

Infrastructure Victoria

13 December 2019

### **Glen Eira Council Submission on Recycling and Resource Recovery Infrastructure Evidence Base Report October 2019**

Glen Eira City Council is pleased to provide a submission on the Infrastructure Victoria report, which is detailed in the attachment to this letter.

The Recycling and Resource Recovery Infrastructure Evidence Base Report provides comprehensive consideration of the issues and challenges currently faced by the recycling and resource recovery sector in Victoria. The approach was broad, multifaceted and evidence based.

It presents concepts and opportunities at a high level, however with no detail on the proposed recommendations and actions that will be presented to the Victorian Government.

Glen Eira City Council is supportive of the thoughtful implementation of:

- setting targets to improve performance
- direct investment in services or infrastructure
- pricing mechanisms such as levies or subsidies to incentivise behaviour change
- legislative changes
- greater transparency and education in product selection – such as outlining the environmental characteristics and the recyclability of products.

However, a framework is needed to provide clarity on how these different policies, strategies and action plans being undertaken concurrently by multiple agencies all fit together. Interdependencies need to be mapped ensuring actions follow a logical sequence. This mapping will ensure lead times for significant infrastructure investment is planned, so it is ready when needed, such as waste-to-energy. This long-term clarity and program will provide certainty for private sector operators to invest, creating market competition and the resultant development of stronger, more resilient end markets.

With regard to targets, Council's view is that establishing targets in isolation without in parallel developing end markets, policies and paths to make it easier for sector investment and competition, will have a limited impact on improving Victoria's recycling sector.

The timing of Federal, State and Local government actions needs to be mapped out with interdependencies articulated clearly and activities prioritised. Our view is that some local government actions cannot be undertaken in isolation without State and Federal action in place, particularly in relation to policy and legislation support.



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Our view is that a critical service such as collection and process of recyclables, proactive government oversight and intervention prior to any market failure is needed, given the significant consequences of a failure.

Please find attached our detailed submission. Glen Eira City Council looks forward to seeing a comprehensive report from Infrastructure Victoria with more detailed recommendations in the future.

Yours sincerely

**REBECCA MCKENZIE**  
CEO



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## GLEN EIRA CITY COUNCIL

Submission to Infrastructure Victoria

Recycling and resource recovery infrastructure Evidence base report October 2019

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Glen Eira City Council’s (GECC) submission is structured to address the suggested questions posed in section 7 of the Infrastructure Victoria (IV) report and is outlined by item below.

**Have we identified the right outcomes for Victoria to aim for?**

Infrastructure Victoria (IV) report item	GECC feedback
<p><b>3.1 Methodology</b></p>	<p>The technical reports are comprehensive, however some of the necessary detail from these have not been included in the summary evidence base report and makes it difficult to ascertain what recommendations will be included in the final report and therefore where to focus feedback, particularly with the Arup scenario development. Although the stated reasons for this are that feedback from stakeholders will shape the final advice, this high-level approach to the evidence base report makes it difficult to provide targeted feedback.</p> <p>A detailed mapping of government bodies in Victoria would provide further clarity on what is within scope of the report. The legislative and regulatory review and Arup report do a lot of this work (i.e. as outlined in section 6) but is not reflected in the evidence base report which could provide more context for the proceeding outcomes and actions. A gap analysis of current government responsibilities would be worthwhile to include. Recommended actions could also benefit with a breakdown for each by policy, government body, end market support mechanisms, education programs and any other related private industry bodies, given most actions require multiple points of interaction and support from various levels of government and bodies.</p> <p>A further detailed mapping of existing policies, targets, timelines and major projects such as the collaborative procurement of advanced waste processing would also be helpful to situate the work of the report and provide more clarity about how final recommendations will fit into the overall picture. Further information about how the IV report will work in conjunction with the Circular Economy Policy would be helpful for example. A timeframe that provides a logical sequence for existing and potential projects and considers lead times for procurement and construction of infrastructure would also be beneficial. These details would help demonstrate the various work currently occurring in this space are not being completed in isolation or replicating work previously done by other organisations.</p> <p>Although Blue Environment have provided a materials flow analysis, the main evidence base report could address waste streams that fall outside of the main sectors, such as domestic waste not collected via the kerbside waste collection system or hard waste collections (drop-off points and transfer stations are mentioned in passing). A further analysis of infrastructure and regulatory gaps to recover items that cannot be collected kerbside such as light globes, batteries, clothing etc. would help present a comprehensive picture of household recycling opportunities and concurrent recovery streams outside of government waste services, and potential areas that need regulatory or legislative action.</p>

