



Better Bins Plus: Go FOGO

Funding guidelines



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Acknowledgements

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Statutory context

The Waste Authority is charged with promoting better waste management practices in Western Australia under the *Waste Avoidance and Resources Recovery Act 2007*. One of the Authority's functions under the Act is to draft, for the Minister for Environment's approval, a long term waste strategy for the whole of the State for continuous improvement of waste services, waste avoidance and resource recovery, benchmarked against best practice and targets for waste reduction, resource recovery and the diversion of waste from landfill disposal. The *Waste Avoidance And Resource Recovery Strategy 2030* was released on 10 February 2019. The Waste Authority publishes position statements from time to time. Position statements formalise the views of the Waste Authority and may be used to inform decisions relevant to the Waste Authority's role in implementing the strategy.





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Foreword



The *Waste Avoidance and Resource Recovery Strategy 2030* (Waste Strategy) aims to move Western Australia to a sustainable, low-waste, circular economy in which human health and the environment are protected from the impacts of waste. The strategy contains objectives to **avoid** waste, **recover** more value and resources from waste, and **protect** the environment from the impacts of waste, supported by ambitious though achievable targets.

The Waste Strategy's material recovery targets for municipal solid waste are:

- 2025: 67 per cent in the Perth and Peel regions; 55 per cent in major regional centres
- 2030: 70 per cent in the Perth and Peel regions; 60 per cent in major regional centres

The municipal solid waste targets support the state's overall material recovery targets of 70 per cent by 2025 and 75 per cent by 2030.

The Waste Strategy identifies organics – including food organics and garden organics (FOGO) – as a focus material. Organic waste makes up a significant proportion of the municipal waste stream so it is important to increase the recovery of organics in order to achieve the state's recovery targets.

Three-bin services which collect FOGO are recognised as better practice. High performing three-bin FOGO services can achieve recovery rates of around 65 per cent, or higher if residual waste undergoes further treatment for recovery.

Local governments including the cities of Bunbury and Melville are leading the way by providing three-bin FOGO services and reporting consistently high recovery rates. I also acknowledge a number of other Western Australian local governments that have introduced FOGO services as of March 2020, including the City of Fremantle, the Town of East Fremantle and the shires of Augusta-Margaret River, Capel, Collier, Harvey and Donnybrook-Balingup. The Waste Strategy contains a commitment to build on this success, with a headline strategy to implement 'a consistent three-bin kerbside collection system, which includes separation of food organics and garden organics from other waste categories, to be provided by all local governments in the Perth and Peel regions by 2025'.

The headline strategy is supported through a revised Better Bins program, Better Bins Plus: Go Fogo (Better Bins Plus). The original Better Bins program provided an incentive for local governments to introduce a three-bin system. A large number of Western Australian households now have access to a three-bin system which encourages source separation and results in higher recovery. In most cases, the organics bin is for garden waste (GO) only.

Better Bins Plus builds on the success of the original Better Bins program by encouraging the next shift – from a three-bin GO service to a three-bin FOGO service. Better Bins Plus supports this shift by providing funding to local governments that provide kerbside services consistent with the Waste Authority's *Better practice FOGO kerbside collection guidelines*.

I encourage all Western Australian local governments to take advantage of Better Bins Plus, as we collectively strive to deliver services that increase resource recovery, reduce waste to landfill, meet rising community expectations and deliver benefits to the environment.



Reg Howard-Smith
Waste Authority Chair



1. Overview

1.1 Better Bins Plus: Go FOGO

The Better Bins Plus: Go FOGO (Better Bins Plus) program is a State Government initiative, delivered by the Waste Authority. The program supports local governments to provide better practice three-bin kerbside collection systems with a separate food organics garden organics (FOGO) service.

Better Bins Plus supports a headline commitment in Western Australia's *Waste Avoidance and Resource Recovery Strategy 2030* (Waste Strategy) to a consistent three-bin kerbside collection system, which includes separation of food organics and garden organics from other waste categories, to be provided by all local governments in the Perth and Peel regions by 2025, and supported by State Government through the application of financial mechanisms.

The Waste Authority's *Better practice FOGO kerbside collection guidelines* (FOGO collection guidelines) describe better practice three-bin kerbside collection services, including details of mobile garbage bins, kitchen caddies and liners, complementary measures and actions to support markets for FOGO-derived materials. Better Bins

Plus provides funding to local governments that deliver kerbside services consistent with the FOGO collection guidelines.

