced working environment where equal opportunity and diversity are valued. As part of the workforce inclusion policy, Grampians Central West WRRG has an ongoing target of 50/50 on the employees' gender profile.

In reporting on the Grampians Central West WRRG workforce diversity target, the following table outlines Grampians Central West WRRG's targets for the 2021-22 financial year. Grampians Central West WRRG will continue to report on its actual progress against these targets in future reports.

Workforce Inclusion Policy Initiative	Target
Balanced employee gender profile	On-going/fixed-terms/casual basis employees
	50 per cent male; 50 per cent female

Cultural Diversity



All Grampians Central West WRRG programs, services and strategies are planned to ensure that they reflect the WRRG and member Council community base and any of their particular cultural needs. The Grampians Central West WRRG is committed to policies, programs and strategies aimed at delivering culturally appropriate services to all members of the community.

Occupational Health and Safety



The *Occupational Health and Safety Act 1985* provides the legislative basis for two interrelated approaches to the management of occupational health and safety (OH&S).

These are:

- a risk management approach to hazard control; and
- consultation between the employer and their staff.

The Occupational Health and Safety Policy outlines the Group's approach in OH&S risk management. This policy also provides details on the consultative mechanisms for managing OH&S in the workplace.

Grampians Central West WRRG will provide and maintain a working environment for all staff and visitors, which is safe and without risk to their health. This commitment is embodied in the Grampians Central West WRRG Occupational Health & Safety Policy.

The following principles in the management of OH&S are utilised by the Grampians Central West WRRG:

Grampians Central West WRRG supports the implementation of a systematic approach to risk management in accordance with the SafetyMAP risk management system.

- The assessment and provision of appropriate workplace first aid facilities assists the organisation in reducing the severity of injury and illness within the workplace and in maintaining a safe and healthy work environment.
- The provision of a smoke-free working environment is necessary to ensure that staff and visitors to Grampians Central West WRRGs workplace are not troubled by the adverse effects of active or passive smoking.

- Good work practices and workstation design will enhance work efficiency and minimize the risk of occupational injury.
- Personal protective equipment is provided to staff when other methods of hazard control are not able to provide the necessary protection from a workplace risk.
- Staff will be provided with appropriate eye protection where required to afford necessary protection from workplace hazards.
- Grampians Central West WRRG is committed to establishing precautionary procedures that protect staff and clients from infection within the Group's site(s).
- The provision of occupational rehabilitation following a work-related injury or illness will facilitate the recovery and early resumption to duty of a staff member.
- Reporting and investigation of work-related injuries, illnesses and 'near misses' will help prevent similar occurrences in the future.
- Trauma debriefing services should be provided to staff members who may be affected as a result of a traumatic incident which occurs on Grampians Central West WRRG premises or as a result of its operations. No matters have arisen during the year and no Work Cover claims have been lodged.

Over the last 12 months Grampians Central West WRRG has maintained the following specific actions in relations to our OH&S obligations:

- Ensured that all vehicles carry appropriate safety gear including first aid kits, water, fire blankets and fire extinguishers and that this is checked and updated on a regular basis.
- Ensured that all staff are aware of safe driving practices including taking regular breaks, travelling with a companion where appropriate and staying overnight when there is a long trip.
- Maintained high-low desks that are designed to assist staff be more active in the office environment
- Encouraged staff to participate in outdoor activities such as the walking circuit around the office and the workplace veggie garden to ensure they take regular breaks.

Performance against OH&S Management Measures

	2021-22	2020-21	2019-20	2018-19	2017-18
Incidents					
No. of incidents	Nil	Nil	Nil	Nil	Nil
Claims					
No. of standard claims	Nil	Nil	Nil	Nil	Nil
No. of lost time claims	Nil	Nil	Nil	Nil	Nil
Fatalities					
No. of Fatality Claims	Nil	Nil	Nil	Nil	Nil

Programs & Projects



The year has been dominated by the implementation of the new *Recycling Victoria: a New Economy* Policy and the COVID 19 pandemic. Both provided both positive and negative impacts on the implementation of programs and events. The kerbside reform program has driven councils to prepare kerbside transition plans and apply for implementation funding for transfer station upgrades, new kerbside services and education programs. This has highlighted the need for recycling processing infrastructure to enable new cost-effective waste and recycling services to be introduced. The COVID 19 pandemic has continued to impact the regular event and educational activities and engagement with councils and industry has mainly been done online.

Staff have been particularly focussed on the priority project of developing materials recycling and organics processing infrastructure, database development, collection and analysis, and stakeholder and community engagement.

The Council Engagement Program focussed on the LG Waste Forum (Forum) and the Technical Adviser Reference Group (TARG). The Forum was held 5 times in 2021-2022. The new *Recycling Victoria* policy implementation dominated the discussion during the year and provided a valuable opportunity for local government to understand and provide feedback on the new programs (New waste act, new waste authority, Container Deposit Scheme, Kerbside transition reforms).

TARG working groups continue to focus on specific areas of interest including, Kerbside transition planning and implementation, collaborative procurement and processing infrastructure, waste data audits, waste plans, community education & engagement and implementation of the new EP Act.

The industry engagement program focused on key priorities of agricultural plastics, organics and material recycling processing. Key initiatives included researching various stewardship programs for agricultural plastics to both assist and complement existing initiatives being undertaken by Dairy Australia and RMCG consulting, supporting the development of a Bioenergy Hub for Ballarat and exploring potential localised glass processing options.

GCWWRRG has engaged with the VFF, Agriculture Victoria and The Birchip Cropping Group to discuss the purchase and management /operation of two grain bag rollers to facilitate the compaction and transport of agricultural plastic.

Community and Stakeholder Engagement continued through social media, Resource Smart Schools and online engagement activities

Regional Implementation Plan



The GCW Regional Implementation Plan provides the key strategic document to guide the operation of the organisation.

The Implementation Plan Committee met quarterly to guide, monitor and report on progress of priorities and projects listed in both Plans.

Significant progress has been made on several key implementation activities throughout the year.

Recycling Processing Facilities in the region

The region continues to have very limited recycling processing facilities. Following on from research projects undertaken by the group in previous years significant work has been undertaken to develop a materials recycling and organic processing within the region.

The group developed an MOU with the City of Ballarat (CoB) to further develop the business case for a Material Recycling Facility (MRF) in Ballarat. This included developing establishment and operating models for the MRF and engaging with surrounding councils to determine support for such a facility along with community engagement programs. CoB received a grant to undertake Materials Flow Analysis to identify potential markets within the region and facilitate a regional circular economy. This study has been completed, and its findings are currently under examination by CoB and partners in the project.

The group has facilitated work in partnership with Horsham Rural City Council and Grampians Wimmera Mallee Water to develop potential options for organics Co-processing in the Wimmera.

Additionally, eight councils received funding from the Recycling Victoria Councils Fund to undertake a feasibility study to implement FOGO services in the region. This will complement the Statewide *Organics Issues and Opportunities Review* to identify key locations for organics recycling infrastructure. work being undertaken by MWRRG.

Hepburn Shire Council implemented a FOGO collection and processing trial based on the township of Clunes. The processing is by an in-vessel container system constructed and monitored by GEKKO. This has provided a genuine alternative to process small volumes of FOGO locally.

Data

Landfill and transfer station surveys have been completed to inform the development of the new Victorian Recycling Infrastructure Plan. The waste audit plan for kerbside and transfer station waste and recycling continues to be implemented with another 2 councils having undertaken audits. Development of an improved regional dataset is providing increased access to existing data and will enable the region to be data ready with the implementation of the new waste authority.

Local Government Engagement Program



GCWWRRG continues to engage with local government through the GCW Local Government Waste Forum, which were held quarterly and involved one elected representative of each local government authority and a nominated advisor. The other major engagement tool was the Technical Officer Advisory Group (TARG) which includes a variety of council staff attending four meetings throughout the year. There have also been regular monthly meetings with the council waste officers to provide support for implementing the Recycling Victoria Reforms.

