

Building a Circular Greater Bendigo

CIRCULAR ECONOMY & ZERO WASTE POLICY

CITY OF GREATER BENDIGO



MAY 2021

CIRCULAR ECONOMY AND ZERO WASTE POLICY

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Responsible Officer:	Circular Economy Coordinator (RR&E)
Owner:	Resource Recovery and Education
Responsible Director:	Presentation and Assets
Relevant Legislation/Authority:	Recycling Victoria: A New Economy (2020); Department of Environment, Land, Water and Planning (DELWP)
DOCSETID:	TBD

1. PURPOSE

The purpose of this policy is to reduce the material footprint (read: negative environmental impacts) of the City's work to support the residents of Greater Bendigo and use its size to stimulate a market for circular economy solutions in the region. That is, to explore opportunities for the City to take a full life-cycle approach to the works, services and goods we provide and projects we undertake i.e. being aware of the "waste" inherent in our current operations and working towards eliminating the need to "dispose" of anything to landfill by encouraging the reuse and repurposing of materials and goods in the region through every project we undertake and service that we deliver.

2. BACKGROUND

With over 800 full-time-equivalent staff, a yearly procurement expenditure of \$110-\$130 million, yearly waste-to-landfill from City operations of 10,000-15,000 tonnes (10%-15% of the region's landfilled waste), and an even larger quantity of yearly material consumption, the City represents a major consumer and provider of works, services and goods in the region. In line with the City's One Planet strategy, to reach net Zero Carbon emissions and Zero Waste output by 2036, there is a great opportunity for the City to "get its own house in order" and "practice what it preaches" by **reducing the material consumption and waste output in all work that it does both internally and out in the community.**



3. SCOPE

The policy **applies to all staff at the City of Greater Bendigo. It applies to all works, services and goods used in future operations and projects, and also to all purchases**, both via new and existing contracts and panels. That is to say, this policy will influence and guide our Procurement Policy, but its focus is not strictly limited to how the organisation procures but rather how it operates and uses suppliers i.e. **designs, procures, uses and “disposes”** of goods and materials through its delivery of works and services to the community.

4. DEFINITIONS

Circular Economy: An approach to the delivery projects and services that ensures no waste is created at through their use of materials and products. The products and materials used in these projects and services are either recovered for reuse or have been designed to be fully recyclable when no longer required i.e. projects and services result zero general waste, with only recyclables or organic “waste” being created.

Council Contract: A legal agreement between the council and a 3rd-party organisation to provide the council with an agreed upon set of materials, products or services, either as a once-off or as part of an ongoing agreement.

Council Project or Service: Any work delivered by the council (or on its behalf) to support community services, infrastructure or the City’s own internal operations. That is, undertakings that require the use of materials, products or resources, or that involves the removal and “disposal” of products or resources.

Disposal: Sending of materials and products used by the council and its contractors to landfill as a result of the delivery of a project or service (either directly, via general waste bins, or via contractors).

Downcycling: The lowest value form of recycling; material is recovered and recycled into a new product or material, but the original material is lost and cannot be recovered or recycled again e.g. crushing recycled glass bottles for use in road-base or using waste plastic in roads and pavements.

Environmental Footprint: The overall impact that the delivery of a project or service has on the environment e.g. material use, water use, electricity use, gas use, fuel use.

Lifecycle Cost: The whole of life cost of a product or service: upfront costs, operational & maintenance costs, disposal costs. This differs from standard costing that rarely considers the end-of-life costs, and only sometimes considers both upfront and ongoing costs.

Procurement: The process of acquiring external goods, services or works from initial concept through to disposal of an asset at the end of its useful life or completion of the contract.

(Sustainable) Procurement: A strategic approach to meeting social and environmental objectives by using procurement processes and purchasing power to generate positive social and environmental outcomes in addition to the delivery of efficient goods, services and works.

