



Environment Protection Authority

Better Waste and Recycling Fund 2021–22

A program for local government funded by the waste levy under the Waste Less, Recycle More initiative



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NSW Government transition funding

The NSW Environment Protection Authority (EPA) will allocate \$26 million in funding and support to local government for the 2021–22 financial year to transition programs from the NSW Government's Waste Less, Recycle More initiative to the NSW Waste and Sustainable Materials Strategy 2041.

EPA funding for 2021–22 includes:

- \$9.75 million in non-contestable grant funding directly to councils and regional groups of councils in the waste levy-paying area of NSW (this program). The funding will support local government to continue delivery of projects and grants already underway and to work with the NSW Government to implement the Waste and Sustainable Materials Strategy
- continuation of the existing annual funding of \$3.125 million to support the 14 regional waste groups across NSW. The EPA highly values the work of the regional waste groups and sees the groups as key delivery partners for the Waste and Sustainable Materials Strategy
- \$13 million in funding for the operation of community recycling centres and Household Chemical CleanOut events
- additional funding to support local government and their communities through a package of contestable grant programs. This includes grants for resource recovery infrastructure, litter prevention, business recycling and organics.

Waste Less, Recycle More

To support enhanced waste and recycling, the NSW Government allocated \$802 million over nine years under the Waste Less, Recycle More initiative. This investment demonstrated the NSW Government's commitment to delivering economic, employment and environmental benefits for local communities and transforming waste and recycling in NSW.

Under Waste Less, Recycle More the Local Government Waste and Resource Recovery Program provided support for councils to work with their communities to increase recycling and reduce illegal dumping and littering. It included:

- \$109 million Better Waste and Recycling Fund (2013–21)
- \$4.5 million for regional waste groups in the metropolitan levy area to fund regional coordinators, infrastructure planning and delivery of regional waste strategies and action plans (2017–21)
- \$8 million for regional waste groups in rural and regional NSW to fund regional coordinators and programs, and the delivery of regional waste avoidance and recovery strategies and action plans (2017–21)
- \$12 million Regional Landfill Consolidation and Environmental Improvements Fund to support regional and rural local councils with landfill consolidation and closure, and environmental improvements to small landfills servicing rural communities (over four rounds)
- \$4 million to support sustainable waste management in discrete Aboriginal communities across NSW.

Under Waste Less, Recycle More, local councils also had access to contestable grant funding and programs to support local communities including funding to support community recycling centres, organics collection systems and services, waste, recycling and organics infrastructure, business recycling as well as illegal dumping and litter prevention initiatives.

The Waste Less, Recycle More initiative is being delivered by the EPA and details can be accessed on the EPA website at www.epa.nsw.gov.au/waste/wasteless.htm.

Better Waste and Recycling Fund

Background

The Better Waste and Recycling Fund began in 2013-14 under the Waste Less, Recycle More initiative to support local councils to make it easier for their communities to recycle more and decrease the amount of waste sent to landfill. It was available to local councils and regional groups of councils in the levy-paying area. The Fund provided a total of \$70 million to 81 organisations over four years to 2016-17 and an additional \$39 million over four years to 2020–21. The funding has been used to support close to 2000 projects that improve recycling, engage communities, reduce waste generation, tackle littering and illegal dumping, and contribute to achieving the NSW recycling targets.

Overview of 2021–22

The Better Waste and Recycling Fund is providing \$9.75 million in the 2021–22 financial year as part of transition arrangements to the Waste and Sustainable Materials Strategy. The 2021–22 payment is the final payment of the program. This transition funding will allow local councils and regional groups to continue implementing local and regional waste priorities and initiatives and work with the NSW Government to develop and implement the Waste and Sustainable Materials Strategy.

The final year of the program will operate in the same manner as previous years of the Fund. To receive the payment, an eligible organisation must submit the following to the EPA:

1. an application for the program (already completed under the 2017–21 program, with the application's validity extended across the transition year of 2021–22)
2. a project table for EPA project review and approval (annually)
3. a reporting table and other reporting requirements (annually).