Topics for discussion this year included DELWP policies (circular economy, Container Deposit Scheme, Waste Act, Waste Authority, Kerbside Transition planning and implementation, Organics processing), Waste and Education strategies and programs, strategic procurement, industry development and business planning.

In 2020-22 our councils were involved with, briefed on the following areas:

- The new waste act and new waste authority
- Strategic collaborative procurement
- Proposed development of a materials recycling facility in the region
- Proposed development of organics processing in the region
- Organics Feasibility studies
- Materials Flow Analysis in the region
- Agricultural Plastics and associated product stewardship schemes
- Container Deposit Scheme
- Development and implementation of kerbside transition plans
- Development of new engagement/education planning with Sustainability Victoria
- Contingency planning for E waste processing
- Regional waste audits undertaken across 2 Councils
- Briefing on implementation of the new EP Act and what it means for local councils.
- Developing a circular economy – soft plastics focus via the Australian packaging covenant organisation (APCO)
- Delivery of ResourceSmart Schools program
- Council and Community Recycling Victoria Funding
- Transfer Station upgrade funding to facilitate implementation of new kerbside reforms

ResourceSmart Schools Program



Grampians Central West WRRG continued to deliver the ResourceSmart Schools Program across the region in 2021. The ResourceSmart team have continued working under difficult conditions during the year, focussing on providing curriculum support and re-engaging schools with the program. Limitations caused by a number of lockdowns have resulted in lower-than-expected outcomes, however the team has been able to reengage well with schools across the region and

During downtimes, the team has also worked through the online database and reviewed the status of all 209 schools across the region, providing us with an excellent understanding of current, inactive and not-registered schools. This work is underpinning ongoing engagement plans across the region for the 2021-22 year.

The contract was finalised in January 2022, with all program delivery being taken over by Sustainability Victoria. Delivery of the program continues with a revised structure and with some WRRG staff from other regions.

Can Do Communities Program



2021 to 2022 saw the effects of Covid continue to impact GCWWRRG's Can Do Communities program. Due also to the upcoming shift to Recycling Victoria (RV) no large events for Can Do Communities were planned in the last 12 months. This is due to the upcoming change in operation as the WRRGs dissolve.

Even without the option to do large events, CDC continued to support smaller initiatives, such as:

- Joint workshop with Ballarat Youth Services team 'Zero Waste Jam Making.' This was an evening event for young people using excess fruit collected by the local Ballarat food waste group, The Hidden Orchard.
- Ballarat Youth Services Youth Clothes Swap Day - 'Our Shared Wardrobe'. The workshop focussed on running printmaking, clothes swap, and a recycled fabric art project with the aim of raising awareness in the 16-25 age category about the amount of textile waste produced by each person in Australia.
- Sponsorship of Ballarat Grammar 'Paper Seed Bag' project raising awareness in the local Ballarat Community

Can Do communities has been a chance for the GCWWRRG team to approach the community in some unique, fun, and exciting ways, encouraging people to embrace waste reduction and sustainability and raise awareness.

Our most recent – and largest project for the year – has been to develop a resource for event organisers both small and large, so that they can be kept up to date with changes in legislation around waste and how it will impact them: the Sustainable Regional Events Guide

In developing the guide, it quickly became apparent that an online resource was also necessary, thus the Sustainable Regional Events website was created. www.sustainableregionalevents.com.au

The website provides up to date information on waste legislation across the state, as well as resources for council contacts, engagement and waste planning and guidance on the implementation of sustainable practices.

Designed to guide anyone at any stage on their sustainability journey, the Guide encourages organisers to take stock of current practices, identify areas of concern, and plan for changes in appropriate timeframes. It also provides a number of case studies from regional organisers who have implemented sustainability practices to address waste issues at their events.

With a soft launch in February 2022, the guide has quickly become a favourite resource for Council Event officers and organisers alike.

We are looking forward to expanding the guide to provide information with a regional flavour right across the State. We have already commenced planning work with two of our neighbouring regions to bring their events to life on the website.

Industry Engagement Program



Grampians Central West delivers an engagement program with industry and business across the region. This includes waste and recycling producers, collectors and processors. The COVID 19 pandemic has again made it very difficult to actively engage with industry on site. However significant links continue to be established with industries aligned with developing the circular economy.

Agricultural (Ag) Plastics

The Waste Resource Recovery Group's (WRRG) agricultural plastics working group has participated in discussions with Dairy Australia and RMCG consulting in relation to their work in the Ag plastic product stewardship space., Meetings between Sustainability Victoria, the Victorian Farmers Federation (VFF) the Birchip Cropping Group and GCWWRRG are ongoing, establishing a baseline from which to act.

The increased use of grain and silage storage bags throughout the Wimmera and Mallee Regions is creating a waste stream of plastics which is currently not being recycled due to the difficulties of collection and transportation from farm to recycling facilities. A significant proportion of used bags are frequently burnt (releasing airborne pollutants) or buried onsite. Bags exposed to the elements for extended periods of time degrade, producing microplastic particles, and accumulate dirt and contaminants that decrease their value to any potential recycler.

Fundamental to the problem of agricultural plastics recycling are the issues of transport cost and contamination. To overcome this, a method whereby agricultural plastics are aggregated and compacted (changing the economics to make it viable to retrieve them) is needed. It becomes economically viable to transport densely packed plastic as opposed to loose, poorly packed materials. A method of compacting agricultural plastics as close as possible to the point of use would therefore be instrumental in altering the economics of transport.

GCWWRRG has investigated funding the purchase and configuration of two mobile grain bag rollers, that will enable single use agricultural plastic to be collected in a size and form that will expedite transport to facilities for recycling. This proposal is intended to contribute to a localised solution to the transport cost issue

One of the anticipated benefits of introducing a roller hiring system is its potential to raise the profile of agricultural plastic recycling in general. When recycling who is agriculture plastic is perceived as

easily accomplished and it becomes commonly known that the waste plastics have commercial value, it is hoped that farmers will initiate purchase of their own filing equipment, thereby driving recycling rates even higher.

Industry and business engagement

GCWWRRG joined the Australian Circular Textiles network and has actively contributed to programs to advance textile recycling at a national level, and locally how to use charity and op shop networks to support recycling at the grass roots level.

GCWWRRG supported **Ground Up**, a local initiative focused on sourcing organic waste from local restaurants and cafes to supply to local organic farmers. GCWWRRG assisted in identifying funding sources and developing networks for this organisation.

GCWWRRG subscribed to the right to repair enquiry undertaken by the federal government promoting regional perspectives to ensure practical and local solutions can be implemented.

GCWWRRG has supported REDcycle's TRaCE initiative (Taking Responsibility for a Circular Economy) to build and support resilient end markets for products containing recycled materials and verification of the origin and movement of recycled materials.

Operational and Budgetary Objectives



The Operational & Budgetary Objectives data covers the period **1 July 2021 – 31 May 2022**. The Major Budgetary Operational headings are as follows:

	Actual	Budget
	\$	\$
Income	1,257,163	1,223,332
Expenditure		
Employment Expenses	1,044,961	1,048,757
Project Expenses	76,503	245,000
Other Operating Expenses	313,402	175,638
Depreciation	58,095	30,000
Total Expenditure	1,492,961	1,499,395
Net profit/(loss)	(235,798)	(276,063)

Actual versus Budget Differences

	Actual	Budget	Variance
<u>Income</u>			
Variance represented by:			
Expenditure recovery on Waste Audits project	33,831	0	33,831
<u>Expenditure</u>			
Variance represented by:			
ResourceSmart Schools underspend	48,301	86,678	38,377
Recycling Victoria	26,238	167,333	141,095

The variances in the 2021-2022 budget can be explained as follows:

Income variations include:

- Minor increase in contracted income from ResourceSmart Schools program
- Cost recovery for Waste Audits project managed by GCWWRRG on behalf of councils

Expenditure variations include:

- Lower than anticipated expenditure due to ongoing COVID restrictions impacting project work;
- Delays in commencement of partner project work due to external factors (eg Ballarat MRF project).
- Staffing losses for ResourceSmart Schools due to short-term contract
- Recycling Victoria work was undertaken by existing staff. Future journal adjustments are required to take this into account. This is normally performed at the end of the financial year as part of the audit process.
- Expenditure does not include any payments made in June 2022 which will include salaries and project expenditure in line with budget expectations.

