

Report to the Future Melbourne (Environment) Committee

Agenda item 6.5

The Feasibility of Waste Collection Zones Within the Central City

16 February 2016

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Purpose and background

1. The purpose of this report is to provide details of an investigation into the possible sectionalisation of the central city into zones for the collection of waste. This investigation is a commitment of Council's *Waste and Resource Recovery Plan 2015-2018*. An extract of the relevant section of the plan is included in Attachment 1.
2. The drivers for the investigation are amenity and environmental problems concerning the collection and on-street storage of mobile garbage bins in the central city. The issues include noise, dumped rubbish and overflowing bins as well as road congestion and pedestrian safety issues. Thirty-six waste and recycling companies are currently registered to operate within the central city.
3. The *Waste and Resource Recovery Plan 2015-18* also included a commitment to continue operating the existing waste compactors and recycling hubs and to install new compactors and hubs in three additional locations. The waste compactors and recycling hubs are currently a free service.

Key issues

4. The existing waste compactors and recycling hubs have effectively established 'waste collection zones' in which the majority of businesses within these zones use the communal waste services provided by Council's appointed waste service provider. Businesses can choose to engage an alternative provider but local law provisions require that they store their bin on their property outside of collection times.
5. Each waste compactor, collected up to six times per week, can replace more than 100 individual waste collections. Therefore, the introduction of waste compactors and recycling hubs has substantially reduced the amenity and environmental problems identified above.
6. Each waste compactor costs approximately \$150,000 per annum to operate. To date, access to the compactors has been provided free-of-charge to businesses. Historically these businesses would have paid for their own waste collection service. The continuation and expansion of the waste compactor and recycling hub program will be a substantial cost to Council unless a fee-for-service model can be developed and implemented.
7. There is an opportunity to formalise and extend the 'waste collection zone' model through the introduction of an appropriate fee structure and installation of new infrastructure in targeted areas. The locations of existing and possible future waste compactor and recycling hubs are detailed in the Supporting Attachment. Further investigation is required to fully develop the waste collection zone model. This will include:
 - 7.1. examining local law provisions regarding the storage and collection of mobile garbage bins from the public space and collection curfews
 - 7.2. identifying the service delivery model, including contracting and administrative arrangements
 - 7.3. confirming waste collection zone boundaries.

Recommendation from management

8. That the Future Melbourne Committee:
 - 8.1. provides in-principle agreement, subject to further community engagement, to the concept of a fee paying model to facilitate the introduction of waste collection zones
 - 8.2. approves the initiation of community engagement with businesses, residents and waste management companies potentially impacted by the introduction of waste collection zones.
 - 8.3. notes that a further report providing details about how the waste collection zones would operate, including financial arrangements, local law provisions and service delivery, will be presented to the June meeting of the Future Melbourne Committee.

Attachment:

1. Supporting Attachment (page 2 of 3)

Supporting Attachment

Legal

1. The Council's *Activities Local Law 2009*:
 - 1.1. Prohibits persons from leaving waste containers in public places (other than a place prescribed by Council) for more than 3 hours in the Central City.
 - 1.2. Incorporates a permit system for all waste management companies who collect waste in the Central City, which includes a permit condition requiring the collection of waste between 6am and 11pm (in designated areas).

Further Background

2. In September 2015, the Future Melbourne Committee approved the City of Melbourne Waste and Resource Recovery Plan 2015-18 which includes:

Action 2.1 – continue to operate the four existing waste compactor bins and six existing recycling hubs

Action 2.2 – install compactor bins and accompanying recycling hubs in the three targeted locations by June 2018, subject to community engagement and a public interest test at each location

Action 9.2 - Investigate and report to Council by December 2015 the feasibility and possible operating models to support the sectionalisation of the Central City into zones. The objective being to achieve greater efficiency in waste and recycling collection, leading to improved amenity and safety for residents and visitors in the Central City area. Included in this report will be the mechanisms for incentivising the waste companies towards the installation of communal waste compactors and food digesters into the Council's Waste Management Services contracts.

