WESTERN AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION

RESOURCE RECOVERY REBATE SCHEME

Report no. 7.

Administration Report

Period 7

1 July 2001 to 31 December 2001

Prepared by the

MUNICIPAL WASTE ADVISORY COUNCIL

MUNICIPAL WASTE ADVISORY COUNCIL

"Getting the Environment Right"

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EXECUTIVE SUMMARY

The Resource Recovery Rebate Scheme (RRRS) was introduced in January 2001 as a continuation of the Municipal Recycling Scheme which was effective from 1998 to 2000. This change was accompanied by a greatly increased level of funding, changes to the way the rebate is calculated and more stringent requirements on documentation supporting applications.

The RRRS is assessed according to principles laid out under the Memorandum of Understanding between the Advisory Council on Waste Management and the Municipal Waste Advisory Council. There have been recent changes in the governmental structure of waste management in this state. The Advisory Council on Waste Management was replaced with the Waste Management Board in January of 2002. The Waste Management Board may need to consider if a reassessment of the procedures in place between the Municipal Waste Advisory Council and the Waste Management Board is required.

This report outlines the assessment of the Period 7 RRS applications which cover material recycled, reused or recovered between the Period 1st July 2001 to the 31st December 2001. The report is divided into a number of sections.

The first section, the administration report, addresses each of the administrative duties outlined in the original Memorandum of Understanding between the Municipal Waste Advisory Council, the Advisory Council on Waste Management and the Department of Environment and Water Catchment Protection.

The second section, Recommendations for the Improvement of the RRRS, lists a series of current issues with the RRRS and recommendations for dealing with them devised in conjunction with the RRRS working group. These recommendations have been incorporated in to the assessment of the applications and included as principles against which future applications can be assessed. A summary of the recommendations are again listed in Schedule 1 These principles are the basis on which the applications are assessed therefore the final figures depend on these principles being approved by the Waste Management Board.

The final figures and rebate for each council are listed in the Rebate Summary and following tables. The following Key Performance Indicators are included;
Total tonnes
Total Rebate
Rebate/tonne
Yield in kg/household/week
System cost $/tonne

The assessment procedure is a comprehensive report listing the criteria each council must satisfy before being awarded material.

INTRODUCTION

This report has been prepared in accordance with the agreed terms and conditions of the Memorandum of Understanding on the Resource Recovery Rebate Scheme and represents the culmination of a very significant body of work by the Municipal Waste Advisory Council (MWAC) in the development and application of scheme criteria and in the processing of the applications received.

ADMINISTRATION REPORT

The following advice is provided to confirm that MWAC has met its obligations in respect of the administrative duties outlined in the Memorandum of Understanding.

design and maintain the application forms and processes and the attendant database structure required to report on the scheme

The application form used in Period 7 was updated from the Period 6 form in order to gather an increased level of information to compliment the MS Excel database developed to record and analyse the data collected under the Resource Recovery Rebate Scheme (RRRS).

The final report is also being constantly updated to ensure that the information is clearly and succinctly presented.

Changes in the way the database calculates the rebate for country Councils are proposed. This change will be outlined in section 3-Recommendations for Improvements to the RRRS .

Difficulties experienced by Councils with the application form were considered and subsequent changes were made to the Period 8 application form.

distribute to all eligible organisations prior to the end of each return period a copy of the Resource Recovery Rebate Scheme assessment guidelines and an application form

All Local and Regional Councils in WA and the Rottnest Island Authority were provided with an application form and information package on 28th June 2002. The information package included an application form, lodgement instructions, greenwaste processing certificates and a list of approved greenwaste processors.

All communications were distributed to Council CEOs to ensure receipt of the documents.

develop and distribute information to assist applicants with the scheme

Items on the Scheme were published on several separate occasions in the MWAC Information Bulletin and in the Local Government News. These publications are distributed to all Local and Regional Councils in WA.

provide ongoing access to information and advice with respect to the scheme

MWAC staff have provided written and verbal advice on all aspects of the scheme as requested by all applicants that contacted MWAC for information.

in each period, assess each application against the scheme assessment guidelines

All applications received have been assessed against the Resource Recovery Rebate Scheme

Administration Procedures in the determination of eligible tonnes. MWAC applies a rigorous assessment process to all applications. received This includes site visits and cross-referencing of supporting documents with tonnes claimed, follow-up of supporting documentation that has not been provided by applicants and deduction of the commercial component (if any) from the various collection methods used by applicants.

Applications from three Councils were received after the closing date. Two Councils provided independent documentation indicating that the applications were posted prior to or on the lodgement date as required by the Scheme Assessment Guidelines. One Council was unable to provide this documentation. MWAC has recommended that the former applications be accepted and that the latter application not be accepted as Scheme Guidelines were not met.

Key Performance Indicators (KPIs) were used during MWAC's assessment of Period 7 applications to identify Councils whose recovery systems achieved exceptionally high yields (APPENDIX 1). Unless they had already been asked to do so in previous rounds, those Councils with yields greater than one standard deviation above the average for that particular collection method were contacted and requested to provide possible reasons for the high performance of their systems and to confirm that material from commercial sources has not been included in their claim. Responses from the Councils contacted confirmed that none had included commercial material in their kerbside recycling figures and indicated that the increase was due either to increase in promotion during the period or to the introduction of a more efficient system.

Councils with an unusually high or low system cost were also contacted to determine the reasons for the unusual figures. Reasons ranged from the particular nature of the contract to the revenue deducted from the system cost. All justifications were considered acceptable.

2.1. in each period, determine the eligible tonnes for each application for the purposes of calculating returns

The Rebate Summary – Period 7 shows returns generated from greenwaste and from other recyclables (Schedule 1).

2.2. in each period, provide to the ACWM a schedule of returns detailing each organisation name, the tonnes claimed, eligible tonnes, recommended return, total of recommended returns and confirmation that each application has met the scheme requirements

A detailed breakdown of materials awarded to each Council is provided in Schedule 2. This report provides awarded tonnes, rebate per tonne and total rebate for each material recovered through each system for each Council.