Financial and Other Information

Grampians Central West WRRG commenced operation on 1 August 2014. Five years of data is now provided.

Five Year Financial Summary

	2021-22	2020-21	2019-20	2018-19	2017-18
Core Business revenue	969,799	969,179	992,773	967,983	944,373
Government contributions	254,010	327,880	228,936	251,438	405,000
Other revenue	33,354	7,822	256,489	50,681	24,500
TOTAL REVENUE	1,257,163	1,304,881	1,478,198	1,270,102	1,373,873
Administration					
Corporate Expenditure	1,416,458	895,491	1,089,839	1,124,481	1,052,257
Project Expenditure	76,503	56,353	502,773	399,047	169,999
TOTAL EXPENDITURE	1,492,961	978,844	1,592,612	1,523,528	1,222,256
Net Operating Result					
Net Cash Flow from Operations	(235,738)	326,037	(114,414)	(253,426)	151,617
Current Assets	853,358	1,039,386	814,604	758,236	1,009,289
Non-Current Assets	93,051	140,290	198,682	110,083	117,157
TOTAL ASSETS	946,409	1,179,676	1,013,286	868,319	1,126,446
Current Liabilities	208,467	150,119	271,801	138,314	154,829
Non-Current Liabilities	48,472	104,289	142,254	16,360	4,546
TOTAL LIABILITIES	256,939	254,408	414,055	154,674	159,375
Net Assets	689,470	925,268	599,231	713,645	967,071

Significant changes in financial position

On 14 December 2021, the *Circular Economy (Waste Reduction and Recycling) Act 2021* (the Act) was gazetted. This will result in the establishment of Recycling Victoria, whose Head will oversee the waste, recycling and resource recovery sector, and support the development of a circular economy. Recycling Victoria will be established as a business unit within the Department of Environment, Land, Water and Planning (DELWP) and commence operations from 1 July 2022.

The Act abolishes the seven regional Waste and Resource Recovery Groups and transfers all assets, powers, works, rights, liabilities and obligations, which also includes financial and other reporting obligations to DELWP, Recycling Victoria, as successor in law from 1 July 2022.

The going concern basis was used to prepare the financial statements as the intent of the legislation is that the substantive functions of GCWWRRG will continue under DELWP, Recycling Victoria. These financial statements have been prepared on a going concern basis and do not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate.

The annual financial statements were authorised for issue by DELWP, the successor in law to GCWWRRG on 30 December 2022.

Significant changes or factors affecting performance

There were no significant changes or factors affecting performance during the 2021-22 financial year.

Subsequent Events

Under section 186 of the *Circular Economy (Waste Reduction and Recycling) Act 2021*, GCWWRRG was abolished on 30 June 2022 with DELWP, Recycling Victoria, successor in law commencing 1 July 2022. As successor in law, on its commencement, all staff, resources, rights, property assets, debts, liabilities and obligations of GCWWRRG vest in DELWP, Recycling Victoria.

Legislative Disclosures



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Disclosure of Major Contracts

The Grampians Central West WRRG did not enter into any contracts valued at \$10 million or more during the reporting period.

Consultancy Expenditure Disclosure

Details of Consultancies (valued at \$10,000 or greater)

In 2021-22, there were five consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2021-22 in relation to these consultancies is \$193,833 (excluding GST). Details of the consultancy is outlined below:

Consultant	Purpose of consultancy	Start date	End date	Expenditure 2021-22 (excl. GST)
Aurecon Australasia	Regional Organics Co-Digester Facility Feasibility Study*	25 Jan 2022	Ongoing	50,251.26
City of Ballarat	Materials Flow Analysis in Ballarat	23 Feb 2022	31 May 2022	22,270.00
EC Sustainable	Kerbside Waste Bin Audits	19 August 2021	19 November 2021	37,800.00
Frontier Economics	Regional MRF: Establishment / Operating Models	16 August 2021	14 December 2021	69,691.25
Northern Grampians Shire Council	Grampians Organics Feasibility Study	2 March 2022	30 June 2022	13,820.00

Details of individual consultancies reported in previous years are outlined on the Grampians Central West WRRG's website, at www.recyclingrevolution.com.au.

Details of Consultancies (valued at less than \$10,000)

In 2021-22, there were 4 consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10,000. The total expenditure incurred during 2020-21 in relation to these consultancies was \$11,287 (excl. GST).

Details of individual consultancies are outlined below:

Consultant	Purpose of consultancy	Start date	End date	Expenditure 2021-22 (excl. GST)
Full Circle Feedback	Staff Evaluations	10 January 2022	1 March 2022	1,800.00
Inspire HQ	Staff Recruitment Services	1 May 2022	30 June 2022	1,526.73
Liminal by Design	Workshop Facilitation	16 December 2021	25 February 2022	2,960.00
Little Sketches	Database Development	6 October 2021	31 December 2021	5,000.00

Disclosure of Grants and Transfer Payments

Grampians Central West WRRG did not make any transfer payments or award any grants for the 2021-22 financial year.

Information and Communication Technology (ICT) Expenditure Disclosure

For the 2021-22 reporting period, Grampians Central West WRRG had a total ICT expenditure of \$31,315 (excl. GST). "ICT expenditure" refers to the Group's costs in providing business enabling ICT services (also known as "business as usual" - BAU). There was no expenditure which was considered non-business as usual.

Capital Project Expenditure Disclosure

Grampians Central West WRRG did not have any Capital Projects for the 2021-22 financial year.

Disclosure of Government Advertising Expenditure

Grampians Central West Waste and Resource Recovery Group's expenditure in the 2020-21 reporting period on government campaign expenditure did not exceed \$100,000.

Asset Management Accountability Framework (AMAF) maturity assessment [FRD 22I]

GCWWRRG is in the early stages of applying the Asset Management and Accountability Framework and asset management systems and processes are not yet in place.

Compliance with *Building Act 1993*

Grampians Central West WRRG does not own or control any government buildings and consequently is exempt from notifying its compliance with the building and maintenance provisions of the *Building Act 1993*.

Competitive Neutrality Policy

Competitive Neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

Grampians Central West WRRG continues to comply with the requirements of the Competitive Neutrality Policy.

Compliance with DataVic Access Policy

Grampians Central West WRRG has not provided any information as part of the DataVic Access Policy.

Compliance with *Environment Protection Act 1970 (Establishing Act)*

Grampians Central West WRRG is compliant with all current legislative requirements, all aspects of our Establishing Act - the *EP Act 1970*. Additionally, in 2020, Hon Minister D'Ambrosio issued a

Statement of Expectations to Grampians Central West WRRG. The Group is compliant with the expectations set out in this document, which is available on our website.

Application and Operation of Freedom of Information Act 1982

The Grampians Central West WRRG is a State Statutory Agency under the *Environment Protection Act 1970*, and so is a 'Government Agency' under the terms of the *Freedom of Information Act 1982* (FOI Act 1982). Accordingly, it is required to comply with the procedures that have been prescribed under which members of the public may gain access to information held by agencies. A decision to release information is made by either the Principal Officer or an Authorised Officer.