The Fund supports projects that improve recycling, engage communities, reduce waste generation, and tackle litter and illegal dumping. In addition, the funding can also be used to support transition to the objectives under the NSW Government's Waste and Sustainable Materials Strategy and the NSW Plastics Action Plan. These projects may be delivered at an individual council level or through a collaboration of multiple councils.

Who can participate?

The Fund is available to the following eligible organisations:

- local councils that pay waste levies in the regulated area – this includes the 42 councils in the metropolitan levy area (MLA) and the 19 councils in the regional levy area (RLA). The names of these councils are listed in the Protection of the Environment Operations (Waste) Regulation (as enforced from time to time)
- regional groupings of councils established to receive the Waste Less, Recycle More Regional Coordination Support Funding in the Greater Sydney, Hunter and Illawarra regions
- voluntary regional waste groups in the RLA, supported by the Waste Less, Recycle More Regional Coordination Support Funding.

How will funding be distributed?

The funding will be shared between participating eligible organisations who have met the required project delivery and reporting milestones (as detailed on page 9). As per previous years, 85% of the 2021–22 funding pool will be paid to individual councils and 15% will be paid to regional groups in the regulated areas.

Payments to individual councils will support the delivery of eligible programs, projects and services that are specifically tailored by local councils for their local communities in response to local priorities.

Payments to the regional groups will support the delivery of eligible regional initiatives, including those identified in regional waste and resource recovery strategies such as regional waste and recycling infrastructure, services and programs. The allocation of funding to regional initiatives reflects an increased focus on delivery of common priorities identified in regional waste strategies and shared waste services to improve efficiency and performance for the longer term.

How will payments be calculated?

The payments to individual councils and regional groups of councils have three components:

- a population-based payment to each eligible regional grouping of councils (15% of the funding)
- a population-based payment to each eligible individual council (55% of the funding)
- a base-contribution payment to each eligible individual council (30% of the funding).

The base-contribution payment component is to ensure that all councils, including the smallest, have sufficient funds to undertake meaningful and strategic projects. For the purposes of payment calculation, the population of a local government area is the population as estimated in the Australian Statistician's latest publication on regional population growth in Australia. Payment calculation formulas are provided in the Appendix at the end of this document.

At the start of the 2021–22 program, the EPA advised each participating organisation the payment amount they would be eligible to receive for the financial year if meeting the requirements of the program.

Eligible projects and requirements

What will be funded?

The Fund will support programs, projects and services that:

- increase the use of recyclable material and recycled products in the local government area
- deliver new or enhanced infrastructure to increase local processing and remanufacturing of recyclable material, and reduce contamination
- deliver improved recycling outcomes and reduced contamination
- educate and engage the community, particularly with respect to
 - reducing contamination in recycling bins
 - avoiding unnecessary waste generation
 - valuing products made from recyclable material
- reduce waste generation
- tackle litter and illegal dumping

- support the transition to the NSW Government’s Waste and Sustainable Materials Strategy and the NSW Plastics Action Plan.

Eligible organisations are encouraged to:

- prioritise projects that increase recycling and/or diversion from the municipal solid waste stream. This is waste generated from households and local government operations, such as
 - waste placed at the kerbside for local council collection
 - waste collected by councils from municipal parks and gardens, street sweepings and public council bins
- increase the procurement of recycled content
- undertake projects that build the capacity of local government to transition to the objectives under NSW Government’s Waste and Sustainable Materials Strategy and the NSW Plastics Action Plan. This may include community consultation, waste audits, waste technology and infrastructure feasibility studies, circular economy roadmaps, material flow analyses, and developing or updating organisational waste strategies
- ‘bundle’ activities that aim to achieve similar objectives and the actions of which would overlap e.g. bundling individual waste education programs for residents, schools and businesses as a single community waste education program
- establish clear monitoring and evaluation processes to measure the outcomes and effectiveness of funded projects.

Organisations must ensure that all projects supported by the Better Waste and Recycling Fund comply with all planning and environmental laws, regulatory and policy requirements in NSW.

