

Separated waste service charge

Frequently Asked Questions



General FAQs

What services will I be paying for as a part of the kerbside waste rate?

The kerbside waste service rate covers the cost of the regular household recycling, glass and rubbish bin collection service, operating the recycling centre, booked hard rubbish and green waste collection and processing, as well as providing new and replacement bins, transport, fuel, waste management contracts, the cost of processing recyclables and the cost of disposing of materials.

This rate also covers the cost of the Victorian Government's waste levy, a levy which all councils must pay based on how much material is sent to landfill.

What services will I be paying for as part of the public waste rate?

The public waste rate covers all waste and cleaning services that benefit the whole community. This includes, but is not limited to:

- Street sweeping
- Street and park bin collection
- Litter removal

The waste service charge may also include any public waste services that Yarra City Council introduces in the future, unless stated otherwise.

Are there any waste service costs that aren't covered by the waste service charge?

The waste service charge would not cover waste and recycling-related community education and engagement programs. It would also not cover other cleansing services, such as graffiti removal.

Is Yarra the only council that is separating waste service charges from general rates?

Yarra is the only council that does not have either a separated waste service charge or a commitment to introduce one in the new financial year.

Does this mean I'm paying for waste twice?

No. The cost of providing kerbside and public waste services will be removed from general rates and listed as a separate line item on your rates notice. Importantly, residents will only be charged for the cost of waste services once, through the separated waste service charge. You will not be charged twice for waste services.

General FAQs

Why can't Yarra City Council use methods other than a separated waste service charge to recover costs?

Yarra City Council is always looking into methods to reduce the amount that we spend on waste services. This includes waste minimisation, education programs to reduce the volume of waste sent to landfill and working with community partners to provide subsidies on products such as composting bins.

However, this alone is not enough to recover the total costs of providing waste services to our community. A separated waste service charge is essential to the ongoing financial sustainability of Council.

Work to meet these challenges will need to be ongoing and require constant attention. There is no single solution- rather a holistic approach will be required.

**Will the community be involved in the decision?
How can I provide feedback?**

Yarra needs a separate waste services charge to ensure that we remain financially sustainable into the future. There will be a range of opportunities for our community to be informed about the proposal, through a series of in-person events and online resources, as well as comprehensive information available on our website and mailed to all ratepayers.

The separated waste services charge will be included in our draft Budget 23/24, and our community will have the opportunity to provide feedback during the public exhibition of the draft Budget in April/May 2023.

Financial FAQs

Why can't this extra cost be covered by rates as it has been previously?

The increasing cost of providing waste services far exceeds the Victorian Government's rate cap, which has averaged at 1.75% over the past three years and is set at 3.5% for 2023/24. For this reason, Council is having to explore other options to recover the cost of providing waste and recycling services that our community relies upon. This includes the separation of waste service charges from general rates.

Will the new waste service charge also mean an increase in general rates?

A separated waste service charge would see the cost of waste services removed from general rates and listed separately. By listing a waste service charge separately, this would see an overall decrease in general rates. However this does not necessarily mean there will be a decrease in the total amount charged to all individual ratepayers.

The total amount charged to ratepayers (general council rates + waste service charge) will depend on that individual's circumstances. Take a look at our personas to see how a waste service charge may be applied to circumstances similar to yours.

**What if I can't pay?
What are my options?**

As always, we are happy to work with ratepayers to support those who are experiencing financial hardship. If you feel that you are unable to pay, you can request financial hardship support.

Our financial hardship policy aims to provide ratepayers and service users with a clear and transparent understanding of options and assistance available if currently experiencing financial hardship.

Who in the community can access rebates?

We will continue to support pensioners with a Council rates rebate, in addition to the pensioner rebate provided by the Victorian Government.

As always, we are happy to work with ratepayers to support those who are experiencing financial hardship. If you feel that you are unable to pay, you can request financial hardship support.

Our financial hardship policy aims to provide ratepayers and service users with a clear and transparent understanding of options and assistance available if currently experiencing financial hardship.