2.3. in each period, provide to the ACWM a statement signed by the Chief Executive Officer of the Western Australian Local Government Association confirming that the process of administration described in Schedule 1 of the Memorandum of Understanding on the Resource Recovery Rebate Scheme has been carried out

The Confirmation of Due Administration Process statement signed by the Chief Executive Officer of the Western Australian Municipal Association attesting that the administration process has been carried out in accordance with the guidelines contained in the Memorandum of Understanding on the Municipal Recycling Scheme is provided in Schedule 3.

2.4. in each period, provide recommendations relating to the improvement and effectiveness of the Resource Recovery Rebate Scheme

Issues arising with the assessment of the RRRS applications were considered by the RRRS Working Group and a suitable mechanism for dealing with each issue is recommended in order to improve the effectiveness of the RRRS. These recommendations are then incorporated as

principles into the assessment procedure. Issues which have previously not been encountered in the application process are listed in Section 3 and Schedule 1. Recommendations for improvements to the RRRS. The assessment procedure continues to evolve as new situations arise. A summary of this assessment procedure is included as Appendix 4.

2.5. at the end of each financial year, prepare an annual report on the administration of the Resource Recovery Rebate Scheme including a summary of information on returns for the complete financial year and recommendations on changes to the administration or operation of the Resource Recovery Rebate Scheme.

Report to be prepared following Period 8.

1. RECOMMENDATIONS FOR IMPROVEMENTS TO THE RRRS

Councils Requesting Approved Greenwaste Processor Status

Issue – Certain greenwaste processors may be granted "approved greenwaste processor" status. An approved greenwaste processor is defined as "a company or operation that creates compost and mulch as their core business". It can reasonably be assumed that greenwaste delivered to an "approved greenwaste processor" is reused and not land filled. Appropriate receipts for greenwaste delivered to an "approved greenwaste processor"is considered sufficient documentation supporting the reuse of the greenwaste.

Several Local Government operations have applied to be recognised as approved greenwaste processors. Under the current policy Local or Regional Councils are not eligible to be granted approved greenwaste processor status. It has come to MWAC's attention that some of these operations may operate under licensing conditions or on a commercial basis which mean that all greenwaste collected is processed and reused. Therefore it may be appropriate to establish a mechanism whereby Councils could be granted approved greenwaste processor status under certain conditions.

Mechanism - Councils granted approved greenwaste processor status must comply with these three main criteria:

- A landfill is not present on the site (and therefore the potential for the greenwaste to be landfilled is minimal)
- There are licensing conditions or site restrictions which mean that there is limited opportunity for the greenwaste to be stockpiled.
- Consistent reuse can be shown for future Periods (eg. a contract for removal and reuse or established mechanisms for sale).

The Council will be subject to a site visit to confirm that each operation conformed to these criteria.

The Council that has been granted approval may still be required to provide documentation showing that the greenwaste has been reused. However, any Council providing receipts indicating delivery of material to the approved greenwaste processor will not.

This is to give effect to the principles of the scheme that greenwaste that has been stockpiled or landfilled is not eligible for a rebate.

MWAC recommend that the WMB endorse the following policy:
That the definition of "approved greenwaste processor" be modified to state that Local and Regional Councils can be granted "approved greenwaste processors" status for the purposes of the scheme provided that it is demonstrated that:

1. ***A landfill is not present on the site (and therefore the potential for the greenwaste to be landfilled is minimal).***

2. ***Licensing conditions or site restrictions exist which mean that there is limited opportunity for the greenwaste to be stockpiled; and***
3. ***Consistent reuse can be shown for future Periods (eg. a contract for removal and reuse or established mechanisms for sale.)***

Estimation of Trailer Weights

Background/Issue – Councils are required to provide documentation showing the amount of greenwaste collected and the amount of greenwaste reused. Many Councils calculate the weight of greenwaste collected and reused by recording the number of trailers and then multiplying this number by an average volume or weight. This occurs particularly in non-metropolitan Councils where a weighbridge is not available or at busy metropolitan sites where it is impracticable to weigh every trailer.

It has become evident that these estimates can vary widely. This degree of variation may not be acceptable and a single standard weight or a standard range of weights may need to be implemented in order to determine if weights being estimated by Councils are reasonable. This would help ensure that the rebate is not overpaid. It may be best to allow the Councils some flexibility in estimating their own weights as they are best placed to do this.

A standard range of trailer weights was recommended by the Resource Recovery Rebate Scheme Working Group. It is proposed that any Council using a standard weight applied to all trailers should fall within this range.

Mechanism - Councils who firstly use a running summary to document greenwaste collected and reused and secondly apply a standard weight or volume to trailers on this running summary must use a weight falling within the following range for a 1.8 x 1.2m trailer

- 0.15 to 0.3 tonnes per trailer for unprocessed greenwaste
- 0.3 to 0.5 tonnes per trailer for processed greenwaste.

MWAC recommend that the WMB endorse the following policy:
That the following guidelines be accepted as part of the Resource Recovery Rebate Scheme (RRRS) administration policy;

1. ***That the following range of weights for a standard 1.8 x 1.2 trailer be accepted for the purposes of calculating total weights of collected and reused greenwaste.***
    - ***0.15 to 0.3 tonnes per trailer for unprocessed greenwaste***
    - ***0.3 to 0.5 tonnes per trailer for processed greenwaste.***
2. ***That, unless it can be shown otherwise, a trailer shall be assumed to measure 1.8 x 1.2 metres.***

Commercial Content of Trailer Greenwaste

Background/Issue – Domestic material only is eligible for the rebate. Where commercial and domestic material is accepted together Councils must show how commercial material is removed form the claim.

Some Councils have calculated the commercial proportion of the greenwaste by removing any greenwaste either delivered by trucks or by companies who hold accounts with the facility. Therefore initially it appears on the application that the proportion of commercial greenwaste has already been removed.

However as site visits were conducted it became apparent that on some occasions commercial operators may be entering facilities through channels usually used by resident trailers. This commercial material may not be recorded and therefore is not deducted from the claim. In these cases it can be nearly impossible for the Council to estimate the commercial content of the trailer greenwaste although in most cases it is a very small percentage.

