

Waste Strategy

2014-15 Performance Assessment



February 2017

Status of the Submission

This Submission has been prepared through the Municipal Waste Advisory Council (MWAC) for the Western Australian Local Government Association (WALGA). MWAC is a standing committee of WALGA, with delegated authority to represent the Association in all matters relating to solid waste management. MWAC's membership includes the major Regional Councils (waste management) as well as a number of Local Government representatives. This makes MWAC a unique forum through which all the major Local Government waste management organisations cooperate. This Submission therefore represents the consolidated view of Western Australia Local Government. However, individual Local Governments and Regional Councils may have views that differ from the positions taken here. This Submission was considered and endorsed by MWAC at its meeting on Wednesday 22 February 2017.

Executive Summary

The Municipal Waste Advisory Council (MWAC) appreciates the opportunity to provide feedback to the Waste Authority to inform the future review of the Waste Strategy. In answering the questions provided by the Waste Authority it is clear that the Waste Strategy has only had limited implementation in a number of the Strategic Priority areas and that the Targets in the Strategy have yet to be achieved. This Submission identifies that there are a range of factors which have impacted on the implementation and effectiveness of the Strategy, these factors include:

- **Timeliness of Decision Making and Program Implementation:** As MWAC identified in its Submission to the Auditor General on the Waste Strategy "timeliness of decision making on funding has undermined the delivery and effectiveness of many programs".
- **Approach to Engagement with Stakeholders:** Programs and Policies which are for, or effect, Local Government are frequently developed in isolation by the Department of Environment Regulation. Local Government has considerable operational understanding of the implementation of service changes, the time it takes and the issues associated. MWAC would strongly encourage the Waste Authority and Department to actively engage with the sector in the development of Programs or Policy to ensure they are fit for purpose and includes realistic operational considerations.
- **Political Process:** If the Strategy is indeed a State Waste Strategy, it should be clear that Government is committed to its implementation and that Government is leading by example in this area.

MWAC considers that a review of the Waste Strategy is needed to ensure Local Government, State Government, the Waste Industry and the Community are all committed to the ensuring the Strategy is implemented and effective.

1. ENVIRONMENTAL SCAN

1.1 The Waste Authority has identified the following factors as potentially having had an impact on the implementation or effectiveness of the Waste Strategy.

In answering this question, MWAC considers that implementation means that an activity has been carried out. Effectiveness is defined in terms of the difference the factor has had on State Waste Strategy targets as well as any other consequences caused.

ISSUE	IMPACT				MWAC COMMENTS
	Positive	Neutral	Negative	Not sure	
Landfill levy rates and landfill charges	x		x		<p>Landfill charges are determined by operational costs, which are largely fixed costs. Decreases in the amount of material landfilled will increase the cost per tonne to landfill material.</p> <p>The Levy increase has had a range of impacts:</p> <ul style="list-style-type: none"> • MSW: The increasing Levy has increased the costs of a range of services for Local Government, which has influenced decisions to increase diversion, such as consideration of a 3 bin system and verge

