# APPENDIX A Submissions and comments

We have consulted with Bayside City Council, City of Ballarat, City of Melbourne, Greater Dandenong City Council, DELWP, Grampians Central West Waste and Resource Recovery Group and SV, and we considered their views when reaching our audit conclusions. As required by the *Audit Act 1994*, we gave a draft copy of this report, or relevant extracts, to those agencies and asked for their submissions and comments.

Responsibility for the accuracy, fairness and balance of those comments rests solely with the agency head.

#### Responses were received as follows:

SV	10
DELWP	11
City of Ballarat	13
City of Melbourne	14
Greater Dandenong City Council	16
Grampians Central West Waste and Resource Recovery Group	17
Metropolitan Waste and Resource Recovery Group	20

S Sustainability Victoria

> Level 28, 50 Lonsdale Street Melbourne VIC 3000 T 03 8626 8000 E info@sustainability.vic.gov.au sustainability.vic.gov.au ABN 62 019 854 067

10 November 2021

Andrew Greaves Auditor-General Victorian Auditor-General's Office Level 24, 35 Collins Street MELBOURNE VIC 3000

Dear Mr Greaves

Limited assurance review of Council waste management services: Response from Sustainability Victoria

I refer to your letter dated 29 October 2021 providing an opportunity for Sustainability Victoria (SV) to make a submission in response to the *Limited assurance review of Council waste management services*. SV acknowledges the review and the importance of ensuring the waste and resource recovery system is providing value for money for all Victorians.

Since the 2019 Recovering and Reprocessing Resources from Waste audit, the Victorian Government has released the Recycling Victoria policy with \$300 million committed to addressing recycling sector reforms. This funding includes direct support for Councils to deliver consistent and high-value kerbside services, together with \$100 million for new recycling infrastructure. In 2020, SV launched a state-wide education and behaviour change campaign which has provided further support for local government to engage with households to maximise recycling outcomes. In addition, the Victorian Government recently introduced legislation to establish a new entity which will oversee regulation of Victoria's waste and recycling system.

Relevant to this current limited assurance review, a key pillar in the *Recycling Victoria* policy relates to improvements to waste and resource recovery data. The \$7 million *Expanding Victoria's waste data* program will establish a waste data hub, improving the currency, availability, and value of the Victoria's waste materials data. Multiple improvements have already been made since 2019, including tighter definitions for reporting, new guidelines for Councils and industry, and the launch of Australia's first market bulletin for recycled commodity markets.

Sustainability Victoria looks forward to working side by side with the new entity to deliver greater transparency and market regulation in the recycling sector, ensuring that the community has confidence that material being collected through kerbside recycling is being appropriately sorted and processed into valuable products.

Sustainability Victoria notes no recommendations are outlined in the proposed review. I welcome further engagement with the Auditor-General's office on future audits.

Yours Sincerely



Claire Ferres Miles Chief Executive Officer





PO Box 500, East Melbourne, Victoria 8002 Australia delwp.vic.gov.au

Mr Andrew Greaves Auditor-General Victorian Auditor-General's Office Level 31, 35 Collins Street MELBOURNE VIC 3000 Ref: SEC015391

Dear Mr Greaves

### PROPOSED LIMITED ASSURANCE REVIEW - COUNCIL WASTE MANAGEMENT SERVICES (VAGO DUE DATE: 10/11/21)

Thank you for the opportunity to review the outcomes of the Victorian Auditor-General's Office's (VAGO) independent assurance report focused on the value for money of council's waste management services.

Following the market disruptions in 2019, councils have continued to focus on ensuring all Victorians have access to services that deliver value for money and ensure that household waste and recycling is managed appropriately. This comes at a cost to Victorian ratepayers, councils and the VictorianGovernment.

The Victorian Government announced a new plan for waste and recycling: *Recycling Victoria: A New Economy* in February 2020. This policy outlined a plan of reform to establish a recycling system that Victorians can rely on and includes:

- reforming how households recycle by introducing a separate collection for glass by 2027 and a food organics and garden organics service by 2030
- introducing a container deposit scheme
- · educating and changing behaviour (statewide) to support standardized services
- · investing in new infrastructure to extract more valuable resources from our waste; and
- supporting industry, communities and councils to reduce their waste and make the most of our resources and
- strengthening recycling oversight with a new Act and regulation.