Mechanism –If it is identified that there may be potential for a larger proportion of the trailer greenwaste to be commercial the Council will be requested to implement measures which allow closer scrutiny of the trailers entering the facility.

MWAC recommend that the WMB endorse the following policy:
1. That it is noted that a small amount of commercial material may be included in some claims for trailer greenwaste due to difficulties with monitoring trailers entering a greenwaste drop off point.

2. That for future applications Councils with the potential to be including significant amounts of commercial greenwaste in their resident trailer drop off be asked to undertake more detailed surveys of vehicle movements to better determine the commercial content.

Absence of Documentation Supporting Green Waste Collected
Background/Issue – Councils must provide documentation supporting the amount of greenwaste **collected** and the amount **reused.** The tonnes of greenwaste reused must not exceed the amount collected in that period.

Three Councils expressed difficulty in obtaining supporting documentation for green waste collected during Period 7. In these cases the nature of the Councils contract with the processor meant that all greenwaste was processed and removed at regular intervals. These Councils were the Geraldton Greenough Regional Council, the Shire of Mundaring and City of Stirling.

Where the nature of the contract between the Council and the approved greenwaste processor is to remove all greenwaste at regular intervals, it may be reasonable to assume that all greenwaste processed has been collected in the same period.

Mechanism –Processor receipts showing regular processing and removal of greenwaste be accepted as documentation supporting greenwaste collected and reused.

MWAC recommend that the WMB endorse the following policy:
That greenwaste claimed where documentation supporting collection is not available but evidence of regular processing and removal is provided be accepted.

Car Batteries

Issue - Some Councils were able to provide documentation supporting the number of car batteries collected but were unable to provide the total weight of batteries collected.

A standard battery weight was obtained from battery processors. This was found to be approximately 12.5 kg. Similar conversion factors have been applied to Oil and Car bodies in previous periods.

Mechanism – Apply a standard weight of 12.5kg per car battery

MWAC recommend that the WMB endorse the following policy:
That a standard conversion factor of 12.5 kg per car battery be accepted.

Council Provision of the Service

Background/Issue –The drop off centre in the City of Rockingham is operated by Seagull Recyclers, a private company. The City of Rockingham has contracted the service to Seagull Recyclers and receives an income of $9000 per annum for the lease of the site from the contractor.

The City of Rockingham is claiming a rebate for material recovered at the drop off centre by Seagull Recyclers and sent for processing. Receipts for material processed have been provided.

Point 12 of the Resource Recovery Rebate Scheme (RRRS) administration policy states that a Council is eligible for a rebate on materials that have been collected through "a service delivered by, or on behalf of, and funded by a Council claiming the material".

In this situation, the Council is clearly benefitting from the drop off centre without contributing to its provision. Therefore the RRRS Working Group recommended that the Council did not receive a rebate on material claimed from this drop off point.

MWAC recommend that the WMB endorse the following ;
That the material claimed by the City of Rockingham and collected by Seagull Recyclers be ineligible for rebate.

Rebates for Non-metropolitan Councils

Background/Issue - Under the Municipal Recycling Scheme (MRS) effective 1998-2000, non-metropolitan Councils were awarded a significantly higher rebate per tonne than metropolitan Councils in order to compensate for greater transportation costs.

With the introduction of the Resource Recovery Rebate Scheme (RRRS) in 2001 the difference in the rebate per tonne between metropolitan and non-metropolitan Councils has decreased significantly. This is due to the new method of calculating the rebate. The difference is now in the region of $5 to $10 for traditional recyclables.

The RRRS Working group considered whether the rebate calculation process should be modified to allow non-metropolitan councils to receive a higher rebate per tonne to compensate to some degree for higher transport costs incurred by non-metropolitan Councils.

The rebate is currently calculated on three main factors each with different weightings as follows;

- regional characteristics -40%
- material type - 40%
- recycling process - 20%

Each of these factors are made up of a number of sub-factors. The factor in question, the regional characteristics factor, is made up of two values which represent the characteristics of the Council. These are;

- the distance to the market ie. Perth (except greenwaste) – 67%
- the density of the area. – 33%

The regional characteristics score is calculated by assigning a score to the distance from market and the density for the area. The total score is then calculated using the weightings shown above. The current scores for the distance to market are as follows in Table 1.

Table 1. Current scores for distance to market

Score	Distance from market (km)
5	>500
4	300-500
3	151-300
2	51-150
1	1-50

The initial intention behind this method of calculation was that if situations arose in the future whereby it was necessary to increase the influence of one of these factors on the calculation of the rebate the scores or weightings assigned to each characteristic could be changed and the rebate would be automatically recalculated. In this case it is proposed that the scores assigned to each

distance are changed to increase the rebate received by the non-metropolitan Councils as compensation for higher transport costs.

Tables 2 and 3 display the average rebates, calculated using the current weightings programmed into the system for both metropolitan and non-metropolitan Councils. The table shows the average cost per tonne to provide the service, and the average rebate per tonne. Using these figures a third value has been shown as system cost/ $1 rebate. This value demonstrates the number of dollars the Council has paid to receive one dollar in rebate.

Table 2. System cost per tonne compared to average rebate per tonne for metropolitan Councils using current weightings.

	Metropolitan Councils		
Service provided	**System Cost/tonne**	**average rebate/tonne**	**system cost/$1 rebate**
Kerbside bag	**$191.83**	$16.95	$11.32
Kerbside MGB	**$196.37**	$17.73	$11.08

Table 3. System cost per tonne compared to average rebate per tonne for non-metropolitan Councils using current weightings.

	Non-Metropolitan Councils		
Service provided	**System Cost/tonne**	**average rebate/tonne**	**system cost/$1 rebate**
Kerbside bag	**$396.41**	$22.19	$17.86
Kerbside MGB	**$441.22**	$22.14	$19.93

These tables omit values for the verge side collections, kerbside crate collections and drop off centres. The kerbside crate system average is not shown as there are only three Councils that provide this type of service and therefore the figures are not truly representative. The vergeside collection service is not shown as only metropolitan Councils claimed for this service. The drop off centre values were not included as it has been found that Councils interpret the cost of this type of service differently and the values provided are often not representative of the true cost.

