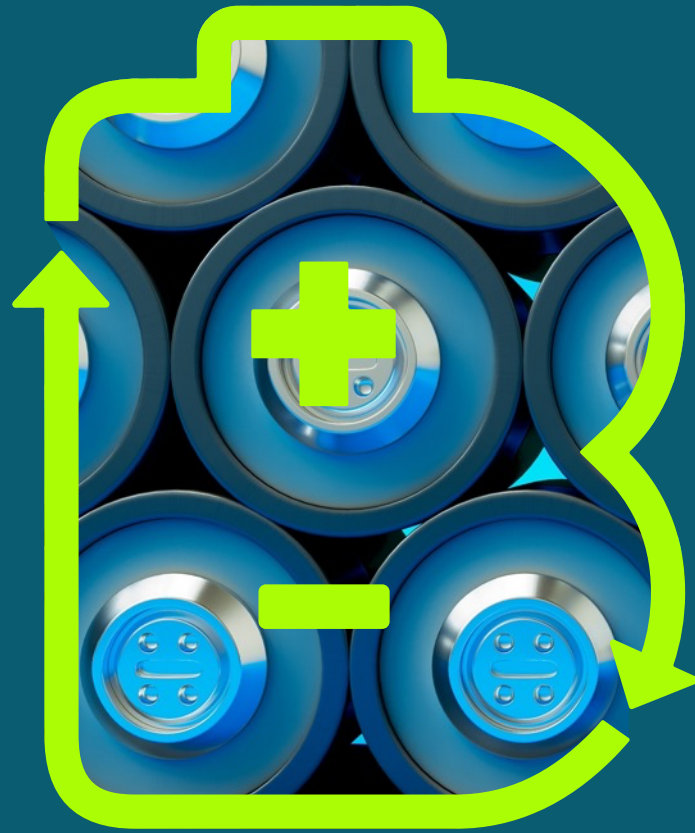


Battery Stewardship Council



Accreditation and Audit Program

Annual Progress Report

2024

A B-cycle benchmarking project conducted by Harford Consulting



Acknowledgements

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Disclaimers

The Battery Stewardship Council has commissioned this report for its exclusive use, and as part of its obligations to regularly evaluate the performance of the B-cycle scheme. The designations employed and the presentation of material throughout this report do not imply the expression of opinion on the part of the Battery Stewardship Council. The ideas expressed are those of the authors only.

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B-cycle Battery Recycling

Battery Stewardship Council

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Table of contents

Table of acronyms.....	
1. Executive summary	1
1.1 Key findings	1
1.2 Key challenges	3
1.3 Areas of most significant improvement.....	4
1.4 Ongoing challenges for ‘Collectors’, ‘Sorters’ and ‘Processors’	4
1.5 Summary conclusion and recommendations.....	5
2. Introduction.....	6
3. Project methodology	8
4. Audit results and trends.....	10
4.1 2022–2023 summary findings including ‘Collector’, ‘Sorter’, and ‘Processor’	10
4.2 2023–2024 summary findings involving ‘Collector’, ‘Sorter’ and ‘Processor’ audits	17
4.3 Summary findings involving ‘Aggregators’	18
4.4 2022–2023 summary findings involving ‘Drop off points’	23
5. Trend analysis	24
5.1 Collector Scheme participants	24
5.2 ‘Collector’, ‘Sorter’ and ‘Processor’ participants.....	26
5.3 Comparison to first year performance	27
6. Challenges meeting B-cycle accreditation requirements.....	33
7. Auditor observations	37
7.1 ‘Collector’ participation	37
7.2 ‘Aggregator’ participation.....	37
7.3 ‘Drop off points’ audits	38
7.4 ‘Collector’, ‘Sorter’, ‘Processor’ participation.....	38
8. Conclusions and recommendations	39
8.1 Information requests	39
8.2 Review and update audit protocol questions	40
8.3 Value adding for participants	40
8.4 Unannounced audits.....	41
Audit attachments.....	42
Attachment 1 – Details of audits conducted.....	42
Attachment 2 – Audit categories	44
Attachment 3 – Collector, Sorter, Processor data sets	48
Attachment 4 – Aggregator detailed data	51
Attachment 5 – Drop off point detailed data.....	52
Attachment 6 – Challenge data by category	52
List of figures.....	53
List of tables	54

