

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

Authority: Refers to Dulverton Regional Waste Management Authority

Board: Refers to the Authority's Board of Directors

Owners: Refers to Central Coast Council, Devonport City Council, Kentish Council & Latrobe Council

NTER: Payments made to the Owners, under the National Taxation Equivalent Regime

Dividend: A portion of the Authority's profits or reserves paid to the Owners

RESPONSIBILITIES

Board:

- To support NTER payments made to the Owners; and
- To responsibly and sustainably maximise the dividend payment to Owners.

Chief Executive Officer:

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

POLICY STATEMENT

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

- NTER payments; and
- Dividend payment.

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.

Timing of Payments:

- NTER payments are to be paid on a quarterly basis;
- Dividends will be declared annually in respect to profits made in a financial year and paid in the following financial year;

The Board will determine an appropriate Dividend amount annually. In determining Dividends, the Board will consider:

- Business health and risks;
- Aftercare and Rehabilitation provisions are fully funded, or that a responsible plan to fund them is in place;
- Operating cash flows;
- Future business growth;
- Long term prospects and forecasts;
- Future capital expenditure requirements; and
- Maintaining a stable dividend payment to owners over the longer term.

OTHER KEY RELATED POLICIES

- Financial Report and Accounting Policy (MFID 30534)

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 of Directors	MINUTE NO: MFID 1567679
APPROVAL DATE: 30 th October 2019	REVIEW DATE: September 2023