



## Hay Shire Council

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Ref: G22/657

24th March 2022

Review of Domestic Waste Management Charges  
Independent Pricing and Regulatory Tribunal  
PO Box K35  
Hay Market Post Shop  
Sydney NSW 1240

### **RE: Review of Domestic Waste Management Charges – Draft Report**

We refer to your draft report on the ‘Review of Domestic Waste Management charges’, dated December 2021. Hay Shire Council, at its meeting 22<sup>nd</sup> February 2022, resolved to make a submission on the draft report. We comment as follows:

- Council has previously made a submission, dated 30<sup>th</sup> September 2021, on the discussion paper. Comments made in our submission still stand.
- It still seems unclear what is the definition of domestic waste management services, and it would appear that it is not being applied evenly across the local government sector.
- The proposed guidance to Councils on pricing principles for domestic waste management would be most welcome, provided it covers all waste management services and clearly defined.
- Council strongly objects to any benchmarking due to the differing size and location of Councils and the differing levels of service provided between Councils. In lieu of a waste peg, Council supports the “Rebalancing” proposal.
- The proposed ‘benchmark’ waste peg of 1.1% for 2022/23 year is unreasonable. As with the rate peg, the model is not reflective of the true cost for Councils. The model needs to be reviewed, as it does not reflect reality particularly in rural areas.
- Under the proposed pricing principles rural Councils will be disadvantaged due to reduced economics of scale and tyranny of distance.
- The review appears not to have taken into account the costs Councils have to bear to comply with the mandatory regulation changes (i.e. implementation of FOGO collection) and not been able to recover these costs. This is another form of cost shifting to local government.
- Once again, Council does not support any oversight of DWM by IPART. Our ratepayers provide guidance on what services and what is affordable to the community. Any intervention by IPART that considers a DWM charge increase not justified is unreasonable and over regulatory.

As stated in our earlier submission, the waste management industry and community explanation are changing rapidly. Any waste peg, will, like rate peg, ultimately lead to financial asphyxiation of Councils.

Thank you for our consideration of our comments. Hay Shire Council is willing to participate in future discussions if required.

If you have any queries, please do not hesitate to contact me on (02) 69 901100

Yours faithfully

A solid black rectangular box used to redact the signature of David Webb.

David Webb  
**General Manager**