Table of acronyms

BSC	Battery Stewardship Council
SS	System Strength
C	Conformity
OFI	Opportunity For Improvement
AoC	Area of Concern
NC	Non-Conformance
DoP	Drop off points
A	Aggregators
C	Collectors
S	Sorters
P	Processors
FY	Fiscal Year
YoY	Year-on-Year

1. Executive summary

BSC corrective action processes are proving effective. In the past 18 months the Non-Conformances of **Collectors, Sorters** and **Processors** (C, S, P) were reduced from 11% to 1% of audit findings

The purpose of this report is to provide Battery Stewardship Council (BSC) with a summary of the findings from the B-cycle accreditation and conformance audits involving Drop off points, Aggregators¹, Collectors, Sorters, Processors.

- + This report was completed via a desktop analysis of findings from 40 audit reports from 1 July 2022 to 31 December 2023.
- + Results were analysed for two periods involving FY2022-2023 and July to December 2023 (the first six months of FY2023-2024).

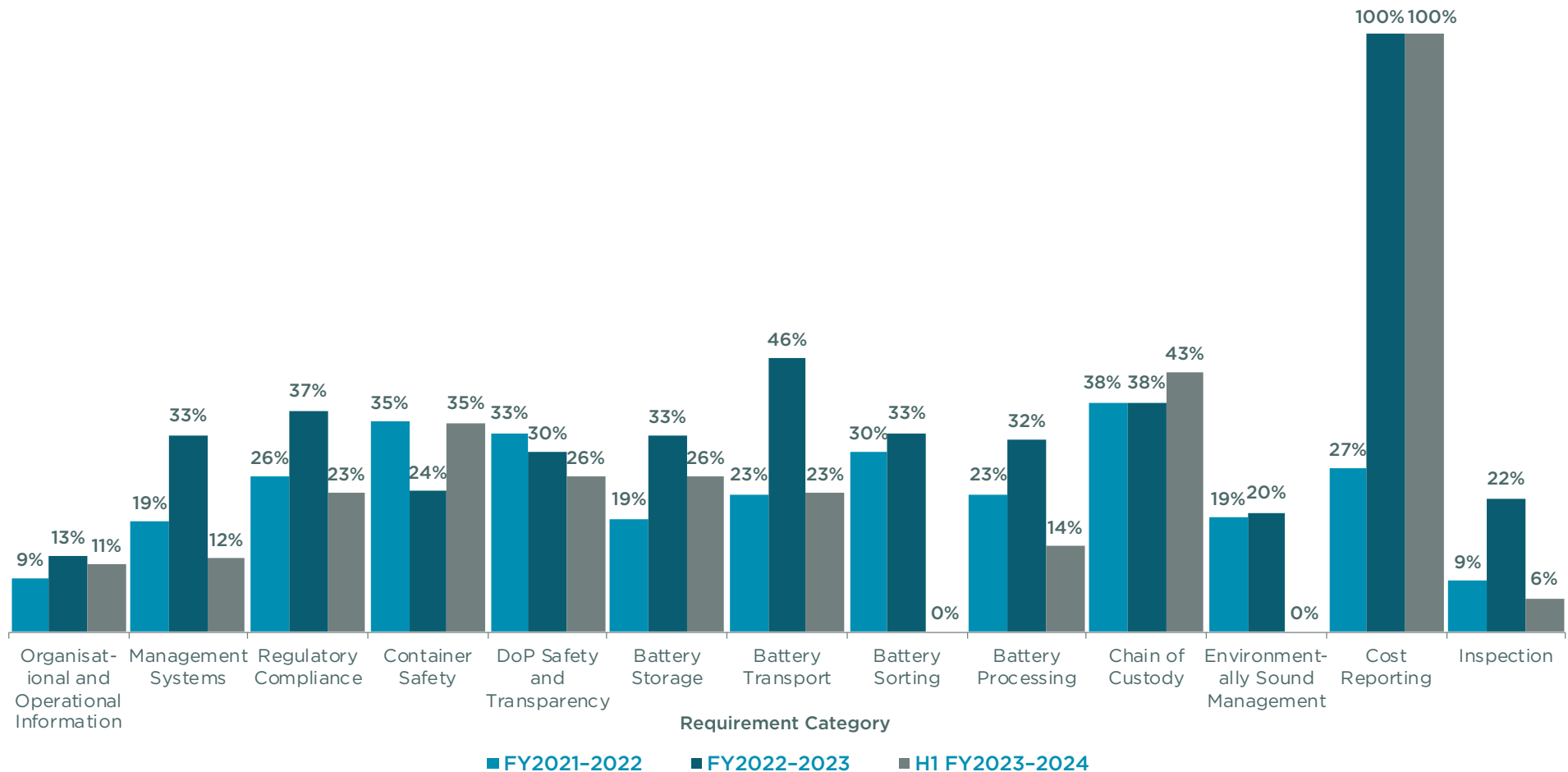
1.1 Key findings

BSC corrective action processes are proving effective. In the past 18 months the Non-Conformances of **Collectors, Sorters** and **Processors** were reduced from 11% to 1% of audit findings.

- + In the past 18 months the Non-Conformances of C, S, P were reduced from 11% to 1% of audit findings.
- + The range of Non-Conformance findings were distributed across all audit categories, however the highest proportion of findings involved:
 - + Battery Processing;
 - + Environmental Management;
 - + Storage, Organisational; and
 - + Operational Information and Management Systems.
- + Significantly, however, the B-cycle participants involved were pro-active in responding to the issues. Through the implementation of Corrective Action Plans Participants were able to reduce the Non-Conformance rate from 11% to 1%.
- + In addition, beyond 2022-2023, the early audits conducted in FY2023-2024 (July to December 2023) identifies the overall Non-Conformance continues to be at a low rate, currently 1%).