On 27 October 2021, the Circular Economy (Waste Reduction and Recycling) Bill was introduced into parliament. If passed, the Bill will see establishment on 1 July 2022 of Recycling Victoria, a dedicated business unit within the Department of Environment, Land, Water and Planning (DELWP) with distinct legislative powers to deliver statewide stewardship, regulatory and market oversight functions. Pending passage of the legislation, Recycling Victoria will be responsible for functions currently undertaken by Waste and Resource Recovery Groups and data activities currently undertaken by Sustainability Victoria. The Bill paves the way for a more reliable waste and recycling sector that meets community expectations. It also provides the legal underpinning to deliver a circular economy for Victoria, providing for:

- a statewide four-stream household waste and recycling system
- service standards to ensure consistency and transparency in how waste and recycling are collected, managed and disposed of
- a container deposit scheme
- a framework for data collection and reporting to identify market risks and opportunities and inform responses and
- mechanisms to support councils in their procurement and contract management and ensure councils and waste and recycling sector entities comply with their legislative obligations.

Any personal information about you or a third party in your correspondence will be protected under the provisions of the *Privacy and Data Protection Act 2014.* It will only be used or disclosed to appropriate Ministerial, Statutory Authority, or departmental staff in regard to the purpose for which it was provided, unless required or authorized by law. Enquiries about access to information about you held by the Department should be directed to <u>fournik@ebyvic.gov.au</u> or FOI Unit, Department of Environment, Land, Water and Planning, PO Box 500, East Melbourne, Victoria 8002.



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Response	provided b	y the Secretary	, DELWP—continued
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Once again, thank you for the opportunity to review the report and to outline the actions the government has undertaken to ensure Victorians have a waste and recycling service they can rely on.

Yours sincerely



10/11/2021



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#### Response provided by the Chief Executive Officer, City of Ballarat

PO Box 655 Ballarat Vic 3353 AUSTRALIA	Telephone: Facsimile:	03 5320 5500 03 5333 4061	CITY OF BALLARAT
			Date: 10 November 2021
			Our Ref: EK:Is:bw
Mr Andrew Greaves Auditor-General			Your Ref: 34672-22
Victorian Auditor-G Level 31/35 Collins			Enquiries Les Stokes
MELBOURNE VIC	C 3000		Direct Email:
Dear Mr Greaves			

#### RE: PROPOSED LIMITED ASSURANCE REVIEW -COUNCIL WASTE MANAGEMENT SERVICES

Firstly, thank you for the opportunity provided to Ballarat City Council to participate in the VAGO Limited Assurance Review of Council waste management services. I acknowledge and support the review's conclusions.

The review notes the changing waste management environment in the state of Victoria in order to support the implementation of the *Recycling Victoria* policy. These changes are welcomed by the City of Ballarat. The Sustainability Fund receives money collected from the Victorian Waste Levy, the timely and full investment of the fund on waste and resource recovery initiatives is a critical role of the State Government and will go some way to address the constraints identified in the review.

Council Officers have identified a number of minor changes that I believe will aid the legibility of the report, these are summarised in the attached table. Please do not hesitate to contact Les Stokes, Council's Executive Manager – Waste & Environment on \_\_\_\_\_\_, if you wish to discuss this submission further.

Yours sincerely



#### Response provided by the Acting Chief Executive Officer, City of Melbourne



12 November 2021

Andrew Greaves Auditor-General Level 31/35 Collins Street Melbourne VIC 3000 Via email: CITY OF MELBOURNE

GPO Box 1603 Melbourne VIC 3001 Telephone (03) 9658 9658 Facsimile (03) 9654 4854 DX210487

ABN 55 370 219 287

Dear Mr Greaves

#### Proposed Limited Assurance Review - Council waste management services

Thank you for this opportunity to respond to the draft 'Limited Assurance Review –Council waste management services'. The City of Melbourne welcomes the review of Council waste management services, and acknowledges the difficulties of undertaking this report during Covid-19 lockdown conditions.

The City of Melbourne is proud to supply efficient and effective services to its diverse community, and prides itself on finding solutions to service its vast range of complex housing throughout the municipality.

The City of Melbourne supports VAGO's observation that there is a significant opportunity to improve data management, data governance, and quality of such data created and utilised by Sustainability Victoria.

Reporting processes and metrics used by Sustainability Victoria and the Local Government Performance Reporting Framework have been raised by City of Melbourne for a number of years. State published reporting's overall value for decision making, accuracy and ability to compare Councils effectively (based on the variance of housing stock types and service models between municipalities) has rendered the reporting of limited value to the sector.

The City of Melbourne also supports VAGO in its assessment of State Government planning of waste disposal options.