<p><b>4.2 Strategic direction</b></p>	<p>Council supports the high-level outcomes identified by the IV report, however more defined outcomes with greater clarity is necessary. ‘Waste is avoided and reduced’ is a desirable outcome, but the high-level nature of the objective does not allow it to easily inform potential actions. An outcome related to specific types of waste avoidance would be preferable and more practicable.</p> <p>Outcomes identified for businesses does not address one of the main reasons SKM’s failure had such a major impact on Victoria’s resource recovery sector and local government’s ability to provide recycling processing for its communities. Encouragement and support of small to medium players for example would help foster healthy competition and reduce the reliance on 2 – 3 players to provide comingled recycling processing services for the state.</p> <p>The high-level outcomes do not directly address how future planning will provide capacity to meet Victoria’s future needs, or the ability to bridge and transition from current infrastructure shortages to more robust resource and recovery systems.</p> <p>Some of this overall feedback is a question of scope and timing. Further clarity is necessary for what period these outcomes and recommendations aim to encompass i.e. the next 5 years, 10 years, 15 years etc.</p>
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**Have we identified the most effective potential actions for government to take?**

<p><b>5.1 Sector-wide improvements</b></p>	<p><b>GECC feedback</b></p>
<p>Overarching policy framework for waste, recycling and resource recovery with specific targets.</p>	<p>Council supports the development of a robust policy framework that will help promote consistency in behaviour, language, governance, and approaches to waste and resource recovery, but does not support the introduction of weight-based targets that has the potential to incentivise unforeseen negative behaviour.</p> <p>The potential development of any targets should be completed with in-depth consultation with those who will be affected.</p>
<p>Consistent and ongoing education campaign.</p>	<p>Agree that investment in an ongoing education program is necessary.</p> <p>Disagree that an education program cannot proceed or be successful until consistency is achieved across local authorities. Investment in education should not be overly hampered by inconsistencies, as there are more consistencies than not. Education and support could be provided in the form of:</p> <ul style="list-style-type: none"> <li>• State-wide incursion programs;</li> <li>• resources and templates that can be adjusted for use, particularly for CALD communities and similar;</li> <li>• education programs could promote waste reduction, waste hierarchy awareness, and reducing common sources of contamination across local authorities i.e. plastic bags in yellow recycling bins, plastic bag ban, e-waste ban etc.</li> </ul>

	<p>Although a best practice guide like SV's <i>Optimising Kerbside Collection Systems</i> would be useful, this suggestion is a low-level investment that would not provide any ongoing support, resources or funding and ignores objectives to improve waste avoidance, improve source separation in households and businesses or encourage high performance in waste management, as well as other objectives.</p>
<p><b>6.4.1</b> Landfill levy settings should be reviewed to ensure that the levy is incentivising behaviour that is in line with the Victorian Government's objectives for the recycling and resource recovery sector.</p>	<p>Agree that the landfill levy requires review, but such a review should begin with addressing the purpose of the levy and whether it is the best or most efficient means of incentivising behaviour.</p> <p>Continued use of the levy requires far more transparency about where funds are being used, and a policy should be developed for how the levy will be distributed.</p> <p>Possible subsidies should also be explored as another possible mechanism to support resource recovery and incentivise positive waste reduction behaviour.</p>

<p><b>5.5 Support high levels of recovery for organics, particularly food organics</b></p>	<p><b>GECC feedback</b></p>
<p>Consistent approach to organics collection by local councils.</p>	<p>Strongly support consistent approach to organic collection in green bins, especially with the acceptance of single use compostable bags.</p> <p>Collection frequency changes such as weekly collection of green bins would also benefit from a consistent approach.</p> <p>We also advocate for funding and education support to help local councils meet the challenges of collecting organics from areas where there is less ownership of waste practices, such as multi-unit developments and urban environments where green organics are less common.</p> <p>Any increase in food organic collection also requires funding and education support to ensure contamination levels remain low.</p>
<p>Increase separation and processing of organic materials and support processing</p>	<p>Strongly agree with these items in order to create sustainable organics processing longevity and sustainability.</p>

infrastructure closer to source of waste.	
Overview of 5.5	<p>Council strongly agrees with the support for the recovery of organics, however the continued roll out of food organics and green organic recycling requires a strategic, consistent approach across Victoria.</p> <p>Further efforts to recover food and organic waste should not occur at the expense of continued efforts to recover other material streams or divert attention from current issues with comingled recycling.</p> <p>End markets and the ability to sustain state-wide recovery of organics needs to be examined before any organic bans to landfill are considered. Risks such as recreating current issues with comingled recycling needs to be minimised.</p>

	<b>GECC feedback</b>
<b>6.1.2 Co-mingled messages</b>	Differences between council approaches can lead to confusion and contamination of material streams. We agree that a consistent approach and messaging for sorting and collection is required.