Better Bins Plus follows the Better Bins program, which encouraged local governments to provide a three-bin system (general waste, co-mingled recycling, organic/green waste) to support greater source separation and higher recovery. As a result of Better Bins, a significant number of households receive a three-bin kerbside system.

Better Bins Plus builds on the Better Bins program by providing funding to support FOGO services. The program targets kitchen caddies and liners (identified as being important to a high-performing service) in the first instance, and complementary measures to improve the performance of the service. The program also encourages local governments to 'close the loop' by using FOGO-derived products in a local government area.

Better Bins Plus will pay local governments up to \$25 for each household that receives a better practice three-bin FOGO collection service.

Key principles

Key principles adopted in the design of the Better Bins program are retained in the design of the Better Bins Plus program:

encourage the adoption of evidence-based better practice services

promote source separation to improve the quality and value of recycling streams

ensure early adopters are not financially disadvantaged

provide funding to be used for new spending to implement and/or improve the performance of kerbside systems (i.e. no retrospective funding)

make payments on the basis of actual services provided per household

implement the use of Australian standard bin colours

implement the use of complementary measures to support the performance of services.

2. How the program works

2.1 Kerbside service requirements

The Waste Authority's FOGO collection guidelines provide details of high performing three-bin FOGO kerbside services. The guidelines include details of:

- three-bin FOGO collection services – including bin types/volumes, collection frequencies, kitchen assets (caddies) and consumables (compostable liners)
- complementary measures – including education and engagement actions to support the implementation of FOGO services
- market development actions – to support the production of high-quality FOGO-derived products and in turn, support end markets for FOGO-derived products.

Better Bins Plus offers a funding amount to local governments based on the number of households receiving a three-bin FOGO service, consistent with the FOGO collection guidelines. Table 1 provides details of minimum service requirements for Better Bins Plus funding.

Better Bins Plus targets kitchen caddies and compostable liners in the first instance (see section 2.3, Investment Type A) because kitchen caddies




and liners are consistent with high-performing FOGO services.

Local governments that have already purchased these items must direct funding to complementary mechanisms (Investment Type B) to support the roll out of FOGO services. Better Bins Plus funding must be applied to new expenditure.

► Notes:

- Table 1 describes services to standard single-unit dwellings. A standard single-unit dwelling is a household which receives a separate kerbside service on block sizes no less than 320–400 metres squared.
- To be eligible for Better Bins Plus funding, a local government's standard service should be consistent with Table 1. A standard service is the main service provided by the local government to households.
- The funding conditions (section 4) provide details of how local governments can apply for funding for services which vary from the minimum service requirements in Table 1.

Table 1: Minimum service requirements - Better Bins Plus

			
	Mobile Garbage Bins		
	Residual / General waste Red lid	Co-mingled recycling Yellow lid	FOGO Lime Green lid
Preferred bin volume	80, 120 or 140 litres	240 or 360 litres	240 litres
Preferred collection frequency	Fortnightly	Fortnightly	Weekly
Equivalent collection volume per week	Maximum 70 litres	Minimum 120 litres	Minimum 240 litres
Kitchen asset and consumables			
Kitchen caddies	5 to 8 litres		
Kitchen caddie liners	AS4736-2006 for compostable and biodegradable plastics		



2.2 Funding rates

Figure 1 provides the funding rates offered under Better Bins Plus.

Higher rates are offered in the early years of Better Bins Plus to provide an incentive to local governments to implement services well before the 2025 target date for three-bin FOGO services.