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					<p>collection approaches. Some Local Governments are now making decisions in light of projected and estimated levy increases</p> <ul style="list-style-type: none"> • C&D: There has been a marked increase in C&D diversion from landfill which is a positive outcome. However, as tracking, incentives and enforcement initiatives were not rolled out at the same time as the Levy increase, it is not entirely clear where C&D material has been diverted to. • There is a degree of uncertainty for the sector in that the Government has not made a decision on the future of the levy, post 1 July 2019.
Uncertainty over how the levy will be applied to prescribed premises categories				x	The Eclipse Court decision and its impact on the 'end of waste' approach has generated uncertainty, however this is primarily a concern of the C&D sector.
Uncertainty over the role for landfill into the future					<p>There does not appear to be any uncertainty regarding the role of landfill into the future. The Strategic Waste Infrastructure Project (SWIP), and the review of the approach to landfills flagged in the WARR Act Review, have yet eventuate. There has been significant investment by the private sector in several new landfills, despite the WARR Act Review and SWIP Report identifying they were not needed, if the Waste Strategy Targets were met.</p> <p>It is clear that Landfills have a significant role in the future, as no restrictions have been placed on new landfills.</p>
The Local Government reform process			x		This process caused delays in decision making on a range of Local Government projects and impacted the willingness of Local Governments to work together.
Regional Councils' implementation of alternative waste technologies	x				Local Governments that send material to AWT's have higher rates of resource recovery. Those Local Governments that are members of Regional Councils, with AWT's, are contributing significantly to the Waste Strategy and the achievements of the Targets in the Strategy.
The development of the 'end of waste' framework and its subsequent withdrawal			x		<p>The development of the 'end of waste' framework seems to be at odds with the Waste Strategy, Strategic objective 2c) <i>Develop product specifications to better define recycled products made from waste to support their application in relevant circumstances.</i> The 'end of waste' guidelines that were developed sought to change waste into a material which could be used in any application. The 'end of waste' approach was risk averse and general, rather than risk based and specific.</p> <p>Overall the framework and its withdrawal increased uncertainty, delayed decision making, and reduced the willingness of parties interested in trialling new uses for materials, to do so. The impact was most significant on the C&D waste stream and industry.</p>
The review of the Waste Avoidance and Resource Recovery Act 2007			x		The Local Government sector put considerable time and effort into providing input to the WARR Act Review. At the time there was a high degree of optimism that the Review would be a catalyst for positive change in how waste was managed. The outcome of the Review was disappointing as it did not resolve the issues Local Government had raised. MWAC looks forward to the next review of the Act, due at the end of 2017.
National product stewardship schemes (tyres, e-waste, paint etc)	x		x		<p>MWAC strongly supports producers of products taking more responsibility for their products at end of life, whether financial or physical. Some decisions made by those designing or implementing Schemes do not take into account the practical realities and costs of delivering services, as there have been issues with all of the National Product Schemes that have been introduced in WA.</p> <p>The TV and Computers Scheme started well, then encountered significant issues. Paintback has now commenced in WA, requiring considerable effort from WALGA and Local Government. The Tyre Product Stewardship Scheme is yet to make significant changes. With all of these Schemes, Local Government has been</p>

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					viewed by industry as a logical provider of collection points. Unfortunately, industry has been reluctant to enter into agreements where costs associated with providing collection points and recycling are covered.
Asbestos management and regulation	x		x		In terms of establishing markets for recycled C&D material the media associated with asbestos management and regulation has had a negative impact. It has been difficult to overcome these negative perceptions, despite the introduction of a stringent testing regime for recycled C&D materials.
The state of recycling markets			x		Unstable markets and end-uses for materials make it difficult to justify investment in resource recovery and diversion from landfill.

Other issues which you believe could have impacted on the implementation or effectiveness of the Waste Strategy or further comments on those above:

Approval Processes and Relationships

The Government is responsible for the delivery of the State Waste Strategy and associated funding. The lack of clarity regarding roles and responsibilities that was identified in the Auditor General’s 2016 report has resulted in delayed decision making and ineffective program implementation. The number of interactions and levels of approval required within the Department delay activity and provide limited value. The Local Government sector is concerned that the relationship between the Waste Authority and the Department of Environment Regulation has become unworkable as these organizations have differing objectives and priorities.

Timeliness of Decision Making

The timeliness of decision making has also had a major impact on the implementation and/or effectiveness of the State Waste Strategy, for initiatives of both internal government and external organisations. As MWAC identified in its Submission to the Auditor General, very positive programs have been inhibited by a decision making process where a Program is announced, but stakeholders are not able to access it. There have also been instances where Programs have been announced mid Financial Year, with a requirement that applicants fund 50% of Program costs. It is difficult for applicants to do so, given operational budgets are set prior to the commencement of the Financial Year.

Political Process

MWAC understands that the State Waste Strategy is operating in a political environment, however as the Strategy is endorsed by Government, it is reasonable for external stakeholders to expect that the Government would support it. If the Strategy is not really a State Government commitment, but rather a Strategy for the Waste Authority, this should be clarified. There are a range of actions identified in the Waste Strategy, for example the development of a State Waste and Recycling Infrastructure Plan, which stakeholders have supported but Government has not progressed.

In reviewing the Strategy it is important that Government understands what the Strategy represents and that actions in the Strategy need to be undertaken, or clear reasons presented as to why they are not. Government needs to lead by example in meeting the targets of the Strategy. A commitment across all Government Departments to supporting sustainable procurement (such as using C&D materials in Main Roads applications) and to resource recovery in operations would be one means of doing so.

