

Circular Details	Circular No 18-09 / 28 March 2018 / A587073
Previous Circular	Circular No 17-25
Who should read this	General Managers / Waste Management Coordinators
Contact	Policy Team - (02) 4428 4100 / olg@olg.nsw.gov.au
Action required	Information

Support for councils in relation to kerbside recycling and the impact of the Container Deposit Scheme (CDS)

What's new or changing

- The NSW Government will shortly release further information to councils to help negotiate agreements with Material Recovery Facilities (MRFs) in relation to sharing the proceeds from the kerbside collection of eligible CDS containers.
- To support the release of the material a webinar for councils will be held on **Friday 6 April 2018 from 10:00am to 12:00pm.**

What this will mean for your council

- MRFs can only continue to claim the refund after 1 December 2018 where:
 - the MRF and council have put a refund-sharing agreement in place if there is no existing refund-sharing agreement,; or
 - where the council notifies the Environment Protection Authority (EPA) in writing that in the circumstances it is fair and reasonable if there is an existing refund-sharing agreement,.
- It is estimated that the additional revenue stream from eligible containers through kerbside recycling could be worth around \$100 million per annum for councils and MRFs across NSW.
- Councils should seek independent and professional advice before finalising any agreement with MRFs.

Key points

- The NSW Government is committed to supporting councils access refunds from the eligible containers collected via kerbside recycling, to facilitate downward pressure on waste charges or improved waste services in your council.
- The work that will be released to the local government sector shortly demonstrates that:
 - A high proportion of eligible household containers in NSW are anticipated to still be processed through kerbside recycling. This is a potentially significant revenue stream for councils and MRFs.
 - The direct cost of CDS compliance on MRFs is very low (around 5% of CDS kerbside revenue).
 - Eligible containers are worth more from the CDS than their current commodity value.

- A proportion of CDS revenue may assist councils in their negotiations with MRFs to address broader MRF and recycling viability issues, instead of higher gate fees.

Where to go for further information

- Register at <http://www.webcasts.com.au/olg060413/>



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