Tables 2 and 3 show that non-metropolitan councils are paying significantly more to receive one dollar in rebate than metropolitan Councils. This difference could be assumed to be due to transport costs.

The scores for distance to market were manipulated in order to see how the rebate would be affected if metropolitan and non-metropolitan Councils were given a rebate which compensated them for a similar proportion of their costs ie. If the system cost per $1 rebate became approximately equal for both metropolitan and non-metropolitan Councils.

It was found that the scores would need to be changed as shown in Table 4.below.

Table 4. Adjusted scores for distance to market

Score	Distance from market (km)
12.5	>500
11.5	300-500
10.5	151-300
9.5	51-150
1	1-50

Tables 5 and 6 show the average rebates per tonne and the comparison of rebate to system cost after the scores have been adjusted to these levels.

Table 5. System cost per tonne compared to average rebate per tonne for metropolitan Councils

	Metro		
Service provided	**System Cost/tonne**	**Average rebate/tonne**	**system cost/$1 rebate**
Kerbside bag	**$191.83**	$15.91	$12.06
Kerbside MGB	**$196.37**	$17.03	$11.53

Table 6. System cost per tonne compared to average rebate per tonne for non-metropolitan Councils

	Non-metro		
Service provided	**System Cost/tonne**	**Average rebate/tonne**	**system cost/$1 rebate**
Kerbside bag	**$396.41**	$33.57	$11.81
Kerbside MGB	**$441.22**	$33.67	$13.10

It can be seen that the amount paid to receive $1 of rebate is now roughly equal. Both metropolitan and non-metropolitan Councils must pay in the region of $11 to $14 to receive $1 in rebate.

Tables 7 and 8 show the difference in rebate per tonne from the current scores to the proposed or adjusted scores.

Table 7. Difference in rebate per tonne from the current weightings to proposed weightings for metropolitan Councils

	Metro		
Service	**current rebate/tonne**	**Adjusted rebate/tonne**	**Difference**
Kerbside bag	$16.95	$15.91	-$1.04
Kerbside MGB	$17.73	$17.03	-$0.70

Table 8. Difference in rebate per tonne from the current weightings to proposed weightings for non- Metropolitan Councils

	Non-metro		
Service	**current rebate/tonne**	**Adjusted rebate/tonne**	**Difference**
Kerbside bag	$22.19	$33.57	$11.38
Kerbside MGB	$22.14	$33.67	$11.53

These tables show that if the scores were to be changed; the rebate per tonne for metropolitan Councils would decrease by about $1.00 while the non-metropolitan Councils would record an increase of approximately $11.50 per tonne.

Mechanism – Adjust the calculation process as described above to allow non-metropolitan Councils to receive higher rebate per tonne in recognition of the higher transport costs incurred by non-metropolitan Councils.

MWAC recommend that the WMB endorse the following policy:
1) The principle that metropolitan and non-metropolitan Councils should receive an approximately equal average rate of rebate per dollar expended on their recycling programs; and
2) That the regional characteristics scores for distance from market be based on the following breakdown;

Score	*Distance from market (km)*
12.5	*>500*
11.5	*300-500*
10.5	*151-300*
9.5	*51-150*
1	*1-50*

2. IMPACT OF RRRS RELATED ACTIVITIES

The recycling and resource recovery activities of Western Australia Councils divert a large amount of material from landfill and therefore make a significant environmental contribution to the community.

According to the "Independent Assessment of Kerbside Recycling in Australia Volume 1" (Nolan ITU 2001) kerbside recycling services provide on average an environmental benefit of $68 per household per year. Using this figure Western Australian metropolitan Councils provided approximately $20 million[1] worth of environmental benefit to their communities through their kerbside recycling activities during period 7.

The Councils claiming the Resource Recovery Rebate Scheme (RRRS) have diverted 70,409.43 tonnes of material from landfill during Period 7. Assuming that traditional recyclables occupy a cubic metre per tonnes and greenwaste occupies 0.5cubic metres per tonne, this represents a saving of approximately 55,488.10 cubic metres of landfill space. The amount of material awarded has decreased from Period 6 by 11735.76 tonnes. However the amount of material awarded has increased by 5241.94 tonnes from period 5 which represents the same period in 2000.

Of the total 70,409.43 tonnes awarded 29,842.66 tonnes of greenwaste was diverted. This represents a saving of 14921.33 cubic metres of landfill space. There was a decrease in greenwaste collected of 9557.6 tonnes from Period 6 but an increase of 573.44 tonnes from the same period in 2000. The decrease observed from Period 7 to Period 6 can be accounted for by the seasonal variations in greenwaste collected.

Of the total tones 40,566.77 tonnes of traditional recyclables were awarded. This represents a saving of 40,566.77 cubic metres of landfill space. There was a decrease in traditional recyclables collected of 2178.16 tonnes from Period 6 but an increase of 4668.49 tonnes from the same period in 2000. From these figures it appears that the collection of traditional recyclables has reached a plateau with all metropolitan Local Councils conducting well established recycling services.

The Independent Assessment of Kerbside Recycling in Australia Volume 1" (Nolan ITU 2001) found that it costs Councils approximately $40 /hh/year to provide kerbside recycling services. From cost data provided in the applications Councils have spent approximately $19 million to provide recycling services to their communities during Period 7. The Resource Recovery Rebate reimbursed these Councils with $1,168,332.93. This accounts for approximately 6% of the amount expended by Councils.

[1] Environmental Benefit is calculated by multiplying $68/hh/year (Nolan ITU 2001) by number of household receiving kerbside traditional recyclables recycling services (593,517hh) and divided by two for six months.

3. CONCLUSION

As processing of the Period 7 applications progressed it was realised that it was necessary to increase the level of scrutiny applied to the applications due the increased level of funding and greater number of applicants. Applications have been scrutinised against a number of checks and balances including;

- comparing figures to previous Periods,
- stringent requirements on supporting documentation,
- survey requirements,
- extensive site visits assessing the sites against a rigorous checklist system.