"The current volume of approved landfill capacity is forecast to be sufficient for Melbourne's needs only to 2026. Increasing capacity is controlled at the state rather

#### Response provided by the Acting Chief Executive Officer, City of Melbourne-continued

than local government level. Without state action to increase disposal capacity, prices may increase for councils to dispose waste".

The lack of options for waste disposal within metropolitan Melbourne, and lack of planning for alternative waste processing solutions for Councils is of concern to City of Melbourne.

The City of Melbourne looks forward to participating in a more detailed Assurance Review for Council waste management services in the near future.

Yours sincerely

Alison Leighton Acting CEO

City of Melbourne

#### Response provided by the Service Unit Leader, Waste and Cleansing, Greater Dandenong City Council

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Reference: A8209456 Enquiries:03 8571 1769



18 November 2021

Mr. Andrew Greaves Auditor - General Victorian Auditor-General Office Level 31/35 Collins Street MELBOURNE VIC 3000

Dear Mr. Greaves,

#### RE: Proposed Limited Assurance Review - Council Waste Management Services

On behalf of our Mayor, Councillor Angela Long, as the council officer responsible for the delivery of our waste services, I would like to thank you for the opportunity to provide feedback on the proposed "Limited Assurance Review - Council Waste Management Services".

We are satisfied with the report and have no further input to the report we wish to offer.

I would also like to thank Rocco Rottura and his team for their approach with council which allowed for cooperative and constructive discussions.

Should you or Kelly Butler require any further information in relation to this matter, please do not hesitate to contact me on

Yours sincerely



**Philip Robertson** Service Unit Leader Waste & Cleansing

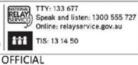
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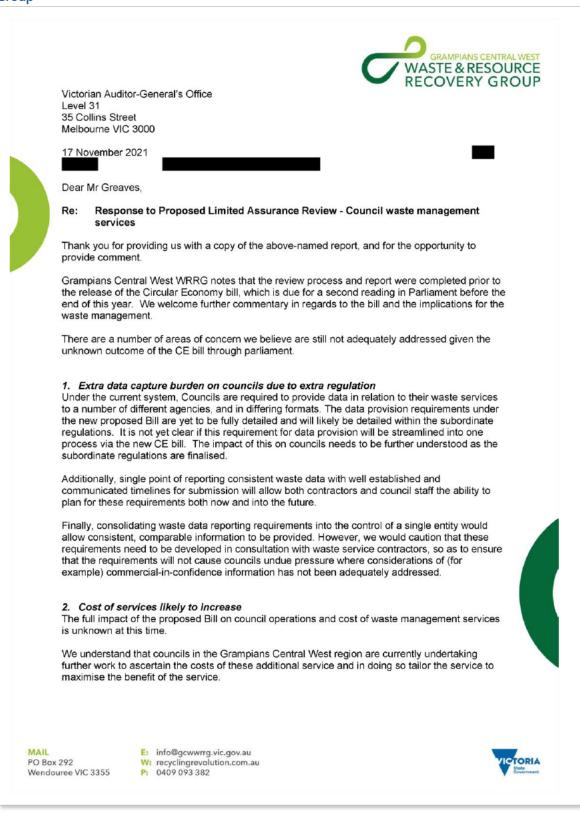
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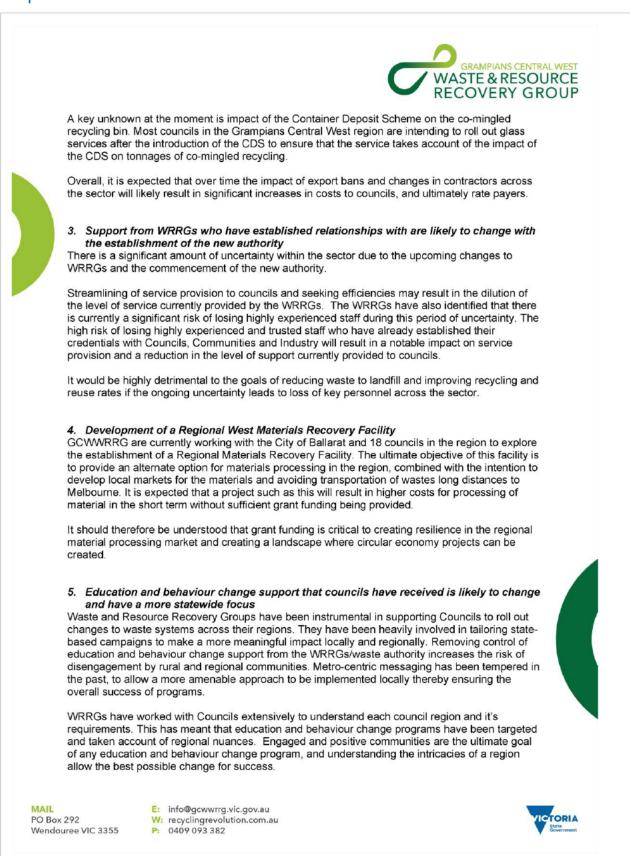




