

Response – NSW EPA Resource Recovery Innovation Pathway

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Prepared by Northern Sydney Regional Organisation of Councils

Member Councils: Hornsby Council

Hunter's Hill Council

Ku-ring-gai Council

Lane Cove Council

Mosman Council

North Sydney Council

City of Ryde Council

Willoughby City Council

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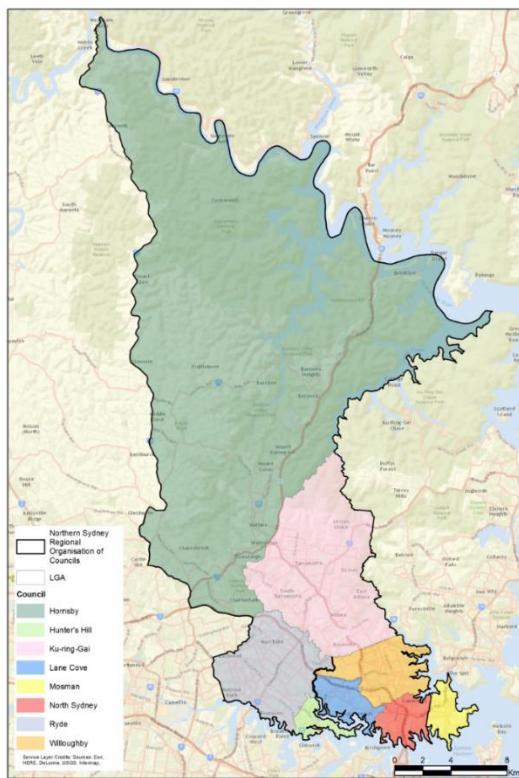
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Introduction and context

The Northern Sydney Regional Organisation of Councils (NSROC) is pleased to respond to the NSW Environment Protection Authority's Resource Recovery Innovation Pathway (the Pathway), while noting individual councils may also make independent submissions. This submission has been prepared with the input and support of our member councils but should be considered draft until it is formally endorsed by the NSROC Board.

NSROC is a voluntary association of eight local government authorities in Sydney. NSROC assists member councils collaborate on key issues and activities, develops regional solutions and generates social, environmental and economic benefits – for local communities and the region overall.

NSROC member councils service an area of 639km² with a population of 633,978, extending from the Hawkesbury River in the north to Sydney Harbour in the south, west to Meadowbank on the Parramatta River, as shown in Map 1.



The eight NSROC member councils are:

- Hornsby Shire Council (HSC)
- Hunter's Hill Council (HHC)
- Ku-ring-gai Council (KMC)
- Lane Cove Council (LCC)
- North Sydney Council (NSC)
- Mosman Municipal Council (MMC)
- City of Ryde (CoR)
- Willoughby City Council (WCC)

Our member councils employ approximately 2,700 people across the region, delivering a wide range of services, including operational waste management for public and private domains. Collectively the eight councils have a waste budget of over \$90 million per year and manage around 14% of metropolitan Sydney's municipal waste.¹

Map 1: Northern Sydney Regional Organisation of Councils area

Councils operate in complex resource-constrained environments and are challenged by mounting infrastructure and services costs. Growing populations and greater housing density, more frequent extreme weather events, impacts of climate change, increasing cyber security needs and cost shifting by other levels of government - are some of the challenges. The needs and priorities of local communities often outpace councils' capacity to generate income and meet expectations.

NSROC supports the Resource Recovery Innovation Pathway (the Pathway) aims of gaining better circular economy outcomes and improving the use and reuse of recovered materials. By including councils in the Pathway and following NSROC's recommendations, greater, better and safer innovation is possible.

¹ Based on 2021/22 figures

Recommendations List

1. Include councils, recognise their role in resource recovery innovation, for greater outcomes

That the EPA include councils in the Pathway, recognise their role in resource recovery innovation, to maximise innovation outcomes for NSW communities.

2. Co-design with local government on planning reforms for innovation

That the EPA conduct extensive co-design processes with local government, through mechanisms such as LGNSW and the Greater Sydney Waste Leadership Forum, to jointly create fit-for-purpose planning reforms that increase innovation and decrease risk.