¹ Aggregators were only recently introduced into the B-cycle Scheme and their results were not included in the overall findings.

Figure 1. C, S, P YoY Summary of 'Conformity' (Post Corrective Actions)



Please note at the time of drafting this Report that audits that involved Sorting and Environmentally Sound Management in FY 2023-24 had not yet been completed hence a 0% conformance.

1.2 Key challenges

Major challenges that B-cycle Collectors, Sorters and Processors faced when trying to meet conformance with B-cycle requirements included resource constraints, the complexities of regulatory processes and difficulty providing information for transparency and chain of custody requirements.

Analysis of the non-conformance issues identified the following challenges C, S, P participants were managing, and the impacts observed during audits.

1. Resourcing Constraints

- + Some sites have reported high staff turnover and significant time required to fill technical roles.
- + Challenges in this area were observed through poor maintenance of records; lack of information available to complete audits; lack of technical information regarding recovery rates; and an observed need for sites to formally document key systems and processes (e.g. safety systems).

2. Regulatory Processes

- + Common challenges include delays involving EPA review periods and requests for further details and EPA approved time extensions to allow sites to respond.
- + Further, the Dangerous Goods Code for transport, is a complex set of regulations which is also challenging for sites to interpret and interact with.

3. Information Sharing

- + This has been a challenge for reasons of confidentiality, including protecting intellectual property, or difficulties in obtaining information from partners and/or downstream vendors.
- + From an audit perspective the challenges in this space have resulted in insufficient evidence to verify conformance, e.g. lack of chain of custody information, insufficient data to verify recovery rates.