Previously funded projects include:

- community waste education and engagement programs
- household composting trials and programs
- Love Food Hate Waste engagement programs
- household bin composition audits
- research on resource recovery options
- waste infrastructure feasibility studies
- temporary employment of new council officers to deliver projects funded through Waste Less, Recycle More
- household problem waste stations at civic centres and libraries
- community research into littering behaviour and attitudes
- takeaway food litter reduction programs in shopping areas
- illegal dumping deterrence measures such as fencing, cameras and lighting
- expansion or extension of Waste Less, Recycle More funded projects (e.g. to another suburb or hotspot)
- waste facility upgrades to increase waste separation and diversion.

What will not be funded?

The Fund cannot be used for:

- litter reduction projects that do not incorporate the four pillars of litter prevention (education, good infrastructure and clean-up, effective enforcement, monitoring and evaluation). Litter projects that do not use all four pillars may be approved if the participating organisation has based the new project on a previous project that used all four pillars and was effective

- collection, recycling or disposal costs of material, except for
 - problem wastes and electronic waste
 - asbestos
 - trials of new resource recovery systems and services for up to 12 months
- programs and projects that do not align with the program objectives and policies of the Waste Less, Recycle More initiative, the Waste and Sustainable Materials Strategy and the NSW Plastics Action Plan
- the eligible organisation's financial co-contribution to other grants, including, but not limited to, contestable grants under the Waste Less, Recycle More initiative
- works that will be or have been funded by other sources. Funding will not be provided to duplicate work that is being funded through other sources. Eligible organisations must advise the EPA if they have secured funding for the same project through another source, including but not limited to grants under the Waste Less, Recycle More initiative. If this occurs, the funding under this program must be reallocated to other projects and the EPA be advised in writing.

Acknowledgement and branding requirements

Projects supported by the Fund are required to acknowledge the funding source on all publications, externally distributed reports, websites and publicity material relating to the funded projects. This is done by including the acknowledgement statement (below) and NSW Government's waratah logo.

Acknowledgement

This project is a NSW Environment Protection Authority Waste Less, Recycle More initiative, funded from the waste levy.

Logos are available on request. Organisations must provide the EPA with a copy of all publicity material before it is published or released, and must not publish or release publicity material containing the NSW Government's waratah logo without the EPA's approval.

Statewide educational approaches enable consistent messaging to the community and achieve economies of scale. For some Better Waste and Recycling funded projects, produced publicity materials (such as brochures, signage and advertising) must be in line with NSW Government-developed branding and style guides. Projects that aim to

- prevent or reduce illegal dumping
- prevent or reduce littering
- improve the management of household problem wastes
- increase food waste avoidance behaviours

are required to use the corresponding NSW Government-developed branded creative materials:

- Report Illegal Dumping
- Don't be a Tosser!
- Household Problem Waste
- Love Food Hate Waste.

If you need to tailor materials to local conditions, you will need to negotiate any changes with the EPA.

Fund eligibility requirements

The Fund requires eligible organisations to achieve, and then continually improve upon, better waste management and resource recovery practices. Eligible organisations are required to commit to, or ensure their member organisations commit to:

- completing the annual Local Government Waste and Resource Recovery Data Survey by 31 August each year
- ensuring all residential dwellings (other than multi-unit buildings) within the local government area have access to a dry recycling collection service. As a minimum, this would involve kerbside collection services in urban areas/population centres and alternative collection services for dry recyclables in non-urban areas (e.g. community recycling facilities)
- ensuring that new contracts for waste collection and/or mobile garbage bins require bin bodies and bin lids to conform to Australian Standard 4123, *Mobile Waste Containers Part 7: colours, markings and designation requirements* (AS4123.7-2006).
- continuing to have a 'waste not development control plan' or a policy of similar nature in place
- ensuring new contracts for disposing of residual waste to landfill are for not more than five years. The EPA will consider an exemption to this requirement if the contract is for the residual waste component after the red-lid bin has been through a waste treatment process. A notification in writing from the eligible organisation is required
- only disposing of residual domestic waste generated in the regulated area at lawful disposal facilities in NSW. The EPA may consider a short-term exemption from this requirement on application in writing from the eligible organisation
- diverting clean-up materials (such as metals, garden organics, mattresses and electronic waste) from landfill where practicable
- providing the EPA with waste composition audit data whenever they undertake such an audit.