3. Innovation Trial Licence applicants required to invite councils

That the EPA specify Trial Licence applicants invite councils to participate.

4. Equitable and probity-guided access to EPA resources

That the EPA ensure all EPA contributions to Pathway projects are equitable and guided by rigorous probity processes.

5. Innovation website and data sharing – provide existing resources first

That the EPA immediately publish past EPA funded data, research and reports.

1. Include councils, recognise their role in resource recovery innovation, for greater outcomes

The Pathway Concept Paper and Position Statement ignore councils as central proponents and partners in resource recovery innovation. Local Government has mandated roles in waste management, and for maximum innovation outcomes, needs recognition and inclusion within the Pathway.

Examples of local government innovation are bountiful. Early last decade NSROC and SSROC managed joint procurement of waste processing to engender innovative Mechanical and Biological Treatment (MBT) of waste at the Woodlawn facility. Current examples include the use of black soldier flies, in trials initiated by the City of Sydney and Hawkesbury councils.

Many examples of councils' innovation are known to the EPA, through their funding of innovative local government projects, and the Authority holds numerous resultant research, case studies and reports.

The Pathway Concept Paper provides a summary of EPA consultation, with item two on page 6 listing benefits for industry and researchers. This differs from the consultation feedback provided to NSROC in November 2023, following the EPA's innovation pathway workshop. NSROC understands from that workshop and the EPA's consultation feedback given to attendees, that the benefits described apply to all stakeholders, including councils. Ignoring councils in the Pathway will curtail innovation.

NSROC supports the collaboration proposed on page five of the Pathway Innovation Position Statement. Greater Pathway outcomes will be realised when councils are also specified in the current group of 'innovators, research organisations and industry'.

The 'Innovation support actions' listed on page eight of the Concept Paper are recognised by NSROC for their innovation potential. Even greater potential can be realised when the EPA includes councils

in the company of listed parties: ‘industry leaders, investors, researchers, start-ups and the planning system’.

To maximise innovation outcomes, local government needs inclusion and recognition as a central proponent, working alongside industry, research, community and state government partners for the greater good.

1. Include councils, recognise their role in resource recovery innovation, for greater outcomes

That the EPA include councils in the Pathway, recognise their role in resource recovery innovation, to maximise innovation outcomes for NSW communities.

2. Co-design with local government on planning reforms for innovation

Pages seven and nine of the Concept Paper propose EPA coordination with the NSW Department of Planning, House and Infrastructure (DPHI), a positive step.

EPA coordination with DPHI and other State Government agencies is strongly encouraged by NSROC, as it can be considered an area of past weakness. One recent example is the seemingly parallel development of the NSW waste infrastructure plan (EPA) and the Industrial Lands Action Plan (DPHI), without any apparent coordination.

EPA suggested planning reform areas on page ten of the Concept Paper cover “precincts, zoning, complying development, or the EPA as a ‘one-stop shop’ approval authority”. With councils being closest to local communities, it is vital planning reform is devised with genuine co-design processes, including local government.

By working early and closely with councils, EPA can decrease risks and increase the likelihood of beneficial and fit-for-purpose reform. LGNSW and the Greater Sydney Waste Leadership Forum provide suitable opportunities for the EPA to work with.

2. Co-design with local government on planning reforms for innovation

That the EPA conduct extensive co-design processes, including local government, when reforming land-use planning. Available mechanisms include LGNSW and the Greater Sydney Waste Leadership Forum, to jointly create fit-for-purpose planning reforms that increase innovation and decrease risk.

