

8 September 2020



## WHAT

IPART has decided not to set a limit on percentage variations for annual domestic waste management (DWM) charges made by local councils for 2021-22. This is in line with our decisions on DWM charges to date.

NSW local councils provide a range of DWM services to their residents, such as kerbside collection, drop-off facilities and periodic clean-up services. To recover the cost of these services, local councils levy DWM charges (separate to ordinary rates) on their residential ratepayers.



## WHY

While IPART has decided not to set a limit on DWM charges for 2021-22, we are currently reviewing DWM charges to inform our approach for future years.

Our preliminary analysis indicates that DWM charges may not be delivering good value for ratepayers and there may be challenges for local councils in purchasing and pricing these services.

We therefore need to consider whether our approach to date of not regulating changes in DWM charges remains appropriate.



## HOW

We consider that caution is needed and prescriptive regulation may not be appropriate. But, there may be other ways to improve transparency and share best practice guidance to help local councils and ratepayers get good quality services at cost-reflective prices.

On 18 August 2020, we released a Discussion Paper on DWM charges. The Discussion Paper explains our preliminary views and asks for feedback on whether stakeholders consider that there are issues with the prices charged for DWM services, and, if so, how we should respond.



## WHAT NEXT

We are particularly interested in whether DWM charges reflect the reasonable and efficient costs of providing waste services while meeting environmental and legislative requirements. We are also keen to hear what opportunities there may be for greater transparency for customers and councils.

Ratepayers, councils and other stakeholders are encouraged to make a submission to the review. Submissions to IPART are due by 6 October 2020.

IPART's Discussion Paper on DWM charges and opportunities to have your say are available on IPART's [website](#).

We will also be holding three public webinar sessions on the Discussion Paper, on Wednesday 9 and Thursday 10 September 2020, for interested stakeholders. If you would like to attend a webinar session, please register on IPART's [website](#).