

REGIONAL AND RURAL LANDFILLS

1. Purpose

This paper provides a progress report on the audit of selected rural council landfill facilities project.

2. Background

At the April Forum meeting, the Forum endorsed the concept of an audit of selected rural council landfill facilities to better inform the implementation of the revised draft EPA Landfill Guidelines and support waste management decision making in Local Government. The audit project was initiated in response to concerns expressed by rural councils and Local Government regional organisations about the costs of compliance and timelines for implementation of the revised draft EPA Guidelines.

The audit sought to provide both the EPA and Local Government with independent information on:

- (a) The costs to non-metropolitan councils in complying with existing landfill license conditions and Landfill Environmental Plans; and,
- (b) Estimated cost of compliance to meet the revised draft EPA Landfill Guidelines.

The audit project was overseen, and funded, by representatives on a joint Reference Group that was established for the life of the project. Representatives comprised the Environment Protection Authority [EPA], Zero Waste SA [ZWSA], the Local Government Association [LGA] and the Office of Local Government [OLG]. Project funding totalled \$87,000 (EPA 29%; ZWSA 23%; LGA 17%; and OLG 31%).

Hyder Consulting was selected as the firm to conduct the study, which included on-site landfill facility assessment visits in conjunction with an EPA and council liaison representative, and, assessment of the EPA financial modelling tool to determine its effectiveness and identify any areas for its improvement. The LGA provided direct day-to-day management of the project.

3. Actions

18 Councils offered their landfills to participate in the audit project following an LGA call for volunteers. Six landfills (and councils) were selected based on landfill category and geographic area: Ceduna (DC Ceduna); Hawker (Flinders Ranges Council); Ramsey (DC Yorke Peninsula); Karoonda (DC Karoonda East Murray); Naracoorte (DC Naracoorte and Lucindale); and Mt Gambier (City of Mount Gambier). The report arising from the project does not directly identify the landfill and refers to these by an identifying letter (A-F)

To complete the audit, the EPA made available a copy of the licence of each landfill with other relevant information from their database. The consultant, accompanied by a council representative and EPA officer, conducted onsite visits between the 28 August and 27 September. Cost assessments of current landfill operations were derived through inspection of council records and discussion with council officers. Where necessary, costs were estimated by the consultant following consultation and approval by the council representative.

A **Total Cost Approach** was used to assess the costs related to current practices, licence costs and the revised draft EPA landfill guidelines. A Total Cost Approach incorporates the total costs of all elements involved in the disposal of waste to landfill, i.e. the costs for “whole of life” elements such as: land acquisition, landfill development, operation, closure, post closure management.

Costs for each landfill were developed for the following scenarios:

- Current costs (actual costs for each landfill);
- License costs (the cost incurred if the landfill was to meet its current EPA licence requirements - which may or may not be the same as above);
- Costs as calculated using the EPA landfill cost model;
- Costs based on revised draft EPA landfill guidelines.

Throughout the audit process, the participating councils have been given the opportunity to review the data provided by council and amend it where necessary.

On 16 November the Reference Group received a draft report. At the present time, councils are being given a final opportunity for review of the data provided to the consultant and Reference Group members have been invited to comment on the draft report and the assumptions proposed to determine the costing estimates. The final report is expected late December.

4. Preliminary findings

The on-site visits have reportedly proved to be a learning process for some participating councils, providing a better insight into the total cost of landfills. These councils indicated that the knowledge gained throughout the audit process would be used to better manage their landfill.

Subject to firming up on assumptions, the draft report indicates three broad directions:

- (1) The cost to operate smaller landfills is large;
- (2) The largest financial impact of the revised draft EPA Guidelines will be on smaller landfills;
- (3) Overall benefits could be achieved if councils adopted a Total Cost Approach to landfill operations.

Such findings:

- Support the concept of regionalising waste management;
- Raise the issue of generic licence conditions: suggesting that a licence should reflect site specific circumstances as site specific conditions;
- Identify some council training opportunities for the LGA to deliver in terms of landfill management.

Once the joint Reference Group has “signed off” on the final report, it is to be referred to the EPA / Local Government Subcommittee of the EPA Board and to the LGA Waste Committee which provides advice to the LGA Executive Committee.

5. Recommendations

That the Minister’s Local Government Forum:

- 1. Note that the audit project’s on-site visits have promoted awareness of landfill costs and have focussed positive attention on the management of landfill facilities;**
- 2. Note the preliminary findings arising from the draft report entitled “*Audit of Selected Rural Council Landfill Facilities*”;**
- 3. Note that the final report is expected end of December 2005 and is to be widely circulated; and**
- 4. Request that a report on consultations on the final report be provided to the Forum at its next meeting.**