There has also been significant effort to improve the reporting procedures and updating the administration procedures. These measures among others are carried out to ensure that only eligible material is awarded the rebate.

This increased level of scrutiny has created a much greater work load and the time needed to complete the applications has increased to greater than six months. However this has produced final figures which can be relied upon with a much greater level of confidence.

SCHEDULE 1

LIST OF RECOMMENDATIONS FOR IMPROVEMENTS TO THE RRRS

Period 7

1. Councils Requesting Approved Greenwaste Processor Status

MWAC recommend that the WMB endorse the following policy:
That the definition of "approved greenwaste processor" be modified to state that Councils and Regional Councils can be granted "approved greenwaste processors" status for the purposes of the scheme provided that it is demonstrated that;

1. *A landfill is not present on the site (and therefore the potential for the greenwaste to be landfilled is minimal.*
2. *There are licensing conditions or site restrictions which mean that there is limited opportunity for the greenwaste to be stockpiled.*
3. *Consistent reuse can be shown for future Periods (eg. a contract for removal and reuse or established mechanisms for sale.)*

2. Estimation of Trailer Weights

MWAC recommend that the WMB endorse the following policy:
That the following guidelines be accepted as part of the Resource Recovery Rebate Scheme (RRRS) administration policy;

1. *That the following range of weights for a standard 1.8 x 1.2 trailer be accepted for the purposes of calculating total weights of collected and reused greenwaste.*
   - *0.15 to 0.3 tonnes per trailer for unprocessed greenwaste*
   - *0.3 to 0.5 tonnes per trailer for processed greenwaste.*
2. *That, unless it can be shown otherwise, a trailer shall be assumed to measure 1.8 x 1.2 metres.*

3. Commercial Content of Trailer Greenwaste

MWAC recommend that the WMB endorse the following policy:

1. That it is noted that a small amount of commercial material may be included in some claims for trailer greenwaste due to difficulties with monitoring trailers entering a greenwaste drop off point.

2. That for future applications Councils with the potential to be including significant amounts of commercial greenwaste in their resident trailer drop off be asked to undertake more detailed surveys of vehicle movements to better determine the commercial content.

4. Absence of Documentation Supporting Green Waste Collected

MWAC recommend that the WMB endorse the following policy:
That greenwaste claimed where documentation supporting collection is not available but evidence of regular processing and removal is provided be accepted.

5. Car Batteries

MWAC recommend that the WMB endorse the following policy:
That a standard conversion factor of 12.5 kg per car battery be accepted.

6. Council Provision of the Service

MWAC recommend that the WMB endorse the following;
That the material claimed by the City of Rockingham as collected by Seagull Recyclers ineligible for rebate.

7. Rebates for Non-Metropolitan Councils

MWAC recommend that the WMB endorse the following policy:
1) The principle that metropolitan and non-metropolitan Councils should receive an approximately equal average rate of rebate per dollar expended on their recycling programs.
2) That the regional characteristics scores for distance from market be based on the following breakdown;

Score	***Distance from market (km)***
12.5	*>500*
11.5	*300-500*
10.5	*151-300*
9.5	*51-150*
1	*1-50*

SCHEDULE 2

REBATE SUMMARY

Period 7

SCHEDULE 3

MATERIALS AWARDED BY COUNCIL

PERIOD 7

Detailed Council by Council report indicating for each material the tonnes of material, rebate per tonne and total rebate for each recovery method.

Schedule 4

Confirmation of Due Administration Process

1. I hereby certify that the administration of the Resource Recovery Rebate Scheme for 1 July 2001 to 31 December 2001 undertaken by the Municipal Waste Advisory Council has been completed in accordance with the criteria laid down in the Memorandum of Understanding on the Resource Recovery Rebate Scheme and offer this report as evidence of same.

Signed on behalf of the Western Australian Local Government Association

on the _____ day of _____ 2002

by

Ricky Burges
Chief Executive Officer

APPENDIX 1

KEY PERFORMANCE INDICATORS

PERIOD 7

Key Performance Indicators for traditional recyclables and greenwaste for each recovery method.

Key Performance Indicators

Kerbside Containerised Recovery of Traditional Recyclables by System Type

Total Tonnes Awarded

Total Rebate Awarded

System Yield (Kg/household/week)

System cost ($/week)

Average rebate per tonne

Average Rebate per Tonne as a Function of Distance to Market

Total Tonnes Awarded

Total Rebate Awarded

System Yield (Kg/household/week)

System cost ($/week)

Average rebate per tonne

Average Rebate per Tonne as a Function of Distance to Market

Key Performance Indicators

Bulk Vergeside Recovery of Traditional Recyclables

Total Tonnes Awarded

Total Rebate Awarded

System Yield (Kg/household/week)

System Cost ($/week)

Average rebate per tonne

Total Tonnes Awarded

Total Rebate Awarded

System Yield (Kg/household/week)

System Cost ($/week)

Average rebate per tonne

Key Performance Indicators

Drop off Point Recovery of Traditional Recyclables

Total Tonnes Awarded

Total Rebate Awarded

System Yield (Kg/household/week)

System Cost ($/week)

Average rebate per tonne

Average rebate per tonne as a function of distance to market

Total Tonnes Awarded

Total Rebate Awarded

System Yield (Kg/household/week)

System Cost ($/week

Average rebate per tonne

Average rebate per tonne as a function of distance to market

Key Performance Indicators

Bulk Verge Recovery of Greenwaste

Total Tonnes Awarded

Total Rebate Awarded

System Yield (Kg/household/week)

System Cost ($/week)

Average rebate per tonne

Total Tonnes Awarded

Total Rebate Awarded

System Yield (Kg/household/week)

System Cost ($/week)

Average rebate per tonne

Key Performance Indicators

Drop Off Point Recovery of Greenwaste

Total Tonnes Awarded

Total Rebate Awarded

System Yield (Kg/household/week)

System Cost ($/week)