Information is available on request from:

Recycling Victoria

Level 1, 8 Nicholson Street

East Melbourne, VIC, 3002

By email: recycling.victoria@delwp.vic.gov.au

A \$30.60 fee is applicable.

There were no requests received under the *Freedom of Information Act 1982* during the reporting period.

Local Jobs First Act 2003

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

Local Jobs First applies when the Victorian Government's funding or provision of a grant exceeds \$3 million in Metropolitan Melbourne and \$1m in regional Victoria. There were no contracts over \$1 million awarded by Grampians Central West WRRG during the reporting period.

Public Interest Disclosures Act 2012

Compliance with the *Public Interest Disclosures Act 2012*

The *Public Interest Disclosures Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

Grampians Central West WRRG does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

Grampians Central West WRRG will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

Reporting

Disclosures of improper conduct or detrimental action by the Department or any of its employees may be made to any of the following departmental personnel:

- Secretary of the Department;

- Public Interest Disclosure Coordinator or Public Interest Disclosure Officer;
- manager or supervisor of the disclosure;
- manager or supervisor of the person who is the subject of the disclosure; or
- a person acting in any of the above roles.

How can I access Grampians Central West WRRG’s procedures for the protection of persons from detrimental action?

Grampians Central West WRRG has established procedures for the protection of persons from detrimental action in reprisal for making a protected disclosure about Grampians Central West WRRG or its employees. You can access Grampians Central West WRRG’s procedures on its website at: www.delwp.vic.gov.au.

Contacts

Independent Broad-Based Anti-Corruption Commission (IBAC) Victoria

Address	Level 1, North Tower, 459 Collins Street, Melbourne Victoria 3001.
Mail	IBAC, GPO Box 24234, Melbourne Victoria 3000
Internet	www.ibac.vic.gov.au
Phone	1300 735 135
Email	see the website above for the secure email disclosure process, which also provides for anonymous disclosures.

Social Procurement Framework

Grampians Central West WRRG has not undertaken any procurement activities which can be reported against the SPF due to a strong focus on transition activities during 2021-22. The Group is committed to applying Social Procurement strategies when and where possible and has implemented a Social Procurement Statement to that effect.

Additional Information included in the Annual Report

Details in respect of the following items have been included in Grampians Central West WRRG’s annual report, on the pages indicated below:

- assessments and measures undertaken to improve the occupational health and safety of employees (on page 39);
- a statement on industrial relations within Grampians Central West WRRG (on page 39); and
- a list of Grampians Central West WRRG’s major committees; the purposes of each committee; and the extent to which the purposes have been achieved (on pages 19-24).

Information that is not applicable to Grampians Central West WRRG

The following information is not relevant to Grampians Central West WRRG for the reasons set out below:

- a declaration of shares held by senior officers (No shares have ever been issued in Grampians Central West WRRG; and
- Details of overseas visits undertaken (No board members or senior executives took overseas work-related trips.)

Additional Information Available on Request

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by Grampians Central West WRRG and are available (in full) on request, subject to the provisions of the *Freedom of Information Act 1982*:

- a) Declarations of pecuniary interests have been duly completed by all relevant officers;
- b) Details of publications produced by Grampians Central West WRRG about itself, and how these can be obtained;
- c) Details of any major external reviews carried out on Grampians Central West WRRG;
- d) Details of major research and development activities undertaken by Grampians Central West WRRG;
- e) Details of major promotional, public relations and marketing activities undertaken by Grampians Central West WRRG to develop community awareness of the entity and its services; and
- f) Details of changes in prices, fees, charges, rates and levies charged.

Information is available on request from:

Recycling Victoria

Level 1, 8 Nicholson Street

East Melbourne, VIC, 3002

recycling.victoria@delwp.vic.gov.au

A fee may be charged for provision of this information.

Disclosures Index



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Attestation of compliance with
Standing Direction 5.1.2



I, John Bradley, on behalf of the Board, certify that the Grampians Central West WRRG has complied with the applicable *Standing Directions* of the Minister for Finance under the *Financial Management Act 1994* and Instructions. The Grampians Central West WRRG's Audit and Risk Committee verifies this.

A handwritten signature in blue ink, appearing to read "John Bradley", positioned above a horizontal line.

Mr John Bradley
Secretary
Department Environment, Land, Water and Planning
30 December 2022

Financial Statements



Declaration in Financial Statements

The attached financial statements for Grampians Central West Waste and Resource Recovery Group have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under *the Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2022 and financial position of GCWWRRG at 30 June 2022.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 30 December 2022.

Bronwyn DiCarlo

Executive Director, Finance

Department of Environment, Land, Water and
Planning

30 December 2022

John Bradley

Secretary

Department of Environment, Land, Water and
Planning

30 December 2022

Independent Auditor's Report

To the Secretary of the Department of Energy, Environment and Climate Action for the Grampians Central West Waste and Resource Recovery Group

Opinion I have audited the financial report of the Grampians Central West Waste and Resource Recovery Group (the authority) which comprises the:

- balance sheet as at 30 June 2022
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including significant accounting policies
- declaration in the financial statements.

In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Secretary's responsibilities for the financial report The Secretary of the Department of Energy, Environment and Climate Action is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Secretary determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Secretary is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary
- conclude on the appropriateness of the Secretary's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Secretary regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
18 January 2023



Paul Martin
as delegate for the Auditor-General of Victoria

Grampians Central West Waste & Resource Recovery Group

Comprehensive Operating Statement

For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Continuing operations			
Income from transactions			
Landfill levy distribution	2.2	969,799	969,179
Grants	2.3	254,010	327,880
Interest revenue		796	885
Other revenue	2.4	32,558	6,937
Total income from transactions		1,257,163	1,304,881
Expenses from transactions			
Employee expenses	3.1.1	(1,044,961)	(763,793)
Grant expenses	3.2	(76,503)	(56,353)
Other operating expenses	3.3	(313,402)	(100,305)
Depreciation	4.1.2	(58,095)	(58,393)
Total expenses from transactions		(1,492,961)	(978,844)
Net result from transactions		(235,798)	326,037

The accompanying notes form part of the financial statements

Grampians Central West Waste & Resource Recovery Group

Balance Sheet

As at 30 June 2022

	Note	2022 \$	2021 \$
Assets			
Current Assets			
Cash and cash equivalents	6.2	836,144	745,155
Receivables	5.1	11,770	289,015
Other non-financial assets	5.3	5,444	7,541
Total Current Assets		853,358	1,041,711
Non-Current Assets			
Plant and equipment	4.1	21,213	18,267
Right of use assets	4.1.1	71,838	122,023
Total Non-Current Assets		93,051	140,290
Total Assets		946,409	1,182,001
Liabilities			
Current Liabilities			
Payables	5.2	71,121	47,315
Employee benefits provision	3.1.2	65,730	54,402
Borrowings	6.1	71,616	50,727
Total Current Liabilities		208,467	152,444
Non-Current Liabilities			
Employee benefits provision	3.1.2	48,472	32,274
Borrowings	6.1	-	72,015
Total Non-Current Liabilities		48,472	104,289
Total Liabilities		256,939	256,733
Net Assets		689,470	925,268
Equity			
Contributed capital		564,352	564,352
Accumulated surplus		125,118	360,916
Net Worth		689,470	925,268

The accompanying notes form part of the financial statements

Grampians Central West Waste & Resource Recovery Group

Cash Flow Statement

For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Cash Flows from Operating Activities			
Receipts			
Receipts from landfill levy distribution and grants		1,543,057	1,265,499
Interest received		796	885
Total Receipts		1,543,853	1,266,384
Payments			
Payments to suppliers and employees		(1,381,437)	(1,022,185)
Goods and Services Tax (paid to)/refunded from ATO		(9,445)	1,869
Total Payments		(1,390,882)	(1,020,316)
Net cash flows from operating activities	6.2.1	152,971	246,068
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(10,856)	-
Net cash from/(used in) investing activities		(10,856)	-
Cash Flows from Financing Activities:			
Repayment of borrowings		(51,126)	(50,171)
Net cash from/(used in) financing activities		(51,126)	50,171
Net increase in cash and cash equivalents		90,989	195,897
Cash and cash equivalents at beginning of financial year		745,155	549,258
Cash and cash equivalents at end of financial year	6.2	836,144	745,155