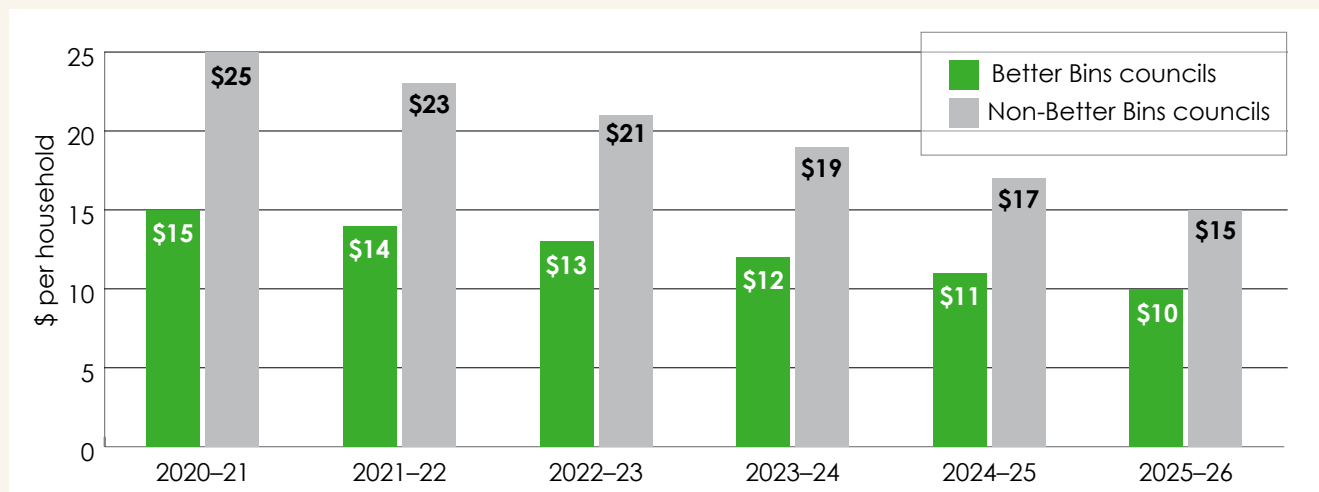
Two funding amounts are offered in each year: a higher amount for local governments that have not received Better Bins funding (starting at \$25 per household and reducing to \$15) and a lower amount for local governments that have received, or have been awarded, Better Bins funding (starting at \$15 per household and reducing to \$10).

Local governments that have already accessed Better Bins funding can receive up to \$15 per household. These local governments could receive up to \$45 per household over the life of both the Better Bins program (\$30 per household) and Better Bins Plus (\$15 per household).

Local governments that have not accessed funding under the Better Bins program can access up to \$25 per household. The higher amount available through Better Bins Plus acknowledges that these local governments have not previously accessed funding for better practice kerbside services.

The funding rate applies to the year in which services are provided.

Figure 1: Better Bins Plus funding rate (per household)



2.3 Investment priorities

A key objective of Better Bins Plus is to support local governments with the infrastructure costs associated with moving to a three-bin FOGO system. Investment priorities ensure that Better Bins Plus funds are allocated, in the first instance, to optimise the rollout of better practice services to standard single-unit dwellings as described in Table 1.

Once a local government can demonstrate that optimal provision of kerbside services has been achieved consistent with Table 1, remaining funds may be applied to complementary measures which aim to improve the performance of the service.

It is important to note that Better Bins Plus funds cannot be applied retrospectively. If a local government has already invested in services consistent with Table 1, the local government cannot apply Better Bins Plus funds to those investments. However, Investment Type B allows local governments access to funds which can be used to invest in improving the performance of the service.



Investment priority	Expenditure of funds
Investment Type A Optimise the rollout of better practice FOGO services to single-unit dwellings.	Infrastructure to achieve minimum service requirements as described in Table 1.
Investment Type B Complementary measures.	Complementary measures which target the performance of the three-bin FOGO system described in Table 1.





2.4 Complementary measures

The FOGO collection guidelines provide details of complementary measures, which refer to a range of actions to support the effective implementation of a kerbside collection service. Complementary measures include communications with households (such as education to support correct disposal behaviours), compliance actions, and monitoring and evaluation processes. These actions are important to support correct recycling and disposal behaviours, and manage the performance of the system.

An effective complementary measures plan should enable local governments to monitor the performance of the service and respond to any issues (such as low recovery or high contamination) that are preventing the achievement of better practice performance.

Better Bins Plus participants are required to develop and implement a complementary measures plan. Better Bins Plus applicants should indicate in the application form the types of measures that the local government will include in its complementary measures plan.

2.5 Market development

The FOGO collection guidelines identify that strong markets for FOGO-derived products are important to the successful rollout of three-bin FOGO services. The guidelines identify local government actions – such as managing contamination, engaging with preferred service providers, and procuring/using FOGO-derived products – to support end markets to help ‘close the loop’.

The Waste Authority has established a FOGO Reference Group consisting of representatives from state and local government, regional councils and industry, to support the transition to FOGO services. The reference group will consider opportunities to develop and support markets for FOGO-derived products across different sectors.

The FOGO Reference Group may identify and quantify opportunities for local governments to support FOGO markets. The Waste Authority may ask local governments to report their market development actions, with reference to any guidance provided by the reference group.