Average rebate per tonne

Total Tonnes Awarded

Total Rebate Awarded

System Yield (Kg/household/week)

System Cost ($/week)

Average rebate per tonne

APPENDIX 2

MATERIAL REBATE REPORT

PERIOD 7

Average Rebate per Tonne per Material Awarded for Period 7 for all Councils

Average Rebate per Tonne per Material Awarded for Period 7 for all Council

APPENDIX 3

TONNES CLAIMED VERSUS TONNES AWARDED

PERIOD 7

Comparison of tonnes claimed by applicants and tonnes awarded following MWAC's assessment process

APPENDIX 4

RRRS ASSESSMENT PROCEDURE

RESOURCE RECOVERY REBATE SCHEME ADMINISTRATION PROCEDURE

Introduction

Eligible tonnes are determined by checking the tonnes claimed against supporting documentation provided on and attached to each approved application form. In order to receive a rebate Councils must demonstrate in their applications that all material complies with the following four principles:

1. All material awarded is supported by appropriate documentation.
2. All material is from a domestic source.
3. All the material has been recycled, reused or recovered outside the void space of a landfill cell.
4. All material must have been collected from a service provided by or on behalf of the Council claiming the material.

The sequential stages of the assessment are outlined below.

1. Definitions

1.1 Traditional Recyclables – Any recyclable material excepting greenwaste.

1.2 Greenwaste – All plant/garden material collected through either a bulk verge, drop off point or kerbside containerised system.

1.3 Approved Greenwaste Processor – A company or operation that creates compost and mulch as their core business. It can reasonably be assumed that greenwaste delivered to an "approved greenwaste processor" is reused and not land filled. Appropriate receipts for greenwaste delivered to an "approved greenwaste processor"is considered sufficient documentation supporting the reuse of the greenwaste.

2. Receiving applications

2.1 Application forms are sent to the ACWM (c/- DEWCP).

2.2 An Officer at DEWCP forwards all applications received to MWAC immediately after the closing date.

2.3 MWAC staff record the date received (taken from the DEWCP date stamp) and the total tonnes claimed on the assessment form.

2.4 Each application is checked to ensure that the application was dispatched before the closing date in compliance with the lodgement form instructions (see application pack lodgement instructions)

2.5 Late applicants are contacted immediately to advise that application has been received after closing date and request independent verification of lodgement date. The independent verification of lodgement date is attached to the application. If they cannot provide independent verification of lodgement, the application is considered ineligible.

3. Assessing Applications

3.1 Section A1 Kerbside Containerised Recycling Collections

3.1.1 Each material claimed is cross matched to the supporting documentation.

3.1.2 Supporting documentation must consist of clearly identifiable third party processor receipts or third party weighbridge documents showing.

- the material type.

- tonnes received.
- the date the material was received or a range of dates between which material was received.
- The Council the material was received from.

Council spreadsheets or handwritten receipts without the processors logo are not acceptable.

3.1.3 In some instances data may be requested directly from the processor to verify claims.

3.1.4 If supporting documents are missing or insufficient the Council is contacted by telephone and fax and asked to provide the appropriate documentation (see section 4 provision of information).

3.1.5 All ineligible material is deducted from the claim.

3.1.6 Applicants can not be awarded more than they claim on the application but they can be awarded less. If a Council claims for more than it can document, only the amount that can be documented will be awarded. If a Council claims for less than it provides documentation for, the Council claim figure will be accepted.

3.2 Section A3 Bulk Refuse Collections

3.2.1 The material claimed is verified against the supporting documentation as described above in section 3.1.

3.2.2 Only materials that have been collected through a service that is delivered by, or on behalf of, and funded by an eligible Council will be eligible for rebate. If it is not abundantly clear that the Council is actively involved in the provision of a recycling service (ie. when community groups carry out the service), the Council will be asked to provide evidence that it contributes to the service. This will generally consist of evidence showing a financial contribution to the organisation eg. provision of infrastructure, reduced rent or advertising.

3.2.3 If car batteries, car bodies or oil are collected and a tonnage can not be supplied for these materials the following conversion factors are applied.

- Oil – 1litre = 0.9kg
- Car Bodies – 1 car body = 300kg
- Car batteries – 1 car battery = 12.5kg

3.3 Section A4 Drop Off Point

3.3.1 The material claimed is verified against the supporting documentation as described above in section 3.1

3.3.2 Sections 3.2.2 and 3.2.3 are applied to all drop off point material.

3.3.3 If an estimate of commercial content of the material has not been provided the Council is contacted and asked to provide an estimate of the commercial content and the method by which they calculated this estimate. If commercial material is not accepted Councils must provide a statement that this is the case. If an estimate of commercial content can not be supplied 25% is deducted from the awarded amount.

3.3.4 Salvage material that is sold through an on site shop can only be awarded if records showing sale of the material or weighbridge documentation clearly showing movement of the material out of the facility can be included in the claim.

3.3.5 Each metropolitan drop off centre is subject to a site visit to verify the commercial content (see section 5 Site visit procedure)

3.4 Section A5 Secondary Resource Recovery

The following procedure refers to the City of Stirling's Atlas Secondary Resource Recovery plant. As further Secondary Resource Recovery plants are commissioned procedures will be

determined for the different technologies. The numbers used are the figures claimed in the City of Stirling Period 7 application.

3.4.1 Non-organic recyclables recovered through Secondary Resource Recovery are verified against supporting documentation as described in section 3.1.

3.4.2 To verify a claim for organics recovered through Secondary Resource Recovery the Council must provide the following information;

Supporting documentation required to verify total collected eligible tonnes

a. The total "dry" (before water is added) weight of material. (supported by weighbridge documents).
b. An audited or metered amount of water added to the material.
c. Tonnes of wet bales and rejects (supported by weighbridge documents).
d. A recent audit of its waste stream.
e. A recent bale audit of rejects sent to landfill.

