

# Submission on the Review of the Container Deposit Scheme Minimum Network Standards



October 2021

## Status of this Submission

This Submission has been prepared through the Municipal Waste Advisory Council (MWAC) for the Western Australian Local Government Association (WALGA). MWAC is a standing committee of WALGA, with delegated authority to represent the Association in all matters relating to solid waste management. MWAC's membership includes the major Regional Councils (waste management) as well as a number of Local Government representatives. This makes MWAC a unique forum through which all the major Local Government waste management organisations cooperate.

This Submission therefore represents the consolidated view of Western Australia Local Government. However, individual Local Governments and Regional Councils may have views that differ from the positions taken here.

*This Submission will be considered by MWAC on Wednesday, 13 October.*

## Introduction

The Western Australian Local Government Association (the Association) welcomes the opportunity to comment on the *Container Deposit Scheme Minimum Network Standards*. In contributing to the development of the Scheme, the Association made [comment](#) on the Customer Service Standards which informed the Minimum Network Standards. WALGA acknowledges that many of the recommendations made in this Submission have been included, such as the increase in allocation of refund points within the metropolitan area.

The Container Deposit Scheme (CDS) was established under the *Waste Avoidance and Resource Recovery Act 2007* on 1 October 2020. As part of the regulations, the Minimum Network Standards are to be reviewed as soon as practicable after the six-month anniversary of the scheme commencing and after that, at intervals of not more than six months for the first three years. The process included specific community consultation, undertaken by Metrix Consulting.

As part of the Scheme a scheduled review process was included for the Minimum Network Standards.

This review identifies the following key points:

- Provisions relating to Public holidays and emergency events are not currently clear or included in the current Standards
- How the definition of flexible refund point has been interpreted
- Requirement for a full-time refund point in each region, currently the Gascoyne Region does not have a full-time refund point.

This Submission comments on the key points which have been identified as part of the review process.

Key Issue	Options: The Minimum network standards could be updated to:			
<b>Operation requirements on public holidays, following unforeseen circumstances and due to legal constraints.</b>	1. Exclude public holidays from the calculation of minimum hours of operation (aligned with the terminology used for business day). Thus, refund points would not be required to open on public holidays and minimum hours of operation would be calculated on an ordinary working week.	2. Accommodate unforeseen circumstances and legal constraints that may arise.	3. Incorporate a reasonable timeframe (e.g., three months, 6 months or 12 months) for the coordinator to procure a replacement, where a business's infrastructure is damaged, or the business fails.	
<b>WALGA Comment</b>	<p>1. <b>Support:</b> Many Local Governments do not operate on all public holiday's, to maintain consistency with other operations the recommendation is supported. This should not prohibit sites from operating on public holiday.</p> <p>2. <b>Support:</b> Unforeseen circumstances (fire, flood, cyclones, pandemics) and legal constraints (insolvency, injunction) need to be considered to ensure the Scheme Co-ordinator is compliant with Scheme requirements. The Association suggest that Emergency incidents be used as the terminology to describe fire, floods etc. This aligns with emergency management terminology.</p> <p>3. <b>Support with 6-month timeframe:</b> Three months is too short a timeframe to procure a replacement business, the minimum timeframe required would be 6-12 months. This allows sufficient time for due diligent financial checks and structural repairs.</p>			
Key Issue	Options: Where flexible refund points do not meet the minimum hours of operation the following actions could be undertaken:			
<b>Definition of flexible refund point</b>	1. The coordinator may investigate the provision of a bag drop facility to make up the operating hours shortfall.	2. The coordinator may investigate whether additional/alternative opening hours (i.e. particularly opening mornings on the weekend) could be provided.	3. The coordinator may invite applications for additional refund points, that can provide minimum hours of operation or provide alternative operating hours.	4. Additionally, the Minimum network standards could also be updated to include consideration of caveats to accommodate 'economic viability' for where flexible refund points cannot meet the minimum hours of operation.

<p><b>WALGA Comment</b></p>	<ol style="list-style-type: none"> <li>1. <b>Partial Support:</b> Bag drop facilities are not suitable for all locations and should only be provided in areas where there is an enclosed site. Security may need to be provided at some sites which would be prohibitive to establishing a bag drop site. Also, there is strong community sentiment, as indicated in the survey results, for cash refunds.</li> <li>2. <b>Support:</b> The Community perceptions survey states that a preference for morning (9am to 12 noon) is strong overall but particularly on the weekend. 57% in target regional locations have a preference for morning opening hours so additional/alternative opening hours are welcome. Therefore, the Coordinator needs to ensure that refund points are available.</li> <li>3. <b>Support:</b> As per the Minimum Network Standard, the minimum number of fulltime and flexible refund points for the Perth area is 95 and 32 respectively. To date, 85 fulltime and 15 flexible refund points are in operation. The number of refund points needs to be increased within the Perth area. Flexible refund points must provide 16 ordinary business hours per fortnight at least eight of which must be weekend hours. For example 12 of the 15 flexible refund points identified in the Department of Water and Environmental Regulation (DWER) Review, which are located in the metropolitan area, are not currently achieving the Standard. The majority of flexible refund points in the Pilbara, Gascoyne, Perth and Peel regions do not meet the minimum hours of operation. Any additional refund points should focus their opening hours around the weekend as this is an important contributor to customer convenience. According to the Community Perceptions survey 66% of residents in target metropolitan locations (that had no weekend opening hours) desire weekend opening hours, 22% of which only want access to refund points on the weekend.</li> <li>4. <b>Alternative recommendations:</b> As per the WALGA Submission on the Customer Service Standard: <ol style="list-style-type: none"> <li>1. That refund point operators are provided with an opportunity to propose an alternate approach to the DWER that delivers the outcomes sought through the specified minimum service standards on the minimum level and type of service provided at refund points.</li> <li>2. That the DWER assesses and approves any proposed reduction in services, in consultation with the local community.</li> <li>3. That the Scheme Coordinator is required to provide the baseline level and type of service specified by Government, where no parties express an interest in operating a refund point.</li> </ol> </li> </ol>
	<p><b>Option: The Minimum network standards may be updated to provide an exemption for fulltime refund point in the Gascoyne region</b></p>
<p><b>Requirement of full-time refund point in each region</b></p>	
<p><b>WALGA Comment</b></p>	<p><b>Do Not Support:</b> The Gascoyne region is the only region without a full-time refund point in its largest population centre of Carnarvon. Instead, there is a flexible refund point which operates Wednesday 1.30pm - 5.30pm and Saturday 8.00am – 12.00pm. This region has the highest regional return rate at 88% for January – March 21. A total of 1,190,125 containers were consumed and 1,505,369 containers were returned which equates to 126% return rate. This was the highest return rate of all the refund points in WA. The Community perception survey found that those living in the Gascoyne region are significantly more likely to desire opening hours on a weekend with 85% desiring weekend hours (particularly in the morning), 41% of which only want to visit a refund point on a weekend.</p> <p>The Association supports the Scheme Coordinator working with the Local Government and community in the region to ensure that a full-time refund point can be established, or as a minimum that the opening hours of the current refund point be expanded.</p>