Financial FAQs

How is the waste service charge calculated for residential properties?

The waste service charge will be made up of two elements: a public waste rate and a kerbside waste rate. 'Rate' in this instance means that the cost will be scaled based on property value; this is the same way we calculate general rates.

The kerbside waste rate would only be applied to properties that receive a kerbside waste service from Yarra City Council. Ratepayers who do not receive a kerbside service from Council would be exempt from this charge.

Considering the rate cap for 2023/24 has increased to 3.5%, why then do we need to separate waste service charges from general rates?

While an increase in the rate cap for 2023/24 will help Council to collect more revenue to provide services for our community in the coming year, this is only a short-term change. The Victorian Government rate cap changes each year, so Council is unable to plan for long-term sustainability based on this one factor.

The cost of providing waste services is also rising much faster than Council can recover via this above average rate cap alone.

By separating waste service charges from general rates we can ensure that Council is able to provide financially sustainable waste services into the future.

Is the waste service charge a new tax designed to increase revenue?

No. The waste services charge would not deliver any additional revenue for Council in the first year (2023/24). From 2024/25 onwards, the funds collected would only be used to cover the costs of providing waste and recycling services in Yarra.

I have already paid a one-off fee for bins (\$199.50). Will I be charged again?

No. The \$199.50 fee for a bin is a one-off fee. A waste service charge will be a yearly fee for the service that you receive for waste and recycling services.

Council will continue to charge property owners if you require a replacement bin.

Financial FAQs

Can I refuse a bin to avoid the waste service charge?

Council is obligated to provide residential properties with a waste and recycling service wherever it is possible. Therefore residential property owners that are currently eligible for a Council service will not be able to refuse a bin to avoid paying the waste service charge.

Commercial properties can opt-out of receiving a Council kerbside waste collection service. Commercial properties that opt out of receiving a kerbside waste collection services will not be charged the kerbside waste rate. They will still be charged for the public waste rate.

Commercial properties have an opportunity to opt out of the residential waste service once each year.

Will residents see an increase in rates?

Any increase or decrease to Council rates with a separated waste service charge will depend on individual circumstances. A major contributor to rates increases and decreases is the value of property which is determined by the Valuer General.

What will happen in year 2?

It is impossible to accurately predict changes to Council rates in the second year of a waste service charge. General rates will increase based on the Victorian Government's rate cap for 2024/25, which is currently unknown. The waste service charge will be determined by the actual costs of providing waste services to the community. If the cost of providing waste services increases, then the waste service charge will increase. Likewise if the cost of providing waste services decreases, the waste service charge will also decrease.

What will the money go towards? Will we see more services or additional projects as a result?

The money collected through the waste service charge can only be used to cover the costs of providing waste and recycling services in Yarra.

This includes kerbside waste services such as bin collection, transport contracts and recycling processing, among others; and public waste services such as street sweeping, park and street bin collection and litter and dumped rubbish removal, among others.

The waste service charge will also be essential to supporting the introduction of a new food organics and green organics (FOGO) waste service for Yarra. The introduction of this and other services, which are required by the Victorian Government, will rely on the waste service charge to be financially viable.

Financial FAQs

What is Council doing to improve its overall financial position?

Council is deeply committed to serving the best interests of the community and recognises that consistent effort will be required to ensure that we remain financially sustainable and make the most effective use of public funds.

Like all other councils across Victoria we are facing financial challenges with rising cost pressures, rate capping and cost shifting, coupled with unprecedented growth and increasing pressure and demand on our services.

Work to meet these challenges will need to be ongoing and require constant attention. There is no single solution- rather a holistic approach will be required.

The preparation of a long term Financial Sustainability Strategy is underway which aims to provide Council with guidance for the long term sustainable management of its resources. The strategy will seek to articulate the challenges and opportunities for Council and to identify options to ensure long term financial sustainability including both strategic and systemic reforms.

Strategic reforms seek to ensure that future investment decisions are based on need, underpinned by evidence and guided by informed strategies including detailed asset management plans, contemporary property management and community infrastructure planning and an ongoing program of service reviews.