**Which, if any, of the initiatives implemented in Wales would you like to see applied in Victoria?**

	<b>GECC feedback</b>
<b>6.3 The importance of government action</b>	<p>We are supportive of an approach where Federal and State Government coordinates policy at a national level, including actions such as packaging and product design standards, harmonisation of laws and regulations, use of taxation powers to provide incentives and helping to eliminate some of the market failure risks that currently exists in the sector.</p> <p>Funding commitments would be necessary to support any changes to waste services to the community.</p> <p>Application of performance targets and other measures should be considered carefully to ensure negative behaviour is not unintentionally incentivised, that goals are realistically achievable within a greater context of current and evolving infrastructure, education support and consumer habits, and that targets do not discourage innovation in resource recovery.</p> <p>For a critical service such as recycling and resource recovery, proactive government oversight and intervention prior to any market failure is needed, given the significant consequences of a failure.</p> <p>Some local government actions cannot be undertaken in isolation without State and Federal actions in place, particularly in relation to policy and legislation gaps. Out feedback is that the timing of Federal, State and Local</p>

	government actions needs to be mapped out with interferences articulated clearly and activities prioritised.
<b>Wales in focus</b>	<p>Any potential recommendations from Wales or other territories should be considered within a local context.</p> <p>Changes that include an increase in source separation in the home needs to consider current infrastructure shortfalls, and procurement barriers to State-wide waste service changes. For instance, major service changes across the State may require a new type of waste collection truck and time to manufacture a new fleet would need to be considered.</p> <p>The application of any targets, fines or incentives should be mindful. A framework for these tools, with the capacity to evolve to meet current needs must pre-empt any such interventions.</p> <p>Establishing targets in isolation – without developing end markets, policies and paths to make it easier for sector investment and competition will most likely not improve recycling rates and diversion from landfill significantly.</p>
<b>6.4.1 The Municipal and Industrial Landfill Levy</b>	Infrastructure Victoria considers the levy in its current form as not enough incentive to minimise waste or encourage greater re-use and recycling. We agree, as currently the benefits are not visible to household paying the levy. There needs to be increased transparency in what the levy will be used for, as well as transparent planned investment actions.
<b>6.4.2 Developing end markets for recycled materials</b>	Sustainable markets for high quality, uncontaminated recyclables are necessary to avoid recent stockpiling issues. Improved source separation of materials, reduction of contamination and R&D for finding more end uses for recyclables would be important. However, the potential impact on LGA's needs to be considered and understood. Any significant changes would impact on collection and service design and would require additional funding.

**What do you think of the market design opportunities proposed to improve waste sector outcomes and efficiency?**

<b>6.2.2 Beyond the bin – recycling infrastructure for Victoria's future</b>	<b>GECC feedback</b>
Overview of scenarios	<p>The multi-criteria analysis scores of 3.4 'FOGO FOMO' 3.5 'Closing the floodgates' and 3.6 'Circular Stewards' are similar at 0.62, 0.60 and 0.65 respectively. Given these scenarios had the highest scores, with <i>Circular Stewards</i> highest overall, it would be useful for these scenarios to be explored in more concrete terms in the evidence base report.</p> <p>A timeline with more specific potential actions for the <i>Circular Steward</i> scenario would be helpful to provide more concrete feedback and to gain a stronger understanding of how recommendations would impact current infrastructure planning and how to measure a potential transition. It is difficult</p>

	<p>to ascertain if the recommendations in the Arup report will be followed or interpreted differently in the final advice that will be given to government.</p> <p>Further guidance on whether aspects of these scenarios can be extracted and put together for a holistic approach to waste reduction, recycling and resource recovery would be helpful. Could aspects of 'Packaging Crackdown' be combined with 'Circular Stewards' for example.</p> <p>An opportunity for stakeholders to provide feedback to test in-depth scenarios to determine if they are most likely to lead to desired outcomes of the sector is suggested.</p>
Circular Stewards	<p>Agree in principle with this scenario, however more detail with potential timelines that include current infrastructure plans would allow feedback to be more informed.</p> <p>A timeline for mandatory organics separation would need to be realistic with extensive support for dense urban populations, CALD communities, education programs, and implementation of a consistent approach across local authorities.</p> <p>Development of this scenario should not occur at the expense of the recovery of other material streams, and a solid short-term transition plan to support current infrastructure shortfalls should be considered. A further outline of how this scenario would contribute to waste reduction would also be beneficial.</p>
6.4.3 Waste-to-energy policy	<p>Agree a waste-to-energy policy is necessary as outlined in the report.</p> <p>The development of any recommended policies should not however delay any existing infrastructure procurement opportunities that will take years to deliver and should occur in tandem.</p> <p>There is significant lead time for major investments such as these, and our view is waste reduction strategies should take place in parallel with the early feasibility development of the waste-to-energy treatment facilities. Unless this is in place, different market pressures will drive investment in an ad hoc way, leading to an uncoordinated outcome.</p>