3. Application, claims and payment process

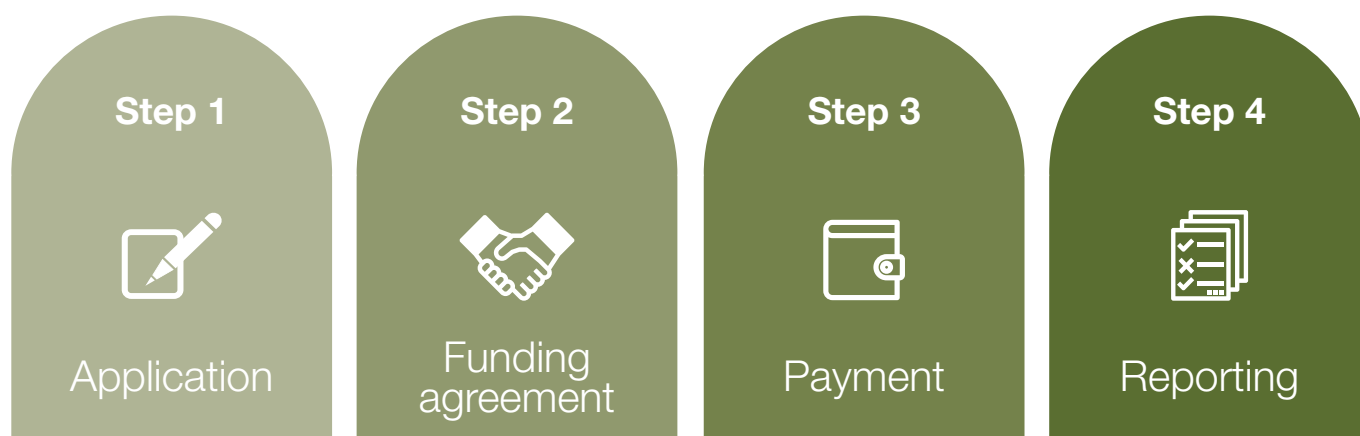
3.1 Context

The Better Bins Plus payment method is designed to ensure that the Waste Authority is able to manage cash flow in each financial year. The payment method described in this section is designed to:

- accommodate all claims in each year noting that total value of claims may be different to the amount allocated in each year's budget
- ensure that WARR Account¹ funding is expended on Waste Strategy priorities in each year, regardless of the total value of Better Bins Plus claims made in a year.

3.2 Payment principles

- The Waste Authority's better practice kerbside services budget should be expended in each financial year irrespective of the value of claims received in each year.
- If funding claims for better practice kerbside services exceed the allocated budget in a financial year, Better Bins Plus claims will be paid to local governments on a pro-rata basis with the balance deferred to a subsequent year.
- If funding claims for better practice kerbside services are below the allocated budget in a financial year, surplus funds will be redirected to other Waste Strategy priorities.
- Better Bins Plus funding claims should be received and approved early in each financial year to enable each year's budget to be managed (i.e. either expended or redirected).
- Better Bins Plus payments to local governments should be made early in a financial year based on the number of households scheduled to receive a three-bin FOGO service in the financial year.
- Annual reporting process allows for any adjustments between planned and actual services provided in a financial year.



¹ Waste Avoidance and Resource Recovery Account established under section 79 of the *Waste Avoidance and Resource Recovery Act 2007*.



Step 1 Application



By 31 March in each year of the program, local governments may submit an application. Successful applications will receive payments in the following financial year. Applicants should indicate the number of households scheduled to receive three-bin FOGO services in the following financial year (or years).

Step 2 Funding agreement



A funding agreement will be developed with the applicant for the duration of the local government's Better Bins Plus commitments.

The funding agreement will include the number of households scheduled to receive three-bin FOGO services in each financial year.

Local governments should aim to provide three-bin FOGO services consistent with the schedule in the funding agreement.

Step 3 Payments



By 31 July in each year of the program, the Waste Authority will consider the total combined claims received from all Better Bins Plus applicants deemed eligible for Better Bins Plus funding.

- If total combined claims of eligible applicants are less than the better practice kerbside collection budget in that year, local governments will be paid in full, and surplus funds may be redirected to other Waste Strategy priorities.
- If total combined claims exceed the better practice kerbside collection budget in that year, local governments will be paid on a pro-rata basis with the balance deferred to a subsequent year. The Waste Authority will honour the rate which applies in a given year, as long as services are provided to households in that year.

