



Advocating for the people of Western Sydney

**RESPONSE TO THE DEPARTMENT OF THE
ENVIRONMENT ON *THE NATIONAL
TELEVISION AND COMPUTER RECYCLING
SCHEME- OPERATIONAL REVIEW***

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Western Sydney

The Western Sydney Regional Organisation of Councils represents ten western Sydney councils covering a region of 5,500 sq. km with a highly diverse population and a wide economic social environmental and geographical conditions.

It stretches from the heavily urbanized, multicultural areas of Auburn, Bankstown, Parramatta and Holroyd in the east, to the greenfields growth centres around Penrith, Blacktown and Liverpool, to the semi-rural areas of Hawkesbury and the World Heritage listed areas around the Blue Mountains National Park. It also includes areas of great socio-economic disadvantage in pockets around Fairfield and Blacktown and parts of the Blue Mountains, and areas of relative affluence.

The current population is around 1.7 million and it is expected to increase by another million over the next 20 years.

The economy is worth approximately \$95 billion annually – making it the third largest regional economy in Australia behind the Sydney and Melbourne CBDs. Around 94% of this economy is driven by small to medium enterprise.

About WSROC

The Western Sydney Regional Organisation of Councils was established in 1973 at a time of massive development in the region to advocate on behalf of the local councils and residents to ensure a voice in the planning process at the time.

Over the past 40 years it has developed a strong history of fearless advocacy on behalf of the needs of its councils and residents, especially in the key areas of economic and social development, job creation, transport and infrastructure, planning health and the environment, and has proven itself a reliable partner in intergovernmental relations, strategic planning, and coordinating joint projects, procurement and services.

It also has an established joint procurement program, which saves millions of dollars each year for our member councils through joint purchasing contracts.

We work closely with various government agencies on a range of regional initiatives including the planning reform process, the development of a climate change resilience strategy and to deliver projects on the ground including regional waste programs, environmental education and carbon reduction initiatives.

WSROC has partnered with ten councils in Western Sydney to develop the Western Sydney Regional Waste Avoidance and Resource Recovery Strategy. The strategy works with councils to reduce waste sent to landfill, increase recovery of resources and share learnings and opportunities amongst member councils.

National Television and Computer Recycling Scheme

A number of councils in Western Sydney recycle electronic waste collected through their local government collection systems under the National Television and Computer Recycling Scheme (NTCRS). Collection systems in the region include drop off sites at council facilities and council organised collection event days, as well as referral to collection sites operated by co-regulatory arrangements under the scheme. Our councils are supportive of the initiative to recycle television and computer waste under a product stewardship arrangement, but are eager to see improvements to the delivery of this scheme to ensure councils have reliable access to recycling under the NTCRS. It has been evident that the co-regulatory arrangements underestimated the success of their efforts to source the required tonnage in initial years, and have withdrawn from providing service to some of our member councils. In Western Sydney, we are fortunate to have not suffered the widespread withdrawal of services seen by our regional and rural counterparts.

Scheme Success

Some councils who are participating in the scheme, have reported no problems experienced with the NTCRS and find it works well to achieve electronic waste recycling objectives in their LGA. This is mainly experienced by those councils who operate drop off facilities to collect televisions and computer products from residents, which are then supported by a co-regulatory arrangement for recycling. It is believed that Western Sydney's proximity to distribution and processing networks minimises the transport costs for the co-regulatory arrangements, increasing the attraction of these councils as suppliers.

Scheme Challenges

Other councils have encountered difficulty accessing the scheme to recycle their eligible e-waste. The key concern with these councils has been securing a co-regulatory provider to collect e-waste for event style collection systems, which are undertaken by councils who do not have drop off sites available for public use. At the rollout of the NTCRS through Western Sydney, we saw council television and computer recycling tonnage actively sought after by co-regulatory arrangements. Where councils had previously offered electronic waste recycling services prior to the launch of the NTCRS, commitment of that tonnage had transitioned to the co-regulatory arrangements from alternate e-waste recyclers. Many of these councils modified their collection practices to separate television and computer waste from other e-waste collected at these events. It is unfortunate that initial discussions between local councils and co-regulatory arrangements resulted in an interpretation that service to these councils was likely to continue unimpeded for future events.

Following the subsequent inability of the co-regulatory arrangements to continue to provide this service, some councils are currently experiencing problems getting any recycler to collect and process electronic waste from these collection events. Having moved from using electronic waste recycling providers to co-regulatory arrangements, once co-regulatory arrangements have withdrawn from providing the service, many of recyclers used prior to the scheme are no longer e-waste recycling options for councils. Many external recyclers have withdrawn from the market, reduced service capacity or transitioned to providing other services not suitable for these councils. As a result, councils are at the mercy of co-regulatory arrangements for when, or if, councils can provide electronic waste services to their community, even if to provide an electronic waste

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recycling service without processing under the NTCRS. This concern extends to some councils with drop off facilities also, as not all our member councils are experiencing the successful service experienced by others.

Some councils have privately operated drop off facilities located within their community, operated by the co-regulatory arrangements. A key issue for our councils is the stop/start operation or withdrawal of these services. This follows heavy lobbying by the co-regulatory arrangements for councils to partner with them in promoting the service available to the community. Having assisted the co-regulatory arrangements in good faith to promote this to local residents, council has unwillingly promoted a service to the community that has been withdrawn, at no fault of the council, to which the council receives much of the unfavourable community feedback. In some cases the responsibility and cost has fallen back to the local government to provide services to fill these gaps.