3.4.3 The maximum amount of collected material eligible for rebate is calculated using a procedure that follows the eligible material through the Atlas Process. This procedure is outlined below and in Figure 1; The following terms are used in the explanation of the procedure;

Dry Collected Mix – The collected municipal waste delivered to the Atlas plant.
Compostable Organics – The compostable fraction of the municipal waste.
Wet Compostable Organics – Compostable Organics plus the appropriate proportion of added water.
Unrecoverable Material – Material other than Compostable Organics and Dry Recovered Recyclables.
Wet Unrecoverable Material –Unrecoverable Material plus the appropriate proportion of added water.
Dry Recovered Recyclables – traditional recyclables recovered through the Atlas Process and supported by processor receipts.
Wet Collected Mix - The Dry Collected mix plus added water.
Wet Net Mix – The Wet Collected Mix less dry recovered recyclables.
Wet Bales Rejects – Bales containing the mixture of organics, added water, and unrecoverable material unable to be separated by the Atlas process and sent to Landfill.
Wet Material for Composting – The mixture of organics, unrecoverable material and added water sent to the Atlas Farm for composting.

STEP A –The tonnes of Dry Collected Mix are separated into Organic Compostables and Non-Recoverable Material using the waste stream audit. The percentage of dry recyclables removed during the Atlas process is calculated using the processor receipts for the dry recyclables.

STEP B – Water is added to the Dry Collected Mix to give the Wet Collected Mix. It is assumed that the water attaches equally to all components of the waste stream.

STEP C – Dry recyclables are removed from the Wet Collected Mix to give the Wet Net Mix. It is assumed that no water is removed with these recyclables. The tonnes of wet compostable organics are calculated.

STEP D – The percentage of added water in the Wet Net Mix is calculated.

STEP E – After the Wet Net Mix is sent through the Atlas process it is divided into material sent to landfill in the Wet Bales Rejects and material sent to the Atlas farm for Composting.

Both the Wet Bales Rejects and the Wet Material for Composting contain organics, non-recoverable material and added water.

The eligible tonnes consist of the organics in the Wet Material for Composting. This value is calculated using the following formula;

Eligible tonnes = Total Wet Compostable Organics (Step C 15590t) - Wet Compostable Organics in Wet Bales Rejects (2376t) – Added water in Wet Compostable Organics for Composting (2669t)

Each of these components are calculated as shown in Figure 1 using the Wet Reject Bale audit and the assumption that the proportion of added water in the organic and non-recoverable portions is equal.

3.4.4 Once the total eligible collected tonnes have been calculated the Council must provide documentation supporting the amount reused. This documentation can consist of;

Supporting documentation required to verify total eligible tonnes reused.

a. Weighbridge records clearly showing tonnes of material reused.
b. Receipts from the company reusing the material.
c. A running summary of truckloads reused, the volume of each truck and density of composted material.

3.4.5 The tonnes of organic material reused are separated in to the component compostable materials and non-recoverable materials using the audit of the waste stream.

3.4.6 The compostable organics are broken down into the component organics. (eg newspaper, food waste etc.) and tonnes awarded to each component.

3.4.7 To ensure that the rebate is not overpaid due to discrepancies between the tonnes calculated using the audit and actual tonnes, 75% of the tonnes calculated in section 3.4.6 above are awarded to each material type. The excess 25% from each material is added to the material with the lowest value material rebate.

Compost loses volume and weight over the composting process. If the Council wishes to receive a rebate on the total amount of organic material collected the Council must ensure that they can demonstrate the ratio of the volume of composted to uncomposted material. For example if the final composted product is 0.5 cubic metres to 1 cubic metre of non-composted material. For every 0.5 cubic metres shown as reused the Council will be eligible to be rebated on 1 cubic metre of compost. In order to be eligible to receive a rebate on the original eligible tones the Council must provide the documentation in the procedure outlined below.

3.4.8 The Council must conduct a study of the reduction in volume of the material from its delivery to the composting site until maturation to develop a volume ratio between uncomposted and composted material.

3.4.9 The Council must carry out tests to show the density of material before and after composting in order to convert the volume shown as reused to tonnes.

3.4.10 The ratio calculated in section 3.4.8 above is applied to the tonnes shown as reused.

3.4.11 The tonnes of material rebated can only be equal to or less than the original collected eligible tonnes as calculated in section 3.4.3

3.4.12 The secondary resource recovery plant is subject to a site visit to ensure the process complies with the schemes objectives (See section 5 site visit procedure).

3.5 Section A6 Greenwaste

3.5.1 To be eligible for a rebate a greenwaste claim must be supported by documentation showing collection and reuse.

3.5.2 Documentation supporting collection can consist of ;

a. weighbridge documents clearly showing that the material collected is greenwaste and the range of dates between which the material was collected. If there is any ambiguity in the weighbridge codes with regards to the source of the greenwaste, councils are asked for documentation or a statement that all material is from a domestic source.
b. Running summaries of trailer or bulk verge collections clearly showing the number of trailers or truck loads, dates of collection and the volume used for each load.
c. A survey of the mulch pile collected during the period before and reuse and which clearly shows the dates of the survey.

3.5.3 Documentation supporting reuse can consist of ;

a. Processor receipts from an "approved greenwaste processor"(see definitions section 1) clearly showing greenwaste has been processed and removed from the site and the dates this occurred.
b. Weighbridge documents clearly showing greenwaste moving out of a facility. If there is any ambiguity in the weighbridge codes with regards to the source of the material, Councils are asked for documentation or a statement that all material is from a domestic source.
c. A survey of the mulch pile after reuse has occurred clearly showing the date the stockpile was surveyed and the volume.
d. A running summary of trailers removing mulch from a facility clearly showing the dates and volume removed.
e. Documentation showing use of the material through rehabilitation within the landfill boundaries (but not within the landfill cell)

3.5.4 The greenwaste claimed must be supported by the appropriate correctly completed greenwaste processing certificate (Form 1 or Form 2).