How do I participate?

The General Manager or Chief Executive Officer of eligible organisations applied to participate in the program in 2017 with the option to withdraw at any time. The application's validity has been extended across the transition year of 2021–22.

Following the initial application, ongoing participation each year requires a two-step process:

1. completing a project table each year for approval with details of the projects and programs that will be delivered with the funding being received
2. completing a reporting table each year with details of the projects undertaken, outcomes achieved, funding acquitted, and other requirements (detailed on page 9).

Application

Eligible organisations have already indicated their commitment to the conditions of the Fund by signing and submitting the Better Waste and Recycling Fund 2017–21 application form.

This application commits the eligible organisation to:

- participate in the program
- comply with the Fund guidelines and requirements
- each year, provide the EPA with a copy of the approved project table, compiled by the Waste Manager or Regional Coordinator (and Financial Officer, if allocating more than \$500,000), detailing the projects and programs that will be supported with funding received

- by the end of August each year, provide the EPA with a copy of the reporting table, compiled by the Waste Manager or Regional Coordinator (and Financial Officer, if greater than \$500,000 in funding) and detailing Fund expenditure, projects undertaken, and the outcomes achieved
- provide notice in writing to the EPA of any decision to withdraw from the program, with agreement that any funding received for which the applicant is no longer eligible will be returned to the EPA and/or redistributed between the remaining participating eligible organisations.

Project table

The EPA provided a project table template to participating organisations. This must be submitted each year, detailing the projects and programs that will be delivered with the payment from the Fund.

The project table must be approved and signed by the Waste Manager, Regional Coordinator or other representative, in line with the organisation's structure of financial delegation. If project costs exceed \$500,000, the project table must also be signed by the Financial Officer. You must provide the EPA with two copies of the project table: a signed PDF and an Excel spreadsheet.

The EPA will review the project table and will advise within 15 days of receiving it if any projects do not comply with the Fund guidelines. If any do not, the EPA will help eligible organisations amend the project table to ensure that projects comply with the Fund guidelines and accept an amended, approved and signed project table.

Eligible organisations must ensure that a project meets the Fund guidelines before the project begins.

Reporting table

The EPA provided a reporting table template for participating organisations to detail the expenditure of funding, projects undertaken, and the outcomes achieved.

Reporting tables are due to be submitted to the EPA by the end of August each year and must be approved and signed by the Waste Manager/Regional Coordinator or other representative in line with the organisation's financial delegation structure. If project costs are greater than \$500,000, the reporting table must also be signed by the Financial Officer. You must provide the EPA with the project table in two forms: as a signed PDF and as an Excel spreadsheet.

Eligible organisations must ensure that a project meets the Fund guidelines before the project begins. The EPA reserves the right to recover funds not spent in accordance with the project table and Fund guidelines. Interest earned on this funding becomes part of the Fund and must be used in accordance with the conditions and requirements of this program. The EPA may audit projects and expenditure at any time.

Additional reporting for 2021–22

Reporting for 2021–22 should be outcomes-focused and include quantifiable figures for projects such as tonnages diverted, engagement numbers across the local government area and officer jobs funded under the Fund.

Program closure and acquittal of the Fund

Previous Better Waste and Recycling Fund guidelines have advised that participating organisations should make a concerted effort to expend all monies received through the Fund by the end of the program. After this time, any unspent Better Waste and Recycling Funds are to be returned to the EPA. As 2021–22 will be the final year of the Better Waste and Recycling Fund, eligible organisations are to expend all monies received through the fund by the end of June 2022. Final reporting tables are to be submitted by the end of August 2022.