1.3 Areas of most significant improvement

Data analysis shows the most improved audit performance categories are the areas of **Organisational Information, Management Systems, Drop off point Safety, Transparency and Battery Sorting.**

A detailed review of Collector, Sorter, and Processor audit performance year-on-year data trends² identifies participants have progressively improved in.

- + Document preparation, e.g. safety procedures, comprehensive risk assessments and improved transparency.
- + Records management regarding sorting volumes and systems of control with downstream vendors.

1.3.1 Key highlights from the data

- + Organisational and Operational Information – consistently high level of conformance from the start of the scheme in 2021 (exceeding 80% in this category).
- + Management Systems – conformance trends show overall 18% increase (68% in FY2021-2022 to 86% in FY2023-2024).
- + Drop off point safety and transparency – steady increase in conformance raised by 14% (56% in FY2021-2022 to 70% in FY2023-2024).
- + Battery Sorting – for FY2023-2024 audits there have been no Non-Conformance findings, compared with the previous year where conformance was 58%.

1.4 Ongoing challenges for ‘Collectors’, ‘Sorters’ and ‘Processors’

Data analysis shows the most challenging sections for conformance are **Environmental Sound Management, Chain of Custody and Battery Processing.**

Despite significant improvements in reporting against AS 5377 (2022) participants continue to be challenged by gaining information from third parties. Examples of challenging areas are:

- + Gathering information transparency on recovery rate data from third parties.
- + Obtaining complete chain of custody information from brokers.
- + Gaining regulatory documents, such as import / export licences, from overseas entities.

² This analysis is preliminary only as it includes the first six months of 2023-2024, and subject to change depending on audits conducted January to June 2024.

1.4.1 Key highlights from data

- + **Environmentally Sound Management** – overall category conformance consistently below 50%.
- + Chain of Custody – overall conformance in this category remains relatively low (currently 52%).
- + Battery Processing – low overall non-compliance, however Area of Concern findings are consistently trending upward.

1.5 Summary conclusion and recommendations

This report shows overall high levels of engagement and involvement with the audits, and as demonstrates the importance of the corrective action process.

Positively the audit program has been demonstrating high levels of engagement, significant improvement in some of the key audit categories, and active C, S, P responses to address Non-Conformance issues.

Detailed recommendations are included with this report. However, in summary, these include considering:

- + Further tools and support materials for Participants to assist as they develop and grow their battery recycling operations, and in particular support for the small and medium sized businesses with resource constraints.
- + Unannounced ‘targeted’ audits focused on single issues such as battery storage and fire safety. Other audit options may include desktop review of submitted information.
- + Administrative changes for improved efficiency including moving to an online platform for all document requests, kept centrally by BSC; and, review and update audit protocol questions to remove redundant or duplicative requirements.

2. Introduction

The objective of B-cycle's Accreditation Program is to confirm that all batteries through the scheme are collected safely and responsibly recycled. Audits form part of this program which involves site inspections and document review to verify operational practices meet scheme requirements.

Audits conducted through the program are in accordance with Battery Stewardship Council (BSC) requirements, including assessing operations against key performance aspects and categories. At a high level, this includes:

- + Identifying system strengths.
- + Observing operations in action to confirm safety controls, procedure implementation and awareness of both by operators, and verifying recovery rates and fates delivered by recyclers by independent auditing services for BSC for the purposes of the B-cycle Accreditation Program.

The purpose of this report is to provide Battery Stewardship Council (BSC) an up-to-date view and summary of the accreditation and conformance audits conducted over the period 2022–2023 and the first half of 2023–2024, including identifying challenges arising and recommendation for BSC to consider in future planning.

Over July 2022 to December 2023 a total of 35 audits were conducted. Scheme participants involved in the audit program were Collectors, Sorters, Processors, Aggregators and Drop off points.