3.5.5 The supporting documentation for greenwaste may be in tonnes or volume but the rebate is only awarded per tonne. The following factors are used to convert greenwaste volume to tonnes;

a. processed greenwaste volume = 1 cubic metre:0.3 tonne
b. Unprocessed greenwaste volume = 1 cubic metre:0.15 tonne
c. Unprocessed greenwaste compactor trucks volume = 1 cubic metre:0.26 tonne
d. Unprocessed 1.8 x 1.2 metre trailer : 0.15 tonnes
e. Processed 1.8 x 1.2 metre trailer : 0.3 tonnes

3.5.6 All metropolitan Councils who manage a stockpile of greenwaste from either bulk verge or drop off collections were subject to a site visit in order to verify the above information (see section 5 Site visit procedure)

4. Provision of Information

4.1 Councils must provide documentation supporting the material claimed as outlined in Section 3.1 above. If this information is not provided the Council is contacted by telephone requesting the information by a certain date and this telephone conversation is then followed with a fax. The Councils will be contacted again if the information is not provided before the due date set on the fax. A final date for all Councils is set for the provision of information and after this time further supporting documentation is not accepted. If the Councils have not provided information which is not essential to the calculation of the rebate the Council is not contacted to provide this information.

4.2 All Councils not providing supporting documentation before the final due date are listed in the Agenda for the Resource Recovery Rebate Scheme Working Group meeting. The RRRSWG may consider awarding a Council this material if extenuating circumstances exist.

5. Site Visits

5.1 Site visits are carried out on all Councils who operate a drop off centre, manage a greenwaste stockpile or operate secondary resource recovery technologies.

5.2 The facilities are inspected for any evidence of commercial material and to ensure that the material has been reused, recycled or recovered. The nature and amount of the material was observed and checked against the claim and documentation provided in the application forms. The following questions were used as a guide in assessing the facilities. The questions are answered using information from the application and it is assessed during the site visit whether the information provided in the application is reasonable.

5.2.1 Commercial Content (drop off point recyclables and greenwaste).

a. Is commercial material accepted?
b. Is material separated?
c. Are separate receipts provided for the commercial and domestic stockpiles?
d. How is commercial content deducted?
e. Is the type of material clearly stated on the documentation?
f. Is the vehicle survey by mass or by number.
g. Do the answers to the above questions appear to be reasonable from observations on the day? If not can they explain this?

5.2.2 Greenwaste- reused/recycled/recovered;

a. Is the material reused by a processor or processed or removed by Council/residents?
b. How often is green waste processed and removed?
c. How much greenwaste is generally removed by the processor?
d. Is all green waste processed and removed with each processor visit?
e. Is a stockpile present? Estimate the volume. Is the volume larger than would be expected given the above factors. Is there a reason for this?
f. How is mulch stockpiled for residents? eg. Amount left on site by processors for use by residents, stockpile is mulched and left for resident at irregular intervals
g. How is the amount removed by residents estimated? (*Weighbridge, running summary, visual estimate, volumetric survey).*
h. On average, how much does the stockpile contain at any one time?
i. At approximately what rate do residents remove mulch?
j. Is all mulch removed before a new stockpile is made?
k. Where did Council reuse the material. If on site rehabilitation. Where is it?
l. Has the mulch been used within the landfill cell?
m. Has mulch used for on-site rehabilitation been applied in excess for rehabilitation ie greater than 4 inches.
n. Does the area of rehabilitation roughly correspond with the volume claimed?
o. How is contamination removed and the weight deducted from the amount claimed?
p. Is the greenwaste composted onsite (rather than mulched) or stockpiled for long periods of time before use.
q. Can a correlation between the amount collected and the amount of compost reused be calculated?

5.3 Photos are taken as a record of the visits and compiled along with written observations of the site as a site visit report (it must be noted that the site visits are undertaken some months after the end of the period and therefore the operation of the facilities may have changed in this time).

6. Resource Recovery Rebate Scheme Working Group (RRRSWG)

6.1 The Resource Recovery Rebate Scheme Working Group (RRRSWG) holds two meetings to consider issues arising from the assessment of the applications.

6.2 The RRRSWG considers the following figures.

a. Rebate Summary,
b. Tonnage Summary,

c. A Council by Council Summary of tonnes awarded from various sources and the rebate amount,
d. Key Performance Indicators (KPI's) for Kerbside Collection Services.(KPI's for all services are included although only reviewed on request) KPI's include; Total Tonnes awarded, Total rebate, Average rebate per tonne, Yield (kg/hh/week) and System Cost ($/tonne)

6.3 Councils who have demonstrated an increase or decrease in tonnes collected of kerbside containerised recycling collections greater than one standard deviation from the previous period are considered. Councils with a particularly high yield or system cost are considered. If reasons for unusual numbers can not be provided the RRRSWG requests that these Councils are investigated to ensure commercial material has been included in the claim.

6.4 The RRRSWG will consider all late applications and recommend if the applications should be accepted.

6.5 Requests for special considerations from Councils are considered against the policies of the scheme.

6.6 Issues arising from the assessment of the applications which do not fall within the current policies are considered.

6.7 Applications for approved greenwaste processor status are considered.

6.8 Material from Councils who have not provided supporting documentation before the final due date are considered.

7. Rebate Calculation

7.1 Data Entry

7.1.1 The eligible tonnes for each Council are entered into the excel spreadsheet designed to calculating the rebate.

7.1.2 The rebate is calculated on the factors below. These factors allow the calculation of a final modifying score which is applied to the eligible tonnes to calculate the final rebate.

- Regional Characteristics – 40%
  - Distance from Perth - 67%
  - Density of collection area - 33%
- Material Type – 40%
  - Resource Value – 95%
  - Environmental Risk – 5%

7.2 Greenwaste Credits

7.2.1 Greenwaste credits are calculated using the database created for the Period in which the greenwaste was originally collected using the following method;

a. The rebate actually received by the Council for the period in which the credit was awarded is noted.
b. The credit is entered into the database in order to calculate the rebate the Council would have received during that period if the greenwaste had been reused during that period.
c. The rebate is recalculated and the difference is noted as the rebate for the credit.
d. This amount is subtracted from the total dollars available for the current period.
e. The rebate for all other claims in the current period is recalculated out of the remaining money available.
f. The additional tonnes and rebate are added to the total amount.

APPENDIX 5

SITE VISIT REPORT

PERIOD 7