Local Government Budgeting

Contributing to the problem is the restricted ability of councils to budget for future events. Having been provided with free or low cost service from co-regulatory arrangements in the past, Councils have planned their budgets based on the continuation of this system. The manner in which local government prepares budgets, including fees and charges for the community, is a complex task undertaken well in advance. Where withdrawal of a co-regulatory arrangement occurs, councils are unable to amend fees and charges immediately or set them up to change mid-year for when, or if, a co-regulatory arrangement withdraws from service. This is problematic given the stipulation of the NTCRS that the community cannot be charged to recycle products under the scheme. Our member councils have also raised concerns about local government rates (domestic waste charges) being used to supplement the NTCRS. While the challenges of addressing costs of ongoing service are difficult, using ratepayer provided council funds can still be construed as the community paying a cost towards providing (or maintaining) service through this scheme and needs to be further considered.

Despite the current targets to recycle 35% of eligible e-waste under the scheme, some councils have concerns that in their local government area or collection region, no e-waste is collected under the scheme, thereby denying their residents to access to low cost recycling solutions. While recognising that there are efforts made to ascertain a geographical spread to scheme collection points, it is simply not feasible to expect that residents will travel significant distances across Sydney to recycle their electronic waste. Even travelling short distances can take an unreasonable amount of time given traffic and lack of public transport options in our region.

Despite best efforts to seek opportunities to recycle waste under the scheme, there is concern from councils about the extensive time and effort expended seeking assistance or feedback from co-regulatory arrangements. Councils are reporting that service from co-regulatory arrangements is poor and needs to be improved to ensure future positive relationships, and ultimately the achievement of future targets.

Unfortunately, many councils are managing their remaining "65% responsibility" by continuing their most cost effective waste management option and disposing of collected televisions and computers

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to landfill with other hard rubbish. It needs to be recognised that in managing the television and computer waste not covered by the scheme, local government cannot always choose to recycle these products, as recycling costs are prohibitive in some councils without access to the NTSRC. For many councils, landfill is the most cost effective solution, despite aspiration for resource recovery.

Scheme Targets

WSROC supports the recommendation to bring forward the target trajectory as presented through multiple options in the operational review paper. Any options which increase the tonnage collected and processed for recycling in the immediate future are supported. While it is recognised that none of the options increase tonnage recycled over the life of the scheme, our support to increase the short term trajectory will provide benefits to our members to access recycling under the scheme and possibility of further stability in the processing market. Increasing certainty and stability in the recycling industry can assist councils to manage e-waste both within and outside the scheme.

WSROC supports the recommendation to introduce a target offset period to smooth recycling rates through the year. It is hoped that modifications to this processing period may help councils to obtain a co-regulatory arrangement to collect waste under the scheme as liabilities become clearer at years end. While it has been projected to provide flexibility in processing times for recyclers and avoid spikes of concentrated demand, it is yet to be demonstrated that this will have benefits to councils seeking a recycler, either under the scheme or external to it beyond this end of financial year offset period. Despite processor assurances, some councils maintain concerns about the stockpiling of waste collected under the scheme and potential for data and security breaches while awaiting processing. As processing times are beyond the scope of council's involvement in the scheme, further delays could exacerbate this apprehension and increase calculated risk for councils participating in the scheme.

Role of the state and local government in television and computer waste management

In recognising that the scheme is not designed to capture and recycle 100% of the television and computer waste stream, it is suggested that a greater investment is made to educate local councils on the responsibility of the states and local government to manage the remainder of the electronic waste stream. Communications to local government to date have predominately been provided by co-regulatory arrangements seeking tonnage and pledging significant benefit to seek tonnage quickly, particularly in the early years of the scheme. As per review finding A, it is recommended that further communication between federal and local government is undertaken to assist local councils to understand and plan for limitations of the NTCRS. It does not appear to be known within many local governments that the NTCRS is intended to supplement and build on state and local government e-waste management. However, partnering with co-regulatory arrangements to manage this responsibility has so far proven difficult, due to poor communication and service received by some councils. Councils are more likely to liaise directly with the processor to receive the most cost effective recycling opportunities.

It is important to note that the public has very little understanding or recognition of this scheme. While many members of our community understand that the local council provides e-waste services,

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very few understand that in some local government areas, televisions and computer products are recycled under this federal scheme. If future assessment of the scheme is going to be measured using community feedback, it is recommended that an education campaign be conducted to ensure feedback is not limited in this regard and distort the results of the assessment.

Looking forward

It is important to note that depending on the changes made to the scheme as a result of this review, it will take some time for local government to implement changes that directly affect council provided services. This is particularly challenging with costs and budgeting requirements and changes may not be able to be implemented until 2016/17 financial year.

We look forward to the 2016 review of the scheme, and will welcome to opportunity to provide feedback and improvements on the scheme that fall outside the terms of reference to this operational review. Namely, some of these concerns to councils are:

- Potential expansion of waste collected under the scheme, particularly to television related products, including DVD, VHS players and gaming consoles in the first instance.
- Support measures to encourage the flow of recyclable electronic waste outside scheme parameters to recyclers and assistance to create options for council to manage e-waste.
- Lack of incentive for retailers and other private providers to set up 'point of sale' recycling solutions, to encourage new for old recycling and community incentives to recycle.

Ends