Refer to Table 1 for a summary of the audits conducted, noting that:

- + The key categories for Collector, Sorter and Processor audits are outlined in the B-cycle Accreditation Protocols and associated Application Checklist.
- + All audit reports are finalised based on draft audit reports provided to BSC for review and comment.
- + Drop off point and Aggregation site audits were conducted using tailored tools and templates developed in partnership with BSC.
- + Final reports, presented to scheme participants by BSC, outline summary findings and corrective action requirements.
- + In 2022–2023 the corrective action process required re-auditing³ for two scheme participants to resolve significant Non-Conformance findings.

³ Re-auditing involved a process of re-inspection, detailed information requests and further analysis.

Table 1. Details of Collector, Sorter and Processor Audits (H1 FY2022-FY2023)

Participant type	Drop off points	Aggregator sites	Collector only	Collector, Sorter, Processor	Processor only	Total
Audits completed	18	9	14	9	1	51

Two further audits were involving a downstream vendor and sorter application were also conducted over the period. Note that the audit scope for these were developed specific to the circumstances, as such these are separated to other audits and not included in this analysis.

The process for conducting an audit involves the following:

- + Notification of upcoming audit.
- + Document request.
- + Assess documentation in preparation for the audit and site inspection.
- + Confirming audit date and the agenda.

Audits during site visits involve the following:

- + Opening meeting to discuss audit purpose and context.
- + Site inspection of all relevant battery receipt, storage, sorting, processing and dispatch areas.
- + Documentation review and receive further information.
- + Agree on a list of further documents that may be required.
- + Closing meeting, including initial feedback.
- + Draft audit report provided to BSC for review prior to final version.

Please note that Drop off point audits for retail sites were unannounced and follow a specific template assessing battery storage, safety and scheme requirements.

For further information regarding audits completed, refer:

- + Attachment 1 for details of all sites and site visit dates for audits conducted.
- + Attachment 2 for details regarding the audit categories used to assess site performance against scheme requirements.

3. Project methodology

The methodology for this project involved desktop analysis of 40 audits conducted over the period July 2022 to December 2023. Analysis was conducted in four steps described as follows:

Step 1 – Database Development

The initial step in the project involved ensuring that audit findings were captured in a format to enable a detailed analysis and generation of relevant charts. This involved extracting audit finding data from audit reports, primarily recorded in Microsoft Word documents, and ensuring accurate summary databases were generated in Microsoft Excel workbooks.

Databases were created using audit finding terms, i.e. System Strengths (SS), Conformity (C), Opportunity for Improvement (OFI), Area of Concern (AoC) and Non-Conformance (NC). It should be noted that the Drop off point (Retail) audits are conducted and recorded in Microsoft Excel, which enabled direct use of data for these reports.

Three key databases were developed depending on the different audit types conducted, including ensuring data pre-corrective actions and post corrective actions were identifiable (for all available corrective action plans that were provided by BSC).

Table 2. Number of Databases Developed

Databases	Audits	Categories Per Audit	Findings Allocated
1. Collector, Sorter, Processor	14	13	651
2. Aggregators	8	16	315
3. Drop off points	16	19	273

Step 2 – Analysis and Summary Charts

Desktop analysis of the database was conducted in to produce summary charts of the audit findings per audit category.

Summary information produced ensured that individual participants were not identifiable and involved producing summary datasets for the different date ranges, i.e. 2022 to 2023, and the first six months of 2023 to 2024. Dataset summaries involved generating:

- + The total number of finding results for each audit category by SS, C, OFI, AoC, NC.
- + The percentage of finding results for each audit category by SS, C, OFI, AoC, NC.
- + Summary data for both pre-corrective actions and post corrective actions.

Step 3 – Trends Analysis

Analysis of trends included developing and identifying trends through July 2022 to December 2023, as well as year-on-year trends from scheme implementation. Noting that:

- + Collector only participants were evaluated as an important subset of the overall C, S, P participant types.
- + Separate analysis of Sorters and Processors was not conducted due to the potentially identifying data from individual participants (noting only three participants in this participant group).
- + Trends over time identified as: No change is 1% or less; Marginal improvement is 2% to 4%; Significant improvement is 5% or greater; Decline in performance is a negative result.