(a) GST recovered from the Australian Taxation Office is presented on a net basis

The accompanying notes form part of the financial statements

Grampians Central West Waste & Resource Recovery Group

Statement of Changes in Equity

For the Year Ended 30 June 2022

	Note	Contributed Capital \$	Accumulated Surplus \$	Total \$
Balance at 1 July 2020		564,352	34,879	599,231
Net result for the year		-	326,037	326,037
Balance at 1 July 2021		564,352	360,916	925,268
Net result for the year		-	(235,798)	(235,798)
Balance at 30 June 2022		564,352	125,118	689,470

The accompanying notes form part of the financial statements

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 About this report

The Grampians Central West Waste & Resource Recovery Group (GCWRRRG) is a statutory agency of the State of Victoria, established on 1 August 2014 by section 49C(1) of the *Environment Protection Act 1970*.

Its principal address is: Grampians Central West Waste & Resource Recovery Group
7 Learmonth Road
Wendouree, Victoria 3355

A description of the nature of its operations and its principal activities is included in the “**Report of operations**” which does not form part of these financial statements.

Basis of preparation

On 14 December 2021, the Circular Economy (Waste Reduction and Recycling) Act 2021 (the Act) was gazetted.

This resulted in the establishment of Recycling Victoria, whose Head will oversee the waste, recycling and resource recovery sector and support the development of a circular economy.

Recycling Victoria has been established as a business unit within the Department of Environment, Land, Water and Planning (DELWP) and commenced operations from 1 July 2022.

The Act abolished the seven regional Waste and Resource Recovery Groups on 1 July 2022, which includes the Grampians Central West Waste & Resource Recovery Group.

It transferred all WRRG's assets, powers, works, rights, liabilities and obligations, which also included financial and other reporting obligations to the DELWP, Recycling Victoria, commencing as successor in law on 1 July 2022.

All employees of the WRRG's transferred to Recycling Victoria on its commencement date.

In accordance with FRD119 *Transfers through contributed capital*, the transfer of all assets and liabilities by the WRRG's to the DELWP is recognised as a direct adjustment to equity and designated as Distributions to Owners.

DELWP will account for the transfer in its 30 June 2023 financial report as a Contribution by Owner.

The seven WRRG's will not prepare a financial report for the financial year ended 30 June 2023 as their date of abolishment and transfer of assets and liabilities occurred on the first day of the financial year, 1 July 2022.

- There was no change in the carrying amounts, which are reported at fair value, of assets or liabilities between 30 June 2022 financial reporting date and 1 July 2022 date of abolishment of the WRRG's.
- The carrying amounts of assets and liabilities transferred are disclosed in the WRRG's Balance Sheet for the year ended 30 June 2022 included in this financial report.

The going concern basis was used to prepare the financial statements as the intent of the legislation is that the substantive functions, rights and obligations of WRRG's will continue under Recycling Victoria.

The annual financial statements were authorised for issue by DELWP - the successor in law to GCWRRRG on 30 December 2022.

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the GCWRRRG.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

These financial statements cover the GCWRRRG as an individual reporting entity and include all the activities of the GCWRRRG.

Notes to the Financial Statements

For the Year Ended 30 June 2022

Coronavirus Global Health Pandemic

GCWRRG has implemented a COVIDSafe Plan which has included all staff working from home for the year. Some projects have experienced minor delays and all in-person events were cancelled, resulting in expenditure decreases. Changes in strategic directions in line with the Statement of Expectations from the Minister, and alignment of priorities for the move to the new Waste Authority have also impacted expenditure patterns. Overall however, the impact of coronavirus and the resulting Government imposed restrictions have not had a significant impact on GCWRRG's operations during the 2021/2022 year.

Coronavirus has not resulted in a change to the judgements and/or assumptions applied with the preparation of this financial report.

Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994 (FMA)* and applicable Australian Accounting Standards (**AASs**) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied.

Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Income Tax

No provision for income tax has been raised as GCWRRG is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Funding Delivery Of Our Services

GCWRRG's purpose is to work with 12 regional councils in Western Victoria, the Victorian Government environment portfolio and the regional waste and resource recovery groups, industry, business and the community to plan, facilitate and deliver an integrated and sustainable waste and resource recovery system.

Structure

2.1 Summary of revenue and income that funds the delivery of our services

2.2 Landfill levy revenue

2.3 Grants

Notes to the Financial Statements

For the Year Ended 30 June 2022

2.1 Summary of revenue and income that funds the delivery of our services	Note	2022 \$	2021 \$
Source			
Landfill levy revenue	2.2	969,799	969,179
Grant revenue	2.3	254,010	327,880
Interest on bank deposits and investments		796	885
Other revenue	2.4	32,558	6,937
		1,257,163	1,304,881

GCWRRG has made judgement on the recognition of grant revenue as per AASB 1058 *Income of not-for-profit entities* where they do not contain sufficiently specific performance obligations. Income from grants that are enforceable and with sufficiently specific performance obligations and accounted for as per AASB 15 *Revenue from contracts with customers* is recognised when GCWRRG satisfies the performance obligation by providing the relevant services to the relevant stakeholders.

GCWRRG's revenue is provided from three different funding streams, predominately being landfill levy, program/grant funding from the Sustainability Fund and income received from bank interest.

2.2 Landfill levy revenue	2022 \$	2021 \$
Landfill Levy Revenue	969,799	969,179
Total grants	969,799	969,179

Landfill levy revenue is received via a Ministerial Determination in accordance with clause 70E of the *Environment Protection Act 1970* and distributed by the Department of Environment, Land, Water and Planning (hereafter DELWP). The Ministerial Determination provides for a yearly allocation distributed that is reflected as receivables for the financial year by GCWRRG.

GCWRRG has determined the landfill levy distribution is recognised as *income of not-for-profit entities* in accordance with AASB 1058.

2.3 Grants	2022 \$	2021 \$
Income recognised under AASB 1058:		
Specific purpose grants	254,010	327,880
Total grants	254,010	327,880

Grants recognised under AASB 1058

Grant revenue is received from a variety of sources, not directly from the Sustainability Fund. Grants are received from Sustainability Victoria, DELWP, and may also come from a variety of other smaller non-government agencies where applicable.

GCWRRG has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the GCWRRG has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, GCWRRG recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004;
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- a lease liability in accordance with AASB 16;
- a financial instrument, in accordance with AASB 9; or
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

2.4 Other income	2022 \$	2021 \$
EC Sustainable Waste Audits	31,800	-
Other revenue	758	6,937
	32,558	6,937

Other income is recognised as revenue when received. Other income includes recoveries for salaries and wages and external services provided.

Notes to the Financial Statements

For the Year Ended 30 June 2022

3 The cost of delivering services

This section provides an account of the expenses incurred by GCWWRRG in delivering services and outputs.

Structure

3.1 Expenses incurred in delivery of services

3.2 Grant expenses

3.3 Other operating expenses

Notes to the Financial Statements

For the Year Ended 30 June 2022

3.1 Expenses incurred in delivery of services

	Note	2022 \$	2021 \$
Employee benefit expenses	3.1.1	1,044,961	763,793
Grants expenses	3.2	76,503	56,353
Other operating expenses	3.3	313,402	100,305
		<u>1,434,866</u>	<u>920,451</u>

3.1.1 Employee benefits in the comprehensive operating statement

	2022 \$	2021 \$
Superannuation expense	84,534	59,144
Salaries and wages, annual leave and long service leave	960,427	704,649
Total employee expenses	<u>1,044,961</u>	<u>763,793</u>

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of defined contribution superannuation plans that are paid or payable during the reporting period.