2. IMPLEMENTATION OF THE ELEMENTS IN THE WASTE STRATEGY

2.1 To what extent do you think the five strategic objectives have been implemented?

STRATEGIC OBJECTIVE	EXTENT OF DELIVERY				
	Not at all	Minimal	Good	Very Good	Not sure
Planning		X			
Regulation		X			
Best Practice			X		
Economic Instruments	X				
Communication		X			

Each of the Strategic Objectives has a range of strategies attached. The ratings in the table have been assigned based on the extent to which the strategies have been implement.

- **Planning:** Strategy 1 a, which relates to research and gathering information appears to have been completed and 1 f. which relates to inspections and compliance has been progressed.
- **Regulation:** Strategy 2 d, regarding a dedicated inspection and compliance team, has been put in place as part of the Departments wider compliance activities.

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- **Best Practice:** Strategies in this section have been progressed and Programs such as Better Bins and the Household Hazardous Waste Program have been put in place.
- **Economic Instruments:** It is not clear if the Strategies 4a or 4b have been completed. In relation to Strategy 4c, while the C&D Program has been announced, stakeholder access to this program and its impact on the market are yet to be seen.
- **Communication:** Some of the strategies have been partly achieved.

2.2 Can you identify initiatives related to the implementation of the Waste Strategy in the following areas? Please indicate if they are significant or minor.

Planning

The Strategic Waste Infrastructure Planning Project was a major initiative that had considerable support from Local Government and industry. This research was intended to lead to the development of the State Waste and Recycling Infrastructure Plan. [Significant]

Regulation

Funding is allocated to DER for operational areas such as illegal dumping, levy compliance and regulatory reform in licensing. [Significant]

Best Practice

The Better Bins Program is currently the main better practice initiative. This initiative is progressively being rolled out. [Significant]

The Household Hazardous Waste Program provides residents with free collection and recycling/disposal options for problematic materials. [Significant]

The Local Government Census and WA Recycling Report are important data gathering exercises. However, as has been highlighted the Private sector's response rate to requests for information is limited. [Significant]

Economic Instruments

The increase of the Levy was a significant initiative that has diverted material from landfill. The C&D Program has the potential to increase the use of C&D material in civil works. [Significant]

Communications

Resource based on the WRAP approach [Minor]

Garage Sale Trail [Minor]

Comment

Through the Strategic Partnership Program WALGA has received funding from the Waste Authority, this funding has allowed projects to be undertaken in relation to Best Practice and Communications Strategies. [Significant]

3. STRUCTURE OF THE WASTE STRATEGY

3.1 The Waste Strategy identifies the need to address knowledge, infrastructure and incentives in order to maximise the likelihood of influencing behavior change. Do you think this is a useful way to characterise work against each of the strategic objectives?

Yes. It is useful to view initiatives from a variety of perspectives. It would also be beneficial to include 'enforcement.' Much of the current work of the Department that is funded by the Levy includes enforcement and this is currently included in the incentive section. Incentives are usually viewed as positive actions to encourage behaviour change.

3.2 Do you think the strategic objectives and their respective sub-strategies clearly express priorities or help to focus the efforts of stakeholders?

Yes, the objectives and sub-strategies clearly express the priorities of the Government in 2012. When considering the progress made on Strategic Objective 1, it could be argued that the Government's priority no longer aligns with that of the State Waste Strategy.

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4. APPLICATION OF FUNDS FROM THE WARR ACCOUNT

The information on the application of the WARR Account is useful, but does not reflect the total amount of funding which has been spent on the implementation of the State Waste Strategy. Neither does it consider the use of the Levy as an economic instrument. In reviewing the State Waste Strategy, the following information should also be included:

- **Total Levy raised** - the overall amount of the Levy collected that is not spent on waste activities should be included, as this is part of the Economic Instruments in the Strategy.
- **Contributions to Programs** - the majority of Programs that are implemented include a contribution from the recipient, this should be considered if available.
- **Local Government expenditure** - through the Census Local Government Reports annually on expenditure related to waste, this is a significant contribution to the Strategy implementation. Local Government also allocated human resources to Reporting and compliance with regulatory requirements.
- **State Government expenditure** – as for Local Government any other contribution from the State Government to achieve the State Waste Strategy should be included. Such as core government funding for compliance officers or other initiatives or Programs.