Step 4 – Analysis of Challenges

Analysis of Challenges included review of all NC and AoC findings for the period July 2022 to December 2023. Analysis involved identifying common challenges faced and allocating findings into the following groups:

- + **Resourcing challenges** for day-to-day operations and systems management issues.
- + Regulatory processes where regulation may be complex to comply with or may have direct involvement with EPA or another relevant government organisation.
- + Information sharing challenges related to confidentiality issues or difficulties in obtaining information from partners.

Further to this, challenges were listed against relevant audit categories to build an understanding of challenges involving the following areas:

- + Organisational and operational information.
- + Management systems.
- + Regulatory compliance.
- + Battery Container and Drop off points.
- + Battery Management (storage, transport, sorting, and processing).
- + Chain of Custody and Environmental Sound Management.
- + Site Inspections.

4. Audit results and trends

The following provides a summary of audit findings, as per the Scheme audit categories, involving Collector, Sorter and Processor participants. Noting that:

- + Company names have been removed to ensure individual participants are only assessed within the pool.
- + Aggregators and Collectors, Sorter and Processor audits are assessed separately.
- + Summary results include initial audit findings and post audit Corrective Action
- + Results for 2022–2023 are presented separately to the first six months of FY2023–2024.

4.1 2022–2023 summary findings including ‘Collector’, ‘Sorter’, and ‘Processor’

B-cycle Participants have taken significant action in 2022–2023 to reduce a high number of **Non-Conformance (NC)** findings. This is as a direct result of the **BSC Corrective Action** process.

Table 3 summarises audit findings of Collectors, Sorters and Processors identifying findings both pre and post corrective actions across the 2022–2023 period.

4.1.1 Key points

- + A total of 71 NC findings were identified during the audit as pre corrective action process. Noting that 65 (92%) of these findings were restricted to two participants.
- + Significantly, after corrective actions were implemented only 7 NC findings remained.
- + Implementation of corrective actions raised C levels to an overall 56%, up from 50% pre-corrective actions.
- + Ss remained steady, with a slight overall increase from 3% to 4%.
- + AOCs also remained relatively steady at 12% to 13%. Noted that the slight increase is mainly due to the downgrading of some Non-Conformance findings.

Table 3. Audit Finding Summary (FY2022-FY2023)

Finding Type	Findings Pre-Corrective Actions	Findings Post Corrective Actions	Notes
System Strength	22	23	Significant improvement in conformity over 2022-2023.
Conformity	306	341	
Opportunity for Improvement	174	199	Moderate change, increase due as NC issues were managed.
Area of Concern	78	83	Remained consistent.
Non-Conformance	71	7	Significant improvement, particularly by Processers.
Total	651	653	Increase due to two further findings identified during re-auditing.

Note: Refer Attachment 3 for detailed C, S, P data sets.

Figure 2. Number of Audit Findings Pre and Post Corrective Action Plan (FY2022-FY2023)