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Department is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

3.1.2 Employee benefits in the balance sheet

	2022	2021
Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.		
Current provisions:	\$	\$
Annual leave		
Unconditional and expected to settle within 12 months	50,953	36,693
Unconditional and expected to settle after 12 months	-	5,643
Provisions for on-costs		
Unconditional and expected to settle within 12 months	14,777	10,497
Unconditional and expected to settle after 12 months	-	1,569
Total current provisions for employee benefits	<u>65,730</u>	<u>54,402</u>
Non-current provisions:		
Employee benefits	40,999	26,301
On-costs	7,473	5,973
Total non-current provisions for employee benefits	<u>48,472</u>	<u>32,274</u>
Total provisions for employee benefits	<u>114,202</u>	<u>86,676</u>

Reconciliation of movement in on-cost provision

	2022 \$
Opening balance	18,039
Additional provisions recognised	14,909
Unwind of discount and effect of changes in the discount rate	(10,698)
Closing balance	<u>22,250</u>
Current	14,777
Non-current	<u>7,473</u>

Wages and salaries, annual leave and sick leave:

Liabilities for wages and salaries, (including non monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because GCWWRRG does not have an unconditional right to defer settlements of these liabilities.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as GCWWRRG does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Notes to the Financial Statements

For the Year Ended 30 June 2022

3.1.2 Employee benefits in the balance sheet continued

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed as a current liability; even where the Department does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value if GCWWRRG expects to wholly settle within 12 months; or
- present value if GCWWRRG does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non current LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

3.1.3 Superannuation contributions

Employees of GCWWRRG are entitled to receive superannuation benefits and GCWWRRG contributes to defined contribution plans.

Scheme	Type of scheme	Rate %	Paid Contributions for the Year		Outstanding Contributions at Year End	
			2022 \$	2021 \$	2022 \$	2021 \$
Vision Super	Defined contribution	10	218	0	-	-
ESS Super	Defined contribution	10	14,325	12,864	-	-
Australian Super	Defined contribution	10	3,730	587	-	-
Vic Super	Defined contribution	10	10,963	9,468	-	-
UniSuper	Defined contribution	10	10,999	9,866	-	-
Host Plus	Defined contribution	10	8,651	2,174	-	-
Other	Defined contribution	10	35,647	24,185	-	-
Total			84,533	59,144	-	-

3.2 Grant expenses

General purpose grants

Total

	2022 \$	2021 \$
General purpose grants	76,503	56,353
Total	76,503	56,353

Grant expenses are recognised in the reporting period in which they are paid or payable. Grants can take the form of money, assets, goods, services or forgiveness of liabilities.

3.3 Other operating expenses

Supplies and services

Purchase of services

Maintenance

Operating lease and licence expenses

Lease and licence expenses

Total

	2022 \$	2021 \$
Supplies and services		
Purchase of services	295,855	82,700
Maintenance	2,032	6,613
Operating lease and licence expenses		
Lease and licence expenses	15,515	10,992
Total	313,402	100,305

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. It also includes bad debts expense from transactions that are mutually agreed.

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when the inventories are distributed.

Operating lease payments (including contingent rentals) are recognised on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

Notes to the Financial Statements

For the Year Ended 30 June 2022

4 Key Assets Available to Support Output Delivery

GCWRRG controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to GCWRRG to be utilised for delivery of those outputs.

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 4.1 in connection with how those fair values were determined.

Structure

4.1 Total Plant & equipment

Notes to the Financial Statements

For the Year Ended 30 June 2022

4.1 Plant and equipment	Note	2022 \$	2021 \$
Plant and equipment			
Plant and equipment at Cost		45,621	62,775
Accumulated depreciation		(36,740)	(60,386)
Total plant and equipment		<u>8,881</u>	<u>2,389</u>
Motor vehicles			
Motor vehicles at Cost		23,635	23,635
Accumulated depreciation		(11,303)	(7,757)
Total motor vehicles		<u>12,332</u>	<u>15,878</u>
Total plant and equipment		<u><u>21,213</u></u>	<u><u>18,267</u></u>
4.1.1 Right of use assets: buildings and vehicles			
Buildings at fair value			
Buildings - right of use		102,793	102,793
Accumulated depreciation		(99,477)	(66,318)
Total buildings at fair value		<u>3,316</u>	<u>36,475</u>
Right of use - vehicles			
Right of use - vehicles		113,505	113,505
Accumulated depreciation		(44,983)	(27,957)
Total right of use - vehicles		<u>68,522</u>	<u>85,548</u>
Total right of use assets		<u><u>71,838</u></u>	<u><u>122,023</u></u>
		Buildings	Motor vehicles
Opening balance – 1 July 2021		36,475	85,548
Additions		-	-
Disposals		-	-
Depreciation		(33,159)	(17,026)
Closing balance – 30 June 2022		<u><u>3,316</u></u>	<u><u>68,522</u></u>

Plant & equipment recognition:

All non financial physical assets are measured initially at cost and subsequently reported at cost less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The initial cost for non financial physical assets under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Subsequent measurement:

Property, plant and equipment (PPE) as well as right-of-use assets under leases are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised on the following page by asset category.

Right-of-use asset acquired by lessees (Under AASB 16 Leases from 1 July 2019) – Initial measurement

GCWRRG recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- > any lease payments made at or before the commencement date less any lease incentive received; plus
- > any initial direct costs incurred; and
- > an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Right-of-use asset – Subsequent measurement

GCWRRG depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation.

Notes to the Financial Statements

For the Year Ended 30 June 2022

4.1.2 Depreciation and amortisation

	Note	2022 \$	2021 \$
Depreciation			
Buildings at fair value		33,159	33,159
Motor Vehicles		20,571	20,572
Plant and Equipment		4,365	4,662
Total Depreciation		58,095	58,393

Property, plant and equipment is depreciated on a straight line basis over the assets useful life to GCWRRG, commencing when the asset is ready for use.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term.

Where GCWRRG obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

Depreciation Rates

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	32.25%
Motor Vehicles	20% to 25%
Plant and Equipment	14.29% to 33.33%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate. There have been no changes in depreciation rates from the prior year and during the current year.

Impairment of non financial physical assets

In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount either in profit and loss or as a revaluation decrease. If the impairment losses relate to a revalued asset, a formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by GCWRRG to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the asset's employment and subsequent disposal.

The expected net cash flows have not been discounted to present values in determining recoverable amounts.

4.1.3 Reconciliation of movements in carrying amount of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings at Fair Value	Motor Vehicles \$	Plant & Equipment \$	Total \$
Year ended 30 June 2022				
Balance at the beginning of year	36,475	101,425	2,389	140,289
Additions	-	-	10,857	10,857
Depreciation expense	(33,159)	(20,571)	(4,365)	(58,095)
Balance at the end of the year	3,316	80,854	8,881	93,051
Year ended 30 June 2021				
Balance at the beginning of year	69,634	121,997	7,051	198,682
Depreciation expense	(33,159)	(20,572)	(4,662)	(58,393)
Balance at the end of the year	36,475	101,425	2,389	140,289

Notes to the Financial Statements

For the Year Ended 30 June 2022

5 Other Assets and Liabilities

This section sets out those assets and liabilities that arose from GCWRRG's controlled operations.