Any deferred payments will generate a liability in the following financial year which will be drawn from the program budget in that year. Local governments should note that the deferred liability may reduce funds available to the program in future years.

Step 4 Reporting



By 31 July in each year, local governments must report the total number of households that received the three-bin FOGO service in the previous financial year.

If the number of services provided by a local government is lower than the number of services scheduled, the Waste Authority will adjust payments relating to the previous financial year. After adjustments are made for the previous financial year, the Waste Authority will then calculate claims for the current financial year as per Step 3.

If a local government delivers services to a lower number of households than stated in the funding agreement, and that is the final year of the project and/or funding agreement, local governments may be required to return any excess funding provided as part of the contract to the Waste Avoidance and Resource Recovery Account.

► Notes:

- As per funding condition 4.6, Better Bins Plus funds must be applied to new activities from the project commencement date in the funding agreement.
- In 2025–26, the final year of the program, deferred payments from previous years may reduce the amount available to local governments. Local governments may share any available funding on a pro-rata basis unless additional funding is approved beyond the 2025–26 financial year.



3.3 Examples:

A local government intends to provide a three-bin FOGO service to 45,000 of its 50,000 households in 2021-22. The local government has already received funding under the Better Bins program, so the funding rate that applies to services provided in that year is \$14 per household.

The local government submits an application for Better Bins Plus by 31 March 2021. A funding agreement is drafted which includes a rollout schedule for the three-bin FOGO service. The local government can claim \$630,000 (45,000 households x \$14).



Example 1 – Total value of claims less than the better practice kerbside collection budget

The total combined value of all Better Bins Plus claims is \$2.5m which is \$500,000 less than the \$3m budget for the year.

The local government is paid the full amount of \$630,000. The \$500,000 surplus is redirected to other Waste Strategy priorities.

By 31 July 2022, the local government reports that services were provided to all 45,000 households. No further action required.



Example 2 – Total value of claims exceeds the better practice kerbside collection budget

The total combined value of all Better Bins Plus claims is \$4m representing 285,000 households. The claim is \$1m more than the \$3m budget for the year.

A pro rata payment of \$10.52 is paid to each household in 2021-22 to expend the \$3m budget available in that year (\$3m divided by the 285,000 households).

In the following year (2022-23), the balance of \$1m (\$3.48 per household) is paid to all local governments that provided services in 2021-22. The \$1m is drawn from the 2022-23 budget leaving less funds available in 2022-23.



Example 3 – The local government does not deliver against intended rollout schedule

The total combined value of all Better Bins Plus claims is \$2.5m which is \$500,000 less than the \$3m better practice kerbside collection budget for the year.

The local government is paid the full amount of \$630,000. The \$500,000 surplus is redirected to other Waste Strategy priorities.

By 31 July 2022, the local government reports that it only provided services to 30,000 of the intended 45,000 households in 2021-22 and commits to providing services to the remaining 15,000 households for 2022-23. The additional 15,000 services are provided in that year.

The Waste Authority must adjust the payment to the local government relating to the funding amount offered in the year in which the service was provided, being:

Year	Number of households	\$ per household	Total
2021-22	30,000	14	\$420,000
2022-23	15,000	13	\$195,000
Total	45,000		\$615,000

The local government would have been paid the full amount of \$630,000 up front and will be required to return the overpayment of \$15,000 to the Waste Avoidance and Resource Recovery Account.



4. Funding conditions

4.1 Standard Services – Better Bins Plus

Table 1 describes minimum service requirements for Better Bins Plus funding. To be eligible for Better Bins Plus funding, a local government's standard service provided to a standard single-unit dwelling should be consistent with Table 1.

- A 'standard service' is described as the main service provided by the local government to households.
- A 'standard single-unit dwelling' is a household which receives a separate kerbside service on block sizes no less than 320–400 metres squared.

4.2 Variation to standard services

Local governments wishing to access Better Bins Plus funding for services that vary from the standard service described in Table 1 must demonstrate to the Waste Authority:

- how the proposed service/s will deliver outcomes consistent with better practice
- how a variation can be implemented without undermining the objectives in the Waste Strategy to support consistent messaging on waste avoidance, resource recovery and appropriate waste disposal behaviours.

The following scenarios are provided to guide decisions about services which vary from those described in Table 1.