Systemic reforms include expenditure/cost controls, prudent management of debt, operational efficiencies and capital works delivery management among many others.

Logistical FAQs

How will the waste service charge appear on rates notices?

The waste service charge is made up of a kerbside waste rate and the public waste rate. Each will appear as separate line item on your Annual Rates Notice.

The charges will be itemised in the Rates and Charges box (middle) of your Annual Rates Notice.

Will I receive a separate invoice for waste services?

No. The waste service charge will be listed alongside general rates when it is communicated to ratepayers.

Logistical FAQs

When do I have to start paying the waste service charge?

Waste service charges will appear as a separate item on your Annual Rates Notice beginning 2023/24.

Yarra City Council can be contacted for payment options.

As always, we are happy to work with ratepayers to support those who are experiencing financial hardship. If you feel that you are unable to pay, you can request financial hardship support.

Our financial hardship policy aims to provide ratepayers and service users with a clear and transparent understanding of options and assistance available if currently experiencing financial hardship.

When will City of Yarra residents receive a food organics and green organics (FOGO) bin?

The Victorian Government's Circular Economy (Waste Reduction and Recycling) Act 2021 requires all councils to introduce a four-stream waste service including a food organics and green organics bin by 2030.

In the meantime, if you are interested in booking a green waste collection or purchasing a subsidised compost bin/worm farm to manage your food waste at home, please visit the Recycling and Rubbish section of our website.

Will the frequency of my bin collection change?

Council has made no decisions to change the frequency of bin collections.

Will the waste service charge amount change each year?

Any charges applied would be for cost recovery only, hence limited to the cost of providing waste and recycling services.

Can I opt out of receiving a council waste service to avoid paying the waste service charge?

No. Council is obliged to provide waste services to residents. Everyone must contribute to the cost of providing the trucks, bins, processing of material and maintaining regular collections, even if they don't generate much waste.

Commercial properties have an opportunity to opt out of the residential waste service once each year.

Will bin sizes change?

No. Bin sizes will remain the same and changes to bin sizes are not currently being considered to Council.

Our standard bin sizes are:

- 80-litre rubbish bin
- 80-litre purple-lid glass bin
- 120-litre yellow-lid recycling bin

And if you live in the Abbotsford trial area your bin service also includes:

- 120-litre green-lid green waste bin

Exemptions FAQs

Will the full waste service charge be applied to properties that receive some council bin services, but not the full suite?	Yes. The waste service charge will be applied in full for any rateable properties that receive a kerbside waste collection from Council.
I am a business owner who does not receive a Council waste service. Do I have to pay the waste service charge?	<p>The waste service charge will be made up of two elements: a public waste rate and a kerbside waste rate.</p> <p>Commercial properties that opt out of receiving a kerbside waste collection services will not be charged the kerbside waste rate. They will still be charged for the public waste rate.</p> <p>Commercial properties have an opportunity to opt out of the residential waste service once each year.</p>
I own an apartment (multi-unit development) which has a private waste service. Do I have to pay the waste service charge?	<p>The waste service charge will be made up of two elements: a public waste rate and a kerbside waste rate.</p> <p>Apartment buildings that do not receive a kerbside waste collection service will not be charged the kerbside waste rate. They will still be charged for the public waste rate.</p>
I live in an apartment (multi-unit development) which has a council waste service, but we don't have all three types of bins. Do I have to pay the full waste service charge?	Yes. The waste service charge will be applied in full for any rateable properties that receive a kerbside waste collection from Council.
I own a non-rateable property (school, place of worship etc.). Do I have to pay the waste service charge?	<p>Yes. Non-rateable properties will receive a waste service charge.</p> <p>There is no change proposed to non-rateable properties. Those properties that receive waste service will continue be charged a flat waste service charge.</p>
I am a renter. Do I have to pay the waste service charge?	No. The waste service charge will only be charged to rate-paying property owners. The owner of the property is liable to pay the rates and charges for that property.