Structure

5.1 Receivables

5.2 Payables

5.3 Other non-financial assets

Notes to the Financial Statements

For the Year Ended 30 June 2022

5.1 Receivables	Note	2022 \$	2021 \$
CURRENT			
Statutory			
Amount owing from Victorian Government		-	286,690
Other receivables - GST receivable		11,770	2,325
Total receivables		11,770	289,015

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. GCWWRRG applies AASB 9 for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

5.2 Payables	Note	2022 \$	2021 \$
Current			
Statutory			
Sundry payables and accrued expenses		71,121	47,315
Total payables		71,121	47,315

- **Contractual payables**, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the Department prior to the end of the financial year that are unpaid;

- **Statutory payables**, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

5.3 Other non-financial assets	Note	2022 \$	2021 \$
Current			
Prepayments		5,444	7,541

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services or the payments made for services covering a term extending beyond that financial accounting period.

Notes to the Financial Statements

For the Year Ended 30 June 2022

6 How we financed our operations

This section provides information on the sources of finance utilised by GCWWRG during its operations, along with interest expenses (the cost of borrowings) and other information related to financing the activities of GCWWRG.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Note 7.1(e) provides additional, specific financial instrument disclosures.

Structure

6.1 Borrowings

6.2 Cash flow information and balances

6.3 Commitments for expenditure

Notes to the Financial Statements
For the Year Ended 30 June 2022

6.1 Borrowings

	Note	2022 \$	2021 \$
Current borrowings			
Lease liabilities (a)		71,616	50,727
Total current borrowings		<u>71,616</u>	<u>50,727</u>
Non-current borrowings			
Lease liabilities		-	72,015
Total Non-current borrowings		<u>-</u>	<u>72,015</u>
Total borrowings		<u><u>71,616</u></u>	<u><u>122,742</u></u>

(a) Secured by the assets leased. Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

GCWRRG leases one office property and three motor vehicles. The lease for office premises in Wendouree was for a 3 year term which has been extended to 6 years. Office lease payments are indexed annually by CPI. The motor vehicles are leased for a term of 3 years with fixed payments followed by a balloon payment at the end of the lease period.

For all new contracts entered into, GCWRRG considers whether a contract is, or contains a lease.

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition GCWRRG assesses whether the contract meets three key evaluations:

- > Whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to GCWRRG and for which the supplier does not have substantive substitution rights;
- > Whether GCWRRG has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and GCWRRG has the right to direct the use of the identified asset throughout the period of use; and
- > Whether GCWRRG has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Recognition and measurement of leases as a lessee

Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or GCWRRG's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- > fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- > variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- > amounts expected to be payable under a residual value guarantee; and
- > payments arising from purchase and termination options reasonably certain to be exercised.

Lease Liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low-value assets

GCWRRG has elected to account for short-term leases and leases of low-value assets using the practical expedients.

Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Presentation of right-of-use assets and lease liabilities

GCWRRG presents right-of-use assets as 'property plant equipment' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

Notes to the Financial Statements

For the Year Ended 30 June 2022

6.2 Cash flow information and balances

	Note	2022 \$	2021 \$
Total cash and deposits disclosed in the balance sheet		836,144	745,155
		836,144	745,155

Cash and deposits, including cash equivalents, comprises cash on hand, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The GCWWRRG as a public sector agency is required to undertake all borrowings, investments and financial arrangements over \$2 million with Treasury Corporation of Victoria ('TCV') and Victorian Funds Management Corporation ('VFMC') in accordance with the Centralised Treasury and Investment Policy.

6.2.1 Reconciliation of net result for the period to cash flow from operating activities

	2022 \$	2021 \$
Result for the year	(235,798)	326,037
Non-cash flows in net result:		
- depreciation	58,095	58,393
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	277,245	(38,497)
- (increase)/decrease in other assets	2,097	9,612
- increase/(decrease) in trade and other payables	23,806	(132,374)
- increase/(decrease) in employee benefits	27,526	22,898
Cashflow from operations	152,971	246,069

6.3 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

	1-5 years	Total
Other commitments payable	0	0
Total commitments (inclusive of GST)	0	0
Less GST recoverable	0	0
Total commitments (exclusive of GST)	-	-

Notes to the Financial Statements

For the Year Ended 30 June 2022

7 Risks, Contingencies and Valuation Judgements

The GCWWRG is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for GCWWRG related mainly to fair value determination.

Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination

Notes to the Financial Statements

For the Year Ended 30 June 2022

7.1 Financial instruments specific disclosures

GCWRRG is exposed to a variety of financial risks through its use of financial instruments.

GCWRRG does not speculate in financial assets.

The most significant financial risks to which GCWRRG is exposed to are described below:

Specific risks

- Market risk - interest rate risk;
- Credit risk; and
- Liquidity risk

Financial instruments used

The principal categories of financial instrument used by GCWRRG are:

- Trade receivables;
- Cash and short term deposits at bank;
- Trade and other payables;

Specific information regarding the mitigation of each financial risk to which GCWRRG is exposed is provided below.

7.1.1 Financial instruments: Categorisation

Financial assets where the carrying amount exceeds net fair values have not been written down as GCWRRG intends to hold these assets to maturity.

The following table shows that the fair values of the contractual financial assets and liabilities measured at amortised cost.

	Carrying Amount	Fair Value
	2022	2022
	\$	\$
Contractual financial assets		
Cash and deposits	836,144	836,144
Total contractual financial assets	836,144	836,144
Contractual financial liabilities		
Payables (i)	71,121	71,121
Lease liabilities	71,616	71,616
Total contractual financial liabilities	142,737	142,737
	Carrying Amount	Fair Value
	2021	2021
	\$	\$
Contractual financial assets		
Cash and deposits	745,155	745,155
Total contractual financial assets	745,155	745,155
Contractual financial liabilities		
Payables (i)	47,315	47,315
Lease liabilities	122,742	122,742
Total contractual financial liabilities	170,057	170,057

Note: (i) The carrying amounts disclosed here exclude statutory amounts (e.g. GST input tax credit recoverable and tax payables).

7.1.2 Financial instruments: Net holding gain/(loss) on financial instruments by category

	Total interest income/ (expense) 2022	Total 2022	Total interest income/ (expense) 2021	Total 2021
	\$	\$	\$	\$
Contractual financial assets				
Cash and deposits (i)	796	796	885	885
Total contractual financial assets	796	796	885	885

(i) For cash and cash equivalents, loans or receivables and available-for-sale financial assets, the net gain or loss is calculated by taking the movement in the fair value of the asset, interest revenue, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result.

Notes to the Financial Statements

For the Year Ended 30 June 2022

7.1.3 Financial risk management objectives and policies

Financial instruments: Credit Risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. GCWRRG's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to GCWRRG. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with GCWRRG's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, it is GCWRRG's policy to only deal with entities with high credit ratings of a minimum Triple-B rating and to obtain sufficient collateral or credit enhancements, where appropriate.

In addition, GCWRRG does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash assets, which are mainly cash at bank. As with the policy for debtors, GCWRRG's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that GCWRRG will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents GCWRRG maximum exposure to credit risk without taking account of the value of any collateral obtained.

Credit quality of financial assets

	Financial Institutions (Min BBB rating) 2022 \$	Government Agencies (Min BBB credit rating) 2022 \$	Total 2022 \$	Financial Institutions (Min BBB credit rating) 2021 \$	Government Agencies (Min BBB credit rating) 2021 \$	Total 2021 \$
Financial Assets						
Cash and Cash Equivalents	836,144	-	836,144	745,155	-	745,155
Total contractual financial assets	836,144	-	836,144	745,155	-	745,155

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

Financial instruments: Liquidity Risk

Liquidity risk includes the risk that, as a result of GCWRRG's operational liquidity requirements:

- GCWRRG will not have sufficient funds to settle a transaction on the date;
- GCWRRG will be forced to sell financial assets at a value which is less than what they are worth, or
- GCWRRG may be unable to settle or recover a financial asset at all.

To help reduce these risks, GCWRRG:

- has a cash management policy advising that a level of cash or equivalents must be maintained to cover transactions, redeem invested funds before maturity, only forfeiting the interest that would have been earned between the redemption date and maturity;
- monitors cash flow performance on a regular basis, based on historical high and low flow periods.