Product vs. Service: A ‘product’ is a physical good/s or material/s that the Council purchases in order to subsequently use them to deliver a project or council service. A ‘service’ is the delivery of a specific outcome by a supplier or contractor e.g. purchasing cleaning products vs. paying for a cleaning outcome i.e. regularly cleaned public amenities.

Recycled Content: The % level of a given product or material that is derived from a recycled material rather than new e.g. a plastic bottle of 80% recycled content has sourced 80% of the raw materials (by weight) to make that bottle from recycled and recovered plastic rather than from new oil.

Remanufacture: The process of re-making a product to its original specification (or better), using a combination of reused and repaired elements as well as new parts.

Reuse/ Repurposing: ‘Reuse’ is the process by which a material or product is recovered and then used again for the same purpose, whereas ‘repurposing’.

The City: The City of Greater Bendigo, the Local Government for the region of Greater Bendigo.

5. PRINCIPLES

5.1 Regional Responsibility

The City's projects, services, operations and procurement activities shall be performed with ethics and integrity, aligning with the fundamental sustainability commitments made by the City, as outlined in the 'One Planet Vision', including:

- Alignment with One Planet targets of 'net zero carbon' and 'zero waste'
- Aiming for as best-practice environmental outcomes as viable for a product or material
- Taking responsibility for the environmental impact (or benefit) of our choices
- Taking a lifecycle approach to procurement i.e. whole of life costs, not just upfront costs
- Taking a lifecycle approach to projects and operations i.e. design and plan for "end of use" of a material, product or service to achieve at least zero waste or encourage circular economy outcomes e.g. reuse, repurposing etc.

5.2 Victoria's Circular Economy Strategy

Over the 10-year period 2020-2030, Council will align its activities to meet or exceed Victorian and Federal waste and resource targets:

- Cut total waste generation by 15% per capita by 2030
- Divert 80 percent of waste from landfill by 2030 (72% by 2025)
- Halve the volume of organic material going to landfill between 2020 & 2030 (20% reduction by 2025)
- Ensure all City facilities have access to (and are using) food and garden organics waste recycling services or composting
- Significantly increase the use of recycled content by government and industry
- Phase out problematic and unnecessary plastics by 2025

5.3 Responsible Procurement

The procurement aspects of this policy both inform (and are informed by) the City's Procurement Policy. From a procurement perspective the Circular Economy & Zero Waste Policy can be considered to be a layer that sits on top of the existing procurement process and commitments. **This policy aims to avoid the need for each procurement panel to assess detailed "sustainability" criteria, but rather embed standard response requirements that will provide circular, zero waste solutions that can be assessed via the current standard procurement assessment procedure.**

6. POLICY

6.1 General Approach to Material and Product Procurement and Use

When planning for, procuring and using materials and goods to deliver all works, services, projects and infrastructure for the region, the City will plan for the full lifecycle. That is to say, **the City will:**

- Not fund the planning, purchase and use of new materials and goods (from non-recycled content or non-reused/refurbished) where viable reused, refurbished or recycled content containing alternatives exist (that are also able to be recycled).



- Ensure as far as is viable all works, services and goods that are procured and used will not result in disposal to landfill i.e. all materials and goods can be reused, recycled or returned to the supplier.

Specifically, **all materials and goods will be required to be:**

- 100% recyclable or reusable via standard means available to the City, AND/OR;
- Recovered by the supplier at end-of-life for recycling or reuse, AND/OR;
- Replaced by the provision of a service by a supplier focused on the sustainability of the product it uses to provide the necessary service, AND/OR;
- Be clarified as a temporary exception due to specific functional needs or legislation.

In striving to become a circular, zero waste council, **all new projects and new and existing contract tenders (i.e. including variations) will be required to ask for reused/recycled product/content options AND a requirement for the products to be feasibly (not just technically) recyclable as one of the tender solution response requirements** (alongside or instead of a “standard” solution proposal). These mandatory response requirements will be written into all procurement documents for EOIs/tenders (see Appendix A for examples of suggested wording).