A time-limited extension of up to 12 months may be granted to those organisations that demonstrate a continued commitment to expending any Fund monies rolled over from previous years. To obtain an extension, you must submit a written request to the EPA for consideration and approval.

To request an extension, the organisation needs to:

- submit a reporting table to an EPA Local Government Programs Project Officer by the end of August 2022 so that it can be reconciled with the amount of unspent Better Waste and Recycling Funds
- send a written request for an extension by the end of October 2022, outlining
 - why full project closure and acquittal was not achieved by the end of the program
 - what project/s will be supported by the unspent monies (which meet the Fund guidelines)
 - implementation details
 - key reporting measures/outcomes to be achieved
 - mechanisms in place to ensure project/s will be completed within the (maximum) 12-month time frame.

If unspent project funds are greater than \$250,000, the written request must be signed by the General Manager or Chief Executive Officer of the local government organisation.

If no extension request is received by end of October 2022, or if the extension request is declined, the EPA will issue an invoice recalling any unspent Better Waste and Recycling Funds, as per the latest reporting table.

Schedule of project and reporting milestones

Table 1 gives an overview of project and reporting milestones.

Table 1 Better Waste and Recycling Fund timeline

| Month | Year | Milestone |
|--------------|------|--|
| December | 2020 | Participating organisations advised of their 2021–22 payment amount |
| May | 2021 | EPA provided the 2021–22 Project and reporting table worksheets |
| July | 2021 | Organisations submit project table for 2021–22 funds. EPA reviews projects to ensure compliance with guidelines |
| 30 August | 2021 | Organisations submit reporting table for 2020–21 funded projects and any incomplete projects from previous years |
| 21 September | 2021 | Payment of 2021–22 funds |
| 31 August | 2022 | Organisations submit reporting table for 2021–22 funded projects and any incomplete projects from previous years |
| 30 October | 2022 | Organisations submit extension request for EPA approval or Organisations return unspent 2013–22 funds to the EPA |
| 30 October | 2023 | Organisations with approved extension requests submit reporting table for 2021–22 funded projects and any incomplete projects from previous years Organisations return unspent 2013–22 funds to the EPA |

Need more information?

EPA staff can help eligible organisations further with their applications – for instance, by:

- helping develop projects to be funded
- completing project and reporting tables
- accessing local government waste and resource recovery tools and resources.

Please contact:

Local Government Programs
Engagement, Education and Programs
Environment Protection Authority

Phone: (02) 9995 5000 (switchboard)

Email: localgovernmentprograms@dpie.nsw.gov.au

Appendix 1

Payment calculations

The payment will have three components:

- a population-based payment to each eligible regional group of councils (15% of the funding)
- a population-based payment to each eligible individual council (55% of the funding)
- a base-contribution payment to each eligible individual council (30% of the funding).

The amount of Better Waste and Recycling Fund payment to which an eligible regional group of councils is entitled is calculated in accordance with the following formula:

$$F_{\text{Regional Group}} = \frac{P_{\text{Regional Group}}}{T_{\text{Regional Groups}}} \times (G \times 0.15)$$

$F_{\text{Regional Group}}$ is the amount of the payment, in dollars and cents

'G' is the total amount of funding available in that financial year

$P_{\text{Regional Group}}$ is the population of the regional group of councils' government area

$T_{\text{Regional Groups}}$ is the total population of the local government areas of all regional groups of councils participating in that financial year

The amount of Better Waste and Recycling Fund payment to which an eligible local council is entitled is calculated in accordance with the following formula:

$$F_{\text{Individual council}} = (B) + \frac{P}{T} \times (G \times 0.55)$$

$$\text{Where } B = \frac{(G \times 0.3)}{E}$$

' $F_{\text{Individual council}}$ ' is the amount of the payment, in dollars and cents

'B' is the set base-contribution payment to each eligible council in that financial year

'G' is the total amount of funding available in that financial year

'P' is the population of the local council's local government area

'T' is the total population of the local government areas of all eligible councils participating in that financial year

'E' is the number of eligible councils participating in that financial year.