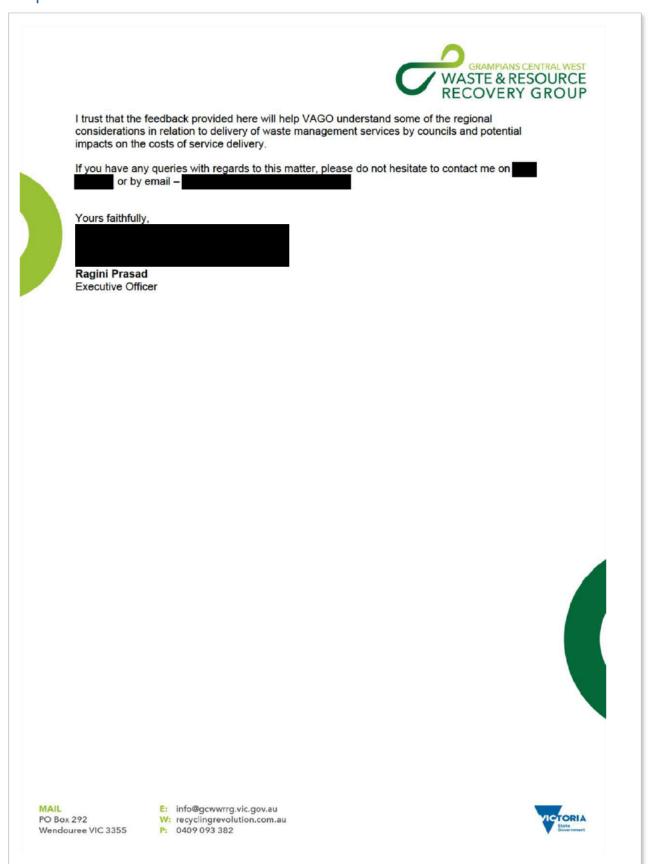
### Response provided by the Executive Officer, Grampians Central West Waste and Resource Recovery Group



## Response provided by the Executive Officer, Grampians Central West Waste and Resource Recovery Group—*continued*



Response provided by the Executive Officer, Grampians Central West Waste and Resource Recovery Group—*continued* 



#### Response provided by the Chief Executive Officer, Metropolitan Waste and Resource Recovery Group





9 November 2021

Andrew Greaves Auditor General Victorian Auditor-General's Office Via email <u>enquiries@audit.vic.gov.au</u>

Dear Mr Greaves

#### RE: RESPONSE TO PROPOSED REPORT ON COUNCIL WASTE SERVICES 2021

Thank-you for your letter of 29 October inviting our response to the proposed report on council waste management services.

I am pleased to see the report has reflected the significant costs and efficiencies gained by local government, whom we partner with, to support many of the waste and recycling services detailed, but also highlighting their current limitations.

Collaborative procurements offer benefits to both industry and councils by guaranteeing a pipeline of material and increasing the value of services, with savings that can be passed on to the community. We are leading a collaborative procurement to improve kerbside recycling processing which provides councils with kerbside recycling processing through short term panel contracts from 1 July 2022. It enables flexibility for councils to navigate *Recycling Victoria* reforms whilst ensuring continuity of service.

We welcome the Victorian Government's *Circular Economy (Waste reduction and Recycling) Bill*, which includes a new authority, a container deposit scheme and kerbside reform. MWRRG will transition to the new authority on 30 June 2022 and Recycling Victoria (the new waste authority) will commence operating on 1 July 2022. We have been supporting the Department of Environment, Land, Water and Planning to develop a transition roadmap that will be used to ensure a smooth and seamless transition of our existing functions, staff and resources to Recycling Victoria. Over the year ahead we will continue to focus on delivering the critical streams of work currently underway and supporting the implementation of the Recycling Victoria reforms.

I look forward to reading the report when published. If you wish to discuss our response, please contact Josephine Regel, MWRRG's Director Operations, Planning and People,

Yours sincerely,



Chief Executive Officer

metro.waste@mwrrg.vic.gov.au www.mwrrg.vic.gov au