6.2 Timelines and targets

This policy will be **rolled-out over a 3-year period** according to the following expectations with respect to the proportion of projects and contracts that have implemented these requirements:

- **‘21/’22: 50% of** all City projects and (new and existing) contracts will have revised their design and procurement approaches to meet the requirements regarding requesting reuse/recycled content products and product/material recyclability at end of life.
- **‘22/’23: 70% of** all City projects and (new and existing) contracts will have revised their design and procurement approaches to meet the requirements regarding requesting reuse/recycled content products and product/material recyclability at end of life.
- **‘23/’24: 100% of** all City projects and (new and existing) contracts will have revised their design and procurement approaches to meet the requirements regarding requesting reuse/recycled content products and product/material recyclability at end of life.

[Note: due to technical and financial constraints, the goods/materials ultimately procured might not necessarily meet this target, but the aim is for the design and procurement process to commit to delivering these outcomes as far as is possible.]

Initial **measures of success** of this Policy will be based on:

- a) evidence of expectations in tenders/EOIs and contract variations that a reused/remanufactured/recycled content product/material solution option is required to be submitted (or justification as to why such an option doesn't [yet] exist), and;
- b) evidence of expectations in tenders/EOIs and contract variations that solution proposals are completely recyclable at end of life (or justification as to why this is not currently possible or allowed), and;
- c) evidence of the inclusion of such responses in winning EOI/tender submissions or contract variation submissions.



Ongoing measures of success will be assessed as part of future reviews of the rollout of this policy and will be managed by the Resource Recovery & Education Unit in conjunction with Procurement.

However, as per section '7. Roles and Responsibilities', it will be expected that each procuring unit will maintain a register of not just 'spend totals', but also have the quantities of materials and products procured. This will enable the City to track the quantity of materials it consumes, the quantity of recycled content products procured, and the end-of-life route for all procured goods and materials. This accounting and monitoring of materials and goods will be supported by additional reporting functionality that sits alongside current procurement spend reporting and tracking processes (see Appendix C or Procurement for further details).

6.3 Immediate Requirements

Short-term requirements to be implemented as of the start of FY 2021/2022 include:

- All new materials, products and services used or procured are required to be:
 - 100% recyclable via standard means available to the City, AND/OR;
 - Recovered by the supplier at end-of-life for recycling or reuse, AND/OR;
 - Replaced by the provision of a service by a supplier focused on the sustainability of the product it uses to provide the necessary service, AND/OR;
 - Be clarified as a temporary exception due to functional needs or legislation.
- Procuring and using only 100% recycled paper & print material.
- Procuring and using only 100% recycled hygiene products i.e. toilet paper.
- Procuring and using only 100% renewable electricity.
- No organics material (food or garden 'waste') landfilled from CoGB sites or operations.
- No recyclable materials sent to landfill from CoGB sites or operations.
- Procuring and using only recycled content furniture products e.g. outdoor furniture, bollards, fencing etc. (where viable) in Works (excluding heritage areas).
- Provision of dedicated paper recycling and collection

As part of these immediate requirements for FY 2021/2022 the Resource Recovery & Education Unit will work with all units across the City to understand how each unit can most effectively implement the Circular Economy & Zero Waste Policy, and also to identify additional opportunities that colleagues see for increasing material reuse and reducing waste in their respective teams.

6.4 Financial Cost Considerations

It is understood that the potential financial cost implications of this policy are an important consideration in how we adapt our current and future use of goods and materials to deliver works and services. In general, work in this space anecdotally suggests that the cost of procuring and using various reused or recycled content materials and products typically used by councils is often at the same price-point as standard, unsustainable alternatives. For those areas where this is not the case (potentially due to the newness of the sustainable product or material), **this policy incentivises more 'circular solutions' vs. 'standard solutions' by allowing for up to a $\leq 10\%$ cost premium of recycled content/reused materials compared to the cost of materials in a standard solution.** That is to say, for the comparison of a circular solution vs. standard solution.