3. Existing and potential/future waste compactor and recycling hub locations are as follows:
 - 3.1. Existing: Hardware – Queen/Lonsdale/Elizabeth/Bourke:
Waste compactor – Kirks Lane
Recycling hub – Kirks Lane / CL1757
 - 3.2. Existing: Central Little Bourke – Elizabeth/Lonsdale/Swanston/Bourke
Waste compactor and Recycling hub – Caledonian Lane
 - 3.3. Existing/future: Chinatown (west) – Swanston/Lonsdale/Russell/Bourke
Waste compactor and Recycling hub – Bullens Lane
An additional compactor and hub is required to service the west end of this block.
 - 3.4. Existing/future: Chinatown (east) – Russell/Lonsdale/Exhibition/Bourke
Waste compactor – Lacey Place
Recycling hub – Brien Lane
An additional compactor and hub is required to service the east end of this block.
 - 3.5. Future: Central Little Collins – Elizabeth/Bourke/Swanston/Collins
Waste compactor and recycling hub – potential future location
 - 3.6. Future: Degraeves/Flinders Lane – Elizabeth/Collins/Swanston/Flinders
Waste compactor – potential future location
Recycling hub - Degraeves Street Recycling Facility
4. The City of Melbourne provides all ratepayers with a standard waste service of a 120 litre rubbish bin and 240 litre recycling bin. This is not an adequate service level for most commercial businesses who usually seek an alternative paid service.

5. Within the central city, cardboard collection is collected from communal cardboard bins or either loosely from the footpath (this is being phased out). Co-mingled collections (ie. glass, plastic and cardboard) have been established in conjunction with waste compactors in Kirks Lane, Bullens Lane, Lacey Place and Caledonian Lane. Food waste is collected at the Degraeves Street Recycling Facility and is processed by an on-site dehydrator. There is currently no charge for the use of these services.
6. There is an estimated 1,500 waste bins stored permanently on the street within the central city. Many small cafes and restaurants do not have bin storage space within their premises. This is particularly the case in hospitality precincts such as Hardware Lane (blocks bounded by Bourke Street, Elizabeth Street, Lonsdale Street and Queen Street); Degraeves (blocks bounded by Swanston Street, Flinders Lane, Elizabeth Street and Flinders Street) and Chinatown (blocks bounded by Bourke Street, Exhibition Street, Lonsdale Street and Swanston Street).
7. Waste amenity in the central city is supported by 'waste standards' which require the registration of all businesses collecting waste within the central city, prohibition of bin placement in some laneways and a requirement that bins are located inside premises wherever possible.
8. Full details of the commercial waste profile for the central city can be found in the Waste and Resource Recovery Plan 2015-2018 approved by the Future Melbourne Committee on 8 September 2015.

Finance

9. There are no financial implications in the adoption of this report.

Conflict of interest

10. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Stakeholder consultation

11. Two meetings were held with the Victorian Waste Management Association to discuss the issues raised in the report. The Association understood the need for change to reduce the number of rubbish bins stored on the streets. They accepted that this may mean a reduction in the number of waste companies operating within certain areas. They put forward the strong view that if the collection of waste in the new zones were to be contracted out, that this be done through a competitive process so as all companies had an opportunity to bid.
12. The public engagement will be undertaken with business and resident precinct groups, the Victorian Waste Management Association, other waste companies, all businesses and residents living or operating within the boundaries of the proposed waste zones and property owners adjacent to proposed compactor and recycling hub locations.
13. The topics discussed during the public engagement phase would include possible payment structures, proposed waste zone boundaries, proposed compactor and recycling hub locations, possible local law changes and opportunities to improve the aesthetic appearance of waste compactor bins.

Relation to Council policy (if applicable)

14. The issues set out in this report are consistent with those raised in the 'Waste and Resource Recovery Plan 2015-2019'.

Environmental sustainability

15. Measures detailed in this report have the potential to increase diversion of waste from landfill and reduce the number of greenhouse gas emissions generated from waste collection and disposal.