All of these factors contribute to the implementation of the Strategy and establish an accurate context for assessing WARR Account funding use. In reviewing the State Waste Strategy, it is vital that a wider context is presented.

4.1 Do you think funds have been applied in the right areas to implement the Waste Strategy? Yes / No / Unsure

This question could be answered in several ways – considering geographic areas and also expenditure areas. In relation to geographic areas, there has previously been some discussion in Local Government on the use of WARR Levy funds in areas where it is not collected. WALGA's position is that the use of funds in non-levy paying areas could be justified if the project has the capacity to deliver substantial benefits to the State in terms of environmental impacts and efficiencies. On that basis, the information that is currently presented on the 'payments by location' is difficult to judge given the limited information on the types of projects that were funded.

In relation to the general application of funds, this is a difficult question to address as there could be a range of funding principles related to how funds have been applied - direct waste diversion to meet targets, better more efficient systems, public awareness and engagement or to reduce environmental harm. From a Local Government perspective, it is relevant to focus on the activities which generate the most waste or are hazardous – to humans or the environment. Therefore it makes sense to focus funding on kerbside services which collects 65% of Municipal Solid Waste generated, C&D materials and Household Hazardous Waste.

5. PERFORMANCE AGAINST THE WASTE STRATEGY TARGETS

5.1 Do you think the targets in the Waste Strategy are appropriate to measure the State's waste performance? Yes / No / Unsure

5.2 Do you think that more focused or detailed targets are needed to measure the State's waste performance? Yes / No / Unsure

Yes. Targets are required in the Strategy, as it allows performance improvements to be measured over time. However, the current State Waste Strategy targets are based on diversion of waste from landfill. In WALGA's Vision for Waste Management in the Metropolitan Area it was identified that there was a need to review the appropriateness of 'landfill diversion' as the best benchmark of performance. The review of the State Waste Strategy, offers the opportunity to investigate other approaches, such as targets focused on recycling, recovery and avoidance.

Regarding more detailed targets, consideration needs to be given to how these are developed and measured. As identified in the 2016 Auditor General's Report it is questionable if the data that is currently collected is sufficient for this purpose. Local Governments are providing consistent data annually, but as identified in the Department of Environment Regulation consultation on the *Proposed Amendments to the WARR Regulations 2008 to Require Record-keeping and Annual Reporting of Waste and Recycling Data* information from the private sector is limited.

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6. GENERAL COMMENTS

6.1 Please provide any other comments of a general nature that you think are important for assessing the implementation or effectiveness of the Waste Strategy.

The Municipal Waste Advisory Council (MWAC) appreciates the opportunity to provide feedback to the Waste Authority to inform the future review of the Waste Strategy. MWAC also appreciates the extension to the submission period to enable this matter to be fully considered by the Council. In the review of the Waste Strategy, it is important that there is sufficient time for stakeholders to provide feedback. Given the significance of the Waste Strategy, in setting the direction for the State and guiding Local Government investment decisions, MWAC considers a three month consultation period should be put in place for the full Waste Strategy review.

This Submission identifies a number of re-occurring themes that have limited the implementation and effectiveness of the Waste Strategy:

- **Timeliness of Decision Making and Program Implementation:** As MWAC identified in its Submission to the Auditor General on the Waste Strategy “timeliness of decision making on funding has undermined the delivery and effectiveness of many programs”. In addition, the approach of announcing Programs, which cannot be accessed by stakeholders undermines effective implementation of the Strategy – for example in September 2015 substantial funding to encourage C&D recycling was announced, to date MWAC is not aware of any organisation that has accessed this funding.
- **Approach to Engagement with Stakeholders:** Programs and Policies which are for, or effect, Local Government are frequently developed in isolation by the Department of Environment Regulation. Local Government has considerable operational understanding of the implementation of service changes, the time it takes and the issues associated. The development of Programs, in isolation by the Department, without consultation with those that it will be applied to is unhelpful. MWAC would strongly encourage the Waste Authority and Department to actively engage with the sector in the development of Programs or Policy to ensure it is fit for purpose and includes realistic operational considerations.