Non-standard single-unit dwellings:

Better practice guidance (Table 1) relates to households described as standard single-unit dwellings. Better practice guidance is not available for other dwelling types such as small households, multi-unit dwellings or dwellings with shared services.

A local government may be eligible for services provided to households that are not standard single-unit dwellings if the local government can demonstrate to the Waste Authority:

- that the households to which proposed services will be provided are not standard single-unit dwellings
- how the proposed service/s will deliver outcomes consistent with better practice
- how a variation can be implemented without undermining the objectives in the Waste Strategy to support consistent messaging on waste avoidance, resource recovery and appropriate waste disposal behaviours.



Local governments outside of Perth and Peel:

Local governments outside of the Perth and Peel regions may phase in services over a period of time (for example, from their current service to a two-bin service followed by a three-bin service).

A local government outside of the Perth and Peel regions will be eligible for funding for phasing in services over a period of time, if the local government commits to providing services consistent with Table 1 by 31 December 2025, and can demonstrate to the Waste Authority:

- how the proposed service/s will deliver outcomes consistent with better practice
- how a variation can be implemented without undermining the objectives in the Waste Strategy to support consistent messaging on waste avoidance, resource recovery and appropriate waste disposal behaviours.

The funding rates for services that transition over time are as follows:

- from no kerbside service to a single-bin service – 33.3% of the funding rate (see Figure 1) in the year in which the service is provided
- from no kerbside service or a single-bin service to a two-bin service – 66.6% of the funding rate (see Figure 1) in the year in which the service is provided.

Food only (FO) services:

Garden waste services may not be suitable in a local government area where the majority of dwellings are high density and the predominant organics stream is food waste.

A local government will be eligible for funding for FO services rather than FOGO services if the local government can demonstrate to the Waste Authority:

- that the majority of dwellings in the local government area are high density dwellings and the predominant organics stream is food waste
- how the proposed service/s will deliver outcomes consistent with better practice
- how a variation can be implemented without undermining the objectives in the Waste Strategy to support consistent messaging on waste avoidance, resource recovery and appropriate waste disposal behaviours.





4.3 Complementary measures

The FOGO collection guidelines provide details of complementary measures. A better practice three-bin FOGO system should be supported by complementary measures, documented in a plan, to support the effective implementation of the kerbside service.

Local governments will develop a complementary measures plan to support the effective implementation of the kerbside service. The complementary measures plan should include actions relating to communications, compliance, monitoring and evaluation.

4.4 Market development

The FOGO collection guidelines identify market development actions for FOGO-derived products. The FOGO Reference Group, established by the Waste Authority, will consider opportunities to develop and support markets for FOGO-derived products across different sectors.

The Waste Authority may ask local governments to report their market development actions, with reference to any guidance provided by the reference group.

4.5 Eligibility

The Better Bins Plus program is available to all Western Australian local governments.

Local governments must have no outstanding levy payments as required under the Waste Avoidance and Resource Recovery Levy Regulations 2008.

Local governments must have completed and submitted the most recent annual Local Government Waste and Recycling Services Census to be eligible for funding.



4.6 Application of funds

Better Bins Plus funds must be applied to new activities from the project commencement date as per the funding agreement.

4.7 Reporting

Funding recipients will be required to provide reports to verify project details and expenditure.

4.8 Acknowledgement

The Waste Authority's acknowledgment guidelines will be included as part of the funding agreement.

4.9 Amendments

The Waste Authority reserves the right to update Better Bins Plus program details by way of addendum to this funding guide or the FOGO collection guidelines.

The Waste Authority reserves the right, at its absolute discretion, to withhold funds claimed under the program to entities that it reasonably determines do not meet these eligibility requirements.

Contact

Waste Authority

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Regulation
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8 Davidson Terrace, Joondalup
Locked Bag 10, JOONDALUP DC WA 6919
Tel: (08) 6364 6965
Email: info@wasteauthority.wa.gov.au

How to apply

Application forms are available on the [Waste Authority website](#) and from the [Better Bins Plus Program Manager](#).

The application form will capture details of a local government's proposed kerbside services with reference to details in this funding guide and details in the FOGO collection guidelines.

Applications must be received by 31 March in each year of the program in order for payments to be considered for the following financial year.

Local governments must submit a completed application form to the Waste Authority.

Applications must be signed by the CEO of the local government.

Applicants are encouraged to contact the [Better Bins Plus Program Manager](#) to ensure applications are clear and complete.

The Waste Authority reserves the right to request additional details that may not be included in the application form.

