

28 April 2022

Goulburn Mulwaree Council Locked Bag 22

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Contact:

Independent Pricing Regulatory Tribunal PO Box K35 HAYMARKET POST SHOP SYDNEY NSW 2580

Dear Sir/Madam.

Subject: Submission - Review of Domestic Waste Management Charges

Goulburn Mulwaree Council resolved at it's meeting on 19 April 2022, to provide a submission to the Review of Domestic Waste Charges stating that Council does not support the introduction of a Domestic Waste non-binding rate peg.

Goulburn Mulwaree Council provides a domestic three bin service to residents in Goulburn and Marulan and provides a recycling only service to the residents of Tarago. Residential waste collection services are viewed as an essential service by Council, and therefore, has retained as an in-house operated and delivered program to the community. To deliver the collection program, Council owns a fleet of waste collection vehicles, employs dedicated staff, and coordinates the ongoing collection schedules. In addition to the domestic services provided by Council, and as part of the domestic waste service, two bulky waste disposal weekends are currently provided to residents.

Council is one of the largest employers within the Goulburn Mulwaree Local Government Area and are committed to ensuring this essential service remains as an in-house operation, to continue provide local employment to the region. The Waste and Recycling business unit, like all the business units of Council, is operated as a business to maximise efficiencies to provide the service required while minimising cost. It is our belief, that in house services need to be operated like a contract service however the work does not necessarily need to be completed by contractors.

Council does not support the introduction of a non-binding waste peg or any waste peg for domestic waste services. The waste industry has had many issues in recent years that have placed significant pressures on domestic waste management costs. These have included the increased costs of recycling due to China's national sword policy; the Federal Government's export ban on waste and recyclables; the removal of high value recyclables in recycling through the container deposit scheme and the low investment until recently on improvements in the waste industry. Innovation and environmental improvements are a major driver for the waste industry with the movement to a circular economy. Additional funding will be required for this and a rate peg will restrict the innovation required.

IPART have the responsibility to oversee domestic waste charges and therefore would understand that each domestic waste business throughout the state is unique and operated differently based on their local conditions. Councils have responsibility to set domestic waste charges under the Local Government Act 1993. These charges are set to cover the costs of their specific operations and as such, a single rate cap is not transferrable across

the state given the differences experienced. It would be helpful Statewide that domestic waste services are better defined to ensure only services within the definition of domestic waste are being funded by this charge.

Previously, domestic waste management charges have been monitored through benchmarking audits managed by the OLG. We would suggest that this continue, or another similar benchmarking process be implemented alongside Council's current EPA reporting. This is to continue the review of Council charges rather than implementing a non-binding rate peg for the naming of Councils that may exceed this rate. While this has been suggested initially as a non-binding rate peg, this could be seen as the potential first step in creating a binding rate peg that Goulburn Mulwaree Council does not support.

Yours faithfully,

Director Utilities