[Note: much work undertaken or procured by the City does not typically take into account the costs (both financial and environmental) of "end of life", with this lack of planning resulting in the City paying for disposal of thousands of tonnes of materials to landfill each year. Such costs are not typically assessed when comparing costs for different works, services or goods. This policy will be the first step towards the City adopting a Total Lifecycle Costing approach to procurement.]

7. ROLES AND RESPONSIBILITIES

The Resource Recovery & Education Unit will be responsible for working with staff to ensure alignment with this policy. The Circular Economy Coordinator (Resource Recovery & Education Unit), supported by Resource Recovery & Education and Procurement colleagues will be responsible for leading its implementation, collecting feedback and undertaking a review.

In partnership with Resource Recovery & Education and Procurement colleagues, all Units will have the responsibility of tracking and recording the quantities/itemisation of materials and products procured, along with tracking project spend. Resource Recovery & Education will support Units to develop these lists (as per Appendix C) and will collate this data to allow the City to understand its annual consumption of materials, and our progress in reducing the environmental footprint of this consumption.

Additionally, all staff have a responsibility to adhere to this policy, Directors have a responsibility to ensure all procurement and contracts in their Directorate comply with this Policy, and Governance is responsible for ensuring the City's purchases align with organisational policy and report breaches of the organisational Code of Conduct. The consequence of not complying with this policy may lead to a potential breach of the City's Code of Conduct.

7.1 Capacity Building

In the lead-up to FY 21/22, it is envisaged that a sizeable amount of capacity building and education will need to take place from Q4 FY 20/21 onwards in order to prepare the City and partners/suppliers for the implementation of this policy. This will inform City staff as to how to undertake project design and procurement that aligns with the Circular Economy & Zero Waste Policy, the role of each individual staff member in facilitating sustainable project outcomes, and the rationale as to why the City is attempting to achieve sustainable, circular project and procurement outcomes. This capacity building is expected to occur with:

- Internal Staff at the City
- Existing & prospective suppliers of products and services to the City
- Partner organisations e.g. those organisations in City buildings or working closely with the City

It is envisaged that this training will be supported by the RR&E unit (given their expertise in education around new sustainability approaches, and their familiarity with the circular economy and waste reduction) in concert with the Procurement unit.

7.2 Ongoing Support

Beyond capacity building and training, the RR&E Unit will be available to provide expert, professional support to City staff regarding achieving the desired policy outcomes, and also with respect to assessing the feasibility of a given EOI/tender response regarding circular economy or sustainability claims.



8. RELATED DOCUMENTS

Employees are encouraged to access the related internal documents which are available on the intranet and/or external resources which are available as per the below.

These include:

- Appendix A – Implementation Guide
- Appendix B – Policy Background & Q&A
- Appendix C – Guide to Tracking Goods & Material Consumption
- Appendix D – Examples of Circular Procurement Best Practice & Food for Thought

Further information or advice on this policy should be directed to the Resource Recovery and Education unit.

9. HUMAN RIGHTS COMPATIBILITY

The implications of this policy have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

10. ADMINISTRATIVE UPDATES

It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this, such a change may be made administratively. Examples include a change to the name of a Business Unit, a change to the name of a Federal or State Government department, and a minor update to legislation which does not have a material impact. However, any change or update which materially alters this document must be made through consultation with the staff Consultative Committee and with the approval of EMT or where required, resolution of Council.

11. DOCUMENT HISTORY

Date Approved	Responsible Officer	Unit	Change Type	Version	Next Review Date
<i>May, 2021</i>	<i>Circular Economy Coordinator</i>	<i>Resource Recovery & Education</i>	<i>Develop</i>	<i>0.1</i>	<i>November, 2021</i>