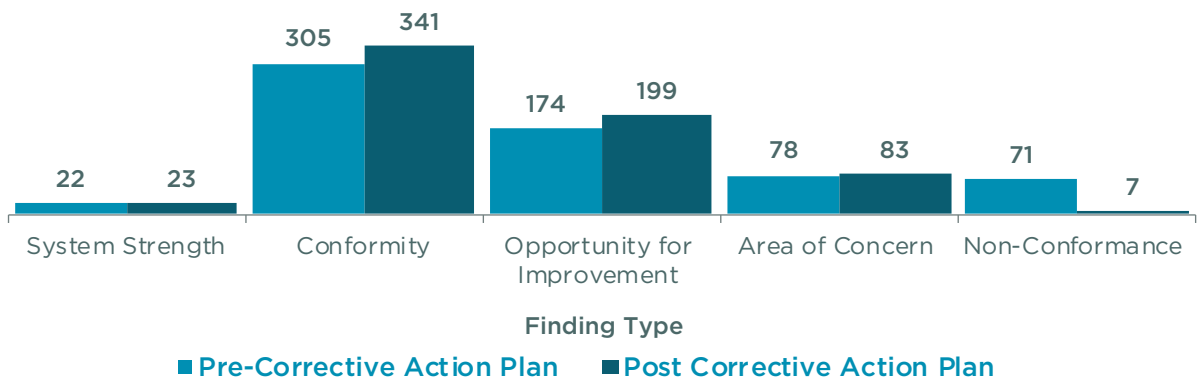


Figure 3. Percentage of Audit Findings by Type, Pre-Corrective Action Plan Implementation (FY2022-FY2023)

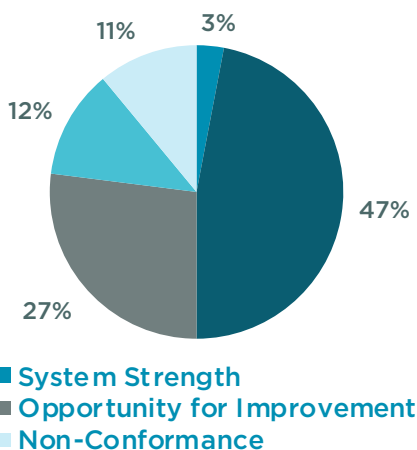


Figure 4. Percentage of Audit Findings by Type, Post Corrective Action Plan Implementation (FY2022-FY2023)

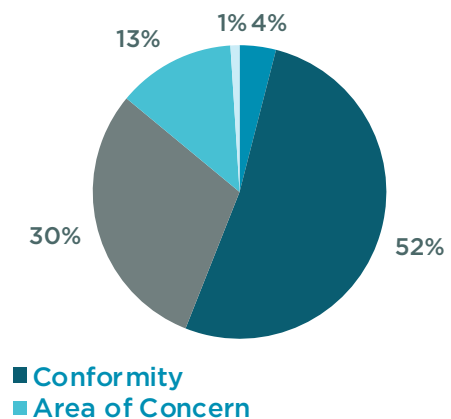
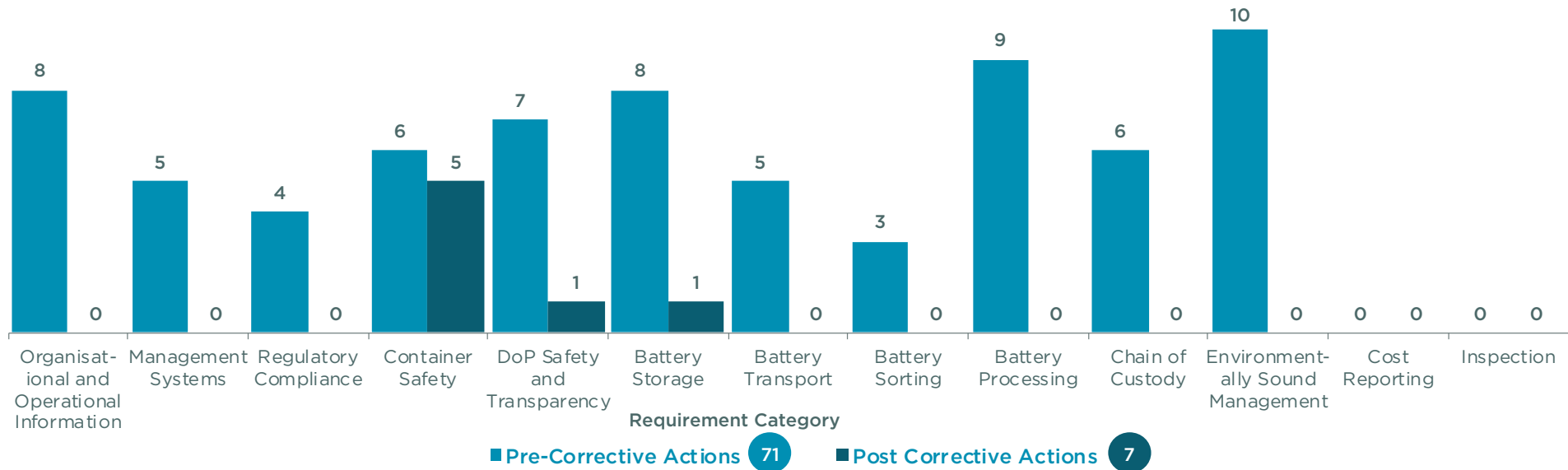


