

Return to Owners Policy

OBJECTIVE

This policy provides the framework to support Dulverton Waste Management (DWM) to provide appropriate and sustainable returns to Owners which reflect its strategic development, its business performance and prudent management of the business risks.

LEGISLATION

N/A

DEFINITIONS

Board – refers to the Dulverton Regional Waste Management Authority Board.

Owners – refers to Central Coast Council, Devonport City Council, Kentish Council & Latrobe Council.

NTER Payments – payments made under the National Taxation Equivalent Regime.

Dividends – The distributed proportion of company earnings to its owners.

RESPONSIBILITIES

Board:

- To support return of 100% of NTER payments are made to Owners; and
- To responsibly and sustainably maximise the dividend payment to Owners.

Chief Executive Officer:

- Prepare 5 year forecasts for adoption with each Budget and Annual Plan.

POLICY STATEMENT

The annual return to the Owners is comprised of two parts:

- NTER payments; and
- Dividend payments.

DWM is committed to:

- Returning to Owners 100% of NTER payments;
- Making payment of dividends in accordance with the Authority's Rules;
- Including NTER payments and dividend forecasts within the Authority's 5 year forward budget;
- Advising Owners as soon as practical if a dividend is likely to alter from forecast; and

- Maintaining robust frameworks and plans to provide a high degree of confidence in dividend forecasts.

In determining Dividends, the Board will consider:

- Business health and risks;
- Provisions are fully funded, or that a responsible plan to fund them is in place;
- Unexpected negative impacts to cash reserves; and
- The value of net profit after tax each year.

The Board will determine an appropriate Dividend value annually as a percentage of net profit after tax.

OTHER KEY RELATED POLICIES

- Financial Report and Accounting Policy

REVIEW

This policy will be reviewed every four years or as required by the Board, to consider its relevance in terms of Owners' expectations and DWM's goals, targets and statutory requirements.

REFERENCE			
APPROVED BY:	DWM Board & Reps	MINUTE NO:	MFID 36283
APPROVAL DATE:	30th June 2015	REVIEW DATE:	September 2019