



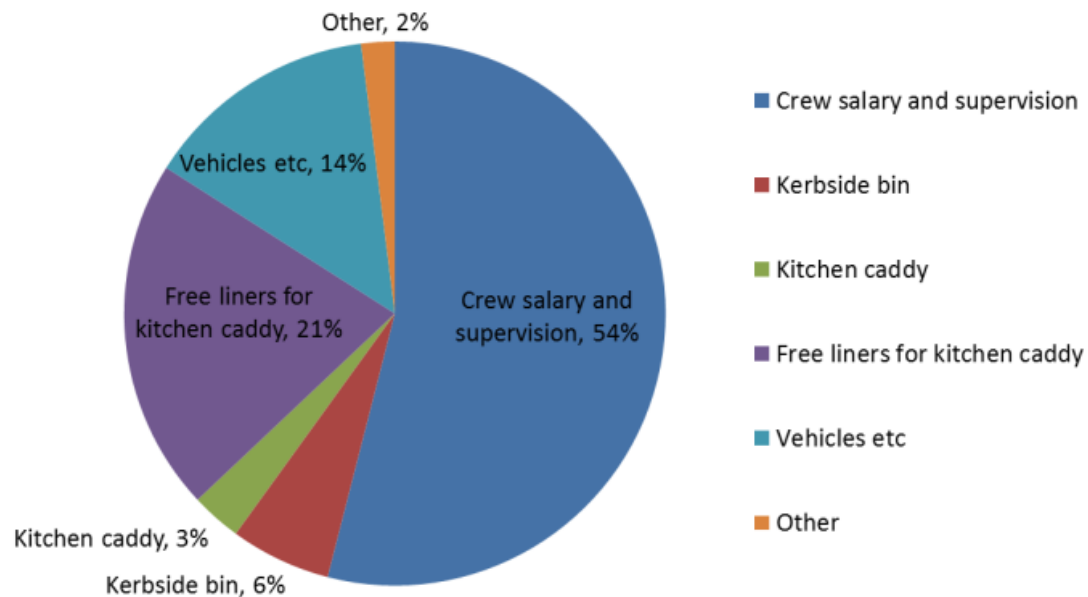
Understanding the costs and savings

FACTSHEET 7

*Food and Garden Organics
Best Practice Collection Manual*

Organics collection costs

- Example cost structure for a council-run organics collection scheme (excluding processing costs)



Capital & Operational Costs

- Investment and on-going operational costs include:
 - Number of additional staff (operational and administration), and local wage levels
 - Purchase / lease of additional collection vehicles
 - Requirement for any modifications of existing or new vehicle fleet
 - Vehicle running costs, including fuel, maintenance and overheads (such as insurance)
 - Type and size of collection bins and kitchen containers provided to residents
 - Type and number of liners for kitchen containers, if provided to residents
 - Intensity and duration of public education and motivation campaign
 - Performance monitoring, including audits and contamination management
 - Additional management and administration

Indicative costs

- Indicative costs associated with organics collection and composting services

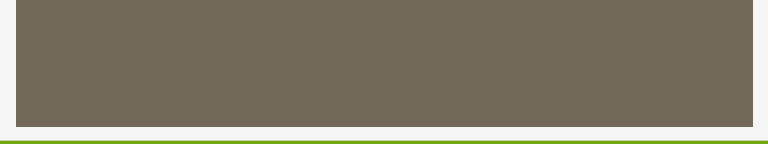
Item	Indicative costs
Promotions and campaigns	\$15,000 per year
On-going management and logistics	\$50 / hhld / year
Initial education materials (such as collection calendar, brochures, stickers for bin and caddy)	\$3 – \$5 / hhld
On-going education	\$5 / hhld / year
Kitchen caddy	\$3 – \$13 / hhld
Kitchen caddy liners, assuming 3-4 per week	\$8 – \$12 / hhld / year
Kerbside bin (240L)	\$40-\$50 / hhld
Collections	\$0.70 – \$3.00 / lift
Composting	\$25 – \$130 / tonne

What affects collection costs?

- **Unit collection costs** per household or per tonne of collected material are affected by:
 - Participation and set out rates
 - Level of capture or diversion achieved
 - Collection round efficiencies, governed by distance between pick-up points and crew productivity.
- **Processing costs** are generally governed by:
 - The kind and quantities of organic residues processed
 - The location of the processing facility
 - The selected processing technology
 - The level of contaminants that have to be removed from the delivered material
 - The designated use of generated recycled organic products.

Potential Financial Savings

- Collecting source segregated organics reduces waste to landfill resulting in potential financial savings from:
 - avoided disposal costs
 - avoided carbon price liabilities
 - collection efficiencies, e.g.:
 - Reducing collection frequency of residual waste from weekly to fortnightly
 - Reducing residual waste bin size to 120L



NB: Information in this presentation is taken from the *Food and Garden Organics Best Practice Collection Manual* (2012) published by the Department of Sustainability, Environment, Water, Population and Communities. The full document is available on the department's website

www.environment.gov.au/wastepolicy/publications/organics-collection-manual