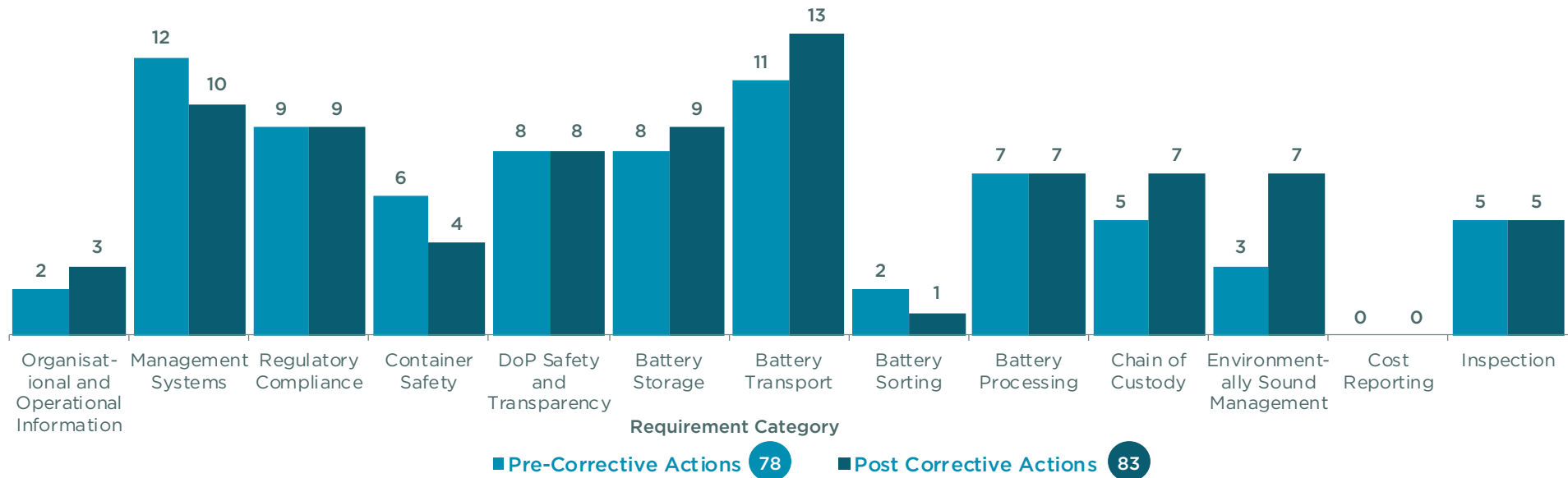
Figure 5. C, S, P ‘Non-Conformance’ Findings Pre and Post Corrective Action (FY2022–FY2023)



4.1.2 Key points

- + The majority of Non-Conformance was restricted to two participants, responsible for 92% of NC findings.
- + The high number of NC findings were reported largely due to insufficient information and lack of evidence to verify adherence to scheme commitments.
- + Initially, the categories with highest non-compliance involved: Battery Processing, Environmental Sound Management, Storage, Organisational and Operational Information and Management Systems.
- + The majority of NCs were resolved through the corrective action process. In some cases findings were downgraded to an AoC or OFI pending further action.
- + Post corrective actions only seven NC findings remain, which is a 90% reduction in NCs.