Financial instruments: Market Risk

GCWRRG's exposures to market risk are primarily through interest rate risk with only insignificant exposure to foreign currency and other price risks. Objectives, policies and processes used to manage each of these risks are disclosed below.

Interest Rate Risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. GCWRRG does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. GCWRRG has minimal exposure to cash flow interest rate risks through its cash and deposits, term deposits and bank overdrafts that are at floating rate.

Notes to the Financial Statements

For the Year Ended 30 June 2022

7.1.3 Financial risk management objectives and policies (continued)

Interest Rate Exposure of Financial Assets and Liabilities as at 30 June

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate	
	2022	2021	2022	2021	2022	2021
Financial Assets:						
Cash and cash equivalents	0.25	0.55	836,144	745,155	-	-
Receivables and other receivables (i)	-	-	-	-	-	-
Total Financial Assets			836,144	745,155	-	-
Financial Liabilities:						
Trade and sundry payables (i)	-	-	-	-	71,121	47,315
Lease liabilities	2.24	2.24	-	-	71,616	122,742
Total Financial Liabilities			-	-	142,737	170,057

7.2 Contingent assets and contingent liabilities

The Victorian Government's intention to abolish the seven existing WRRG and establish Recycling Victoria on 1 July 2022, may create obligations associated with the dissolution of GCWRRG that are non-quantifiable at this time.

7.3 Fair value determination

Fair value measurement hierarchy

	Level 1(i)	Level 2(i)	Level 3(i)	Carrying Amount
	\$	\$	\$	\$
2022				
Buildings at fair value	-	-	3,316	3,316
Motor vehicles at fair value	-	-	80,854	80,854
Plant & equipment at fair value	-	-	8,881	8,881
	-	-	93,051	93,051
	Level 1(i)	Level 2(i)	Level 3(i)	Carrying Amount
	\$	\$	\$	\$
2021				
Buildings at fair value	-	-	36,475	36,475
Motor vehicles at fair value	-	-	101,425	101,425
Plant & equipment at fair value	-	-	2,389	2,389
	-	-	140,289	140,289

(i) Classified in accordance with the fair value hierarchy.

There have been no transfers between levels during the period.

Motor vehicles

Given the significant unobservable inputs in the valuation, motor vehicles are classified as level 3.

There were no changes in valuation techniques throughout the financial year.

Plant & equipment

Office and Computer equipment are held at fair value. When Office and Computer equipment are specialised in use, such that they are rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method. Given the significant unobservable inputs in the valuation, office and computer equipment are classified as level 3. There were no changes in valuation techniques throughout the financial year.

For all assets measured at fair value, the current use is considered the highest and best use.

Valuation techniques and significant unobservable inputs have not changed since the prior year.

Notes to the Financial Statements
For the Year Ended 30 June 2022

7.3 Fair value determination (continued)

Reconciliation of Level 3 fair value movements

	Buildings at Fair Value	Motor Vehicles \$	Plant & Equipment \$	Total \$
2022				
Opening balance	36,475	101,425	2,389	140,289
Purchase	-	-	-	-
Disposal - written down value	-	-	-	-
Depreciation expense	(33,159)	(20,571)	(4,365)	(58,095)
Closing balance	3,316	80,854	(1,976)	82,194
Unrealised gains/(losses) on non-financial assets	-	-	-	-
2021				
Opening balance	69,634	121,997	7,051	198,682
Purchase	-	-	-	-
Disposal - written down value	-	-	-	-
Depreciation expense	(33,159)	(20,572)	(4,662)	(58,393)
Closing balance	36,475	101,425	2,389	140,289
Unrealised gains/(losses) on non-financial assets	-	-	-	-

The table below, provides descriptions of significant unobservable inputs, that may impact Level 3 valuations.

	Valuation Technique (i)	Significant Unobservable Inputs (i)	Sensitivity of Fair Value Measurement to Changes in Significant Unobservable Inputs
Motor vehicles	Depreciated replacement cost	Cost per unit	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value
		Useful life	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Plant & equipment	Depreciated replacement cost	Cost per unit	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value
		Useful life	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

(i) Illustrations on the valuation techniques, significant unobservable inputs and the related quantitative range of those inputs are indicative and should not be directly used without consultation with GCWWRRG.

Notes to the Financial Statements

For the Year Ended 30 June 2022

8 Other disclosures

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

8.1 Responsible persons

8.2 Related parties

8.3 Remuneration of Auditors

8.4 Subsequent events

Notes to the Financial Statements

For the Year Ended 30 June 2022

8.1 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994* (FMA), the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of ministers and accountable officers in GCWWRRG are as follows:

Minister for Energy, Environment, Climate Change	Hon Lily D'Ambrosio	1/7/2021 to 30/6/2022
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Board members	Tenure	Remuneration
Director Sebastian Klein (Chair of Board)	1/7/2021 to 30/6/2022	\$20,000 to \$29,999
Director Andrew Pittard	1/7/2021 to 30/6/2022	\$0 to \$10,000
Director Belinda Coates	1/7/2021 to 30/6/2022	\$0 to \$10,000
Director Bridget Wetherall	1/7/2021 to 30/6/2022	\$0 to \$10,000
Director Corinne Heintze	1/7/2021 to 30/6/2022	\$0 to \$10,000
Director Kevin Erwin	1/7/2021 to 30/6/2022	\$0 to \$10,000
Director Robert Miller	1/7/2021 to 30/6/2022	\$0 to \$10,000
Director Robyn Evans	1/7/2021 to 30/6/2022	\$0 to \$10,000

Accountable Officer

Ms Ragini Prasad

In total, there were 9 Responsible Persons during 2021-22 including the Minister, 8 Board members for all or part of the year and the Chief Executive Officer, whose remuneration is detailed below.

Remuneration of Responsible Persons

The number of Responsible Persons are shown in their relevant income bands:

Income Band	2022 \$	2021 \$
\$0,000 - \$9,999	7	8
\$20,000 - \$29,999	1	1
\$40,000 - \$49,999	-	1
\$120,000 - \$129,999	-	1
\$230,000 - \$239,999	1	-
Total Numbers	9	11
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	285,342	223,351

Remuneration received or receivable by the Accountable Officer was in the range: \$230,000 - \$239,999 (2021: \$120,000 - \$129,999).

Notes to the Financial Statements

For the Year Ended 30 June 2022

8.2 Related parties

GCWRRG is a wholly owned and controlled entity of the State of Victoria. Related parties of GCWRRG include:

- all key management personnel and their close family members;
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Key management personnel of the GCWRRG include the Portfolio Minister, the Board, Executive Officer and Accountable officer. The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives.

Key management personnel consist of the Board, Executive Officer and Accountable officer as detailed in Note 8.1.

Compensation	2022 (\$'000)
Short term employee benefits	255,157
Post-employment benefits	24,731
Other long-term benefits	5,454
Total	285,342

Transactions with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Purchasing Board requirements.

Outside of normal citizen type transactions with the GCWRRG, there were no related party transactions that involved key management personnel, their close family members except as noted below. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

There were no other executives whose remuneration needs to be disclosed under FRD 21C.

Related Party Transactions

GCWRRG received funding from the DELWP of \$969,799 (2021: \$975,077).

Funding from DELWP consisted of \$969,799 for Landfill Levy.

8.3 Remuneration of Auditors

- Auditor-General for audit of financial statements

Note	2022 \$	2021 \$
	<u>15,770</u>	<u>13,600</u>

8.4 Subsequent events

The *Circular Economy (Waste Reduction and Recycling) Act 2021* abolished the seven Waste and Resource Recovery Groups, which includes the Grampians Central West Waste & Resource Recovery Group on 1 July 2022.

Please refer to Note 1 Basis for preparation for detailed information.