3. Innovation Trial Licence applicants required to invite councils

The proposed Innovation Trail Licences (ITL) have potential to make innovation for resource recovery easier in NSW. NSROC recommends that ITL applicants are required to invite councils to consider how they may wish to be involved. Council participation would be a choice for each council and successful applicants. Ways ITL project outcomes could be maximised by councils include:

- Project partnership – collaboration with a council, councils or a regional organisation of councils can bring resources, skills, connections, legitimacy and contacts
- Feedstock access – councils manage local waste, and can provide access to waste-stream feedstock
- Social licence – if a council deemed an innovation project to be in the community interest, it could help engender local community acceptance

- Local business involvement and connections – many councils run business and economic development programs, and can advise ITL holders on business partners, commercially generated feedstock, grants, etc
- Buildings and land – councils may be able to contribute access to a site for an ITL project
- Events and publicity – councils may offer ITL holders: participation in community events and programs; launches and media releases; coordination of local, state and Australian Government political participation, etc

Council involvement would be a matter for each council, however if councils' and ITL applicants can't consider their collaboration early in the ITL application process, many opportunities to expand innovation outcomes will be lost.

3. Innovation Trial Licence applicants required to invite councils

That the EPA specify Innovation Trial Licence applicants invite councils to participate.

4. Equitable and probity-guided access to EPA resources

The Pathway proposes the EPA contribute in-house skills, expertise and services to Pathway projects. These include EPA provided: 'innovation support actions' and 'proof of performance testing and trialling of materials or processes'²; 'targeted support and funding'³; 'EPA contaminant and emission testing' and 'sampling and analysis of waste'⁴; 'EPA expertise'⁵; 'reviews of technology and engineering processes by independent experts'⁶ as well as the six 'innovation support actions' listed on page 8 of the Concept Paper.

The Pathway requirement that innovation projects must be conducted by a 'fit and proper person' (Protection of the Environment Operations Act 1997) is welcome, however the Pathway lacks reassurance that EPA project contributions will be subject to processes ensuring equity and probity.

The EPA may wish to provide easier access to EPA Pathway contributions for councils, as another arm of government. However for the private sector, the Pathway must detail processes ensuring their access to EPA contributions are subject to rigorous equity and probity processes.

4. Equitable and probity-guided access to EPA resources

That the EPA ensure all EPA contributions to Pathway projects are equitable and guided by rigorous probity processes.

² Innovation Position Statement, page 5

³ Concept Paper, page 6

⁴ Concept Paper, page 7

⁵ Concept Paper, page 11

⁶ Concept Paper, page 9

5. Innovation website and data sharing – provide existing resources first

The Pathway proposes ‘sharing of fit-for-purpose data’⁷, ‘facilitating data-sharing by providing aggregated trial findings and case studies between proponents’⁸, ‘data pooling and sharing’⁹, ‘a new database for air, water and noise emissions’¹⁰ and an ‘Innovation website’¹¹.

The proposed data sharing and new website are likely essential for Pathway success, using newly generated information. What is missing from the Pathway proposals, are actions the EPA can implement immediately, using existing data, research and reports. The EPA’s website lists past EPA funding to industry and councils for many and varied innovation projects, including projects cited in section one of this submission.

A quick win for NSW resource recovery innovation can be gained for the EPA, by providing easy, well catalogued and searchable access to the innovation data and research reports it currently holds. Current State platforms exist, that should be examined for their suitability or use as a model. These include <https://www.seed.nsw.gov.au/> and the [Centre for Education Statistics and Evaluation Publication Library](#).

5. Innovation website and data sharing – provide existing resources first

That the EPA immediately publish past EPA funded data, research and reports.

Conclusion

The EPA Resource Recovery Innovation Pathway provides promising initial directions for increasing NSW innovation, however exclusion of Local Government is an unfortunate and worrying omission. Councils have a strong track record of resource recovery innovation, and are central innovation enablers within local communities. Another apparent omission is a connection to the State’s NSW Innovation Blueprint.

Planning reforms for innovation made with local government collaboration, will de-risk change and lessen adverse outcome likelihood. EPA input on Pathway projects, beyond application assessments, must be subject to transparent probity processes, especially for the private sector.

The EPA can make an immediate start on increasing NSW resource recovery innovation, by quickly publishing the wealth of existing data, reports and research that it has funded to date.

Including councils in Pathway development processes and documentation, will provide for greater Pathway success.

⁷ Concept Paper, Page 6

⁸ Concept Paper, Page 8

⁹ Concept Paper, Page 9

¹⁰ Concept Paper, Page 7

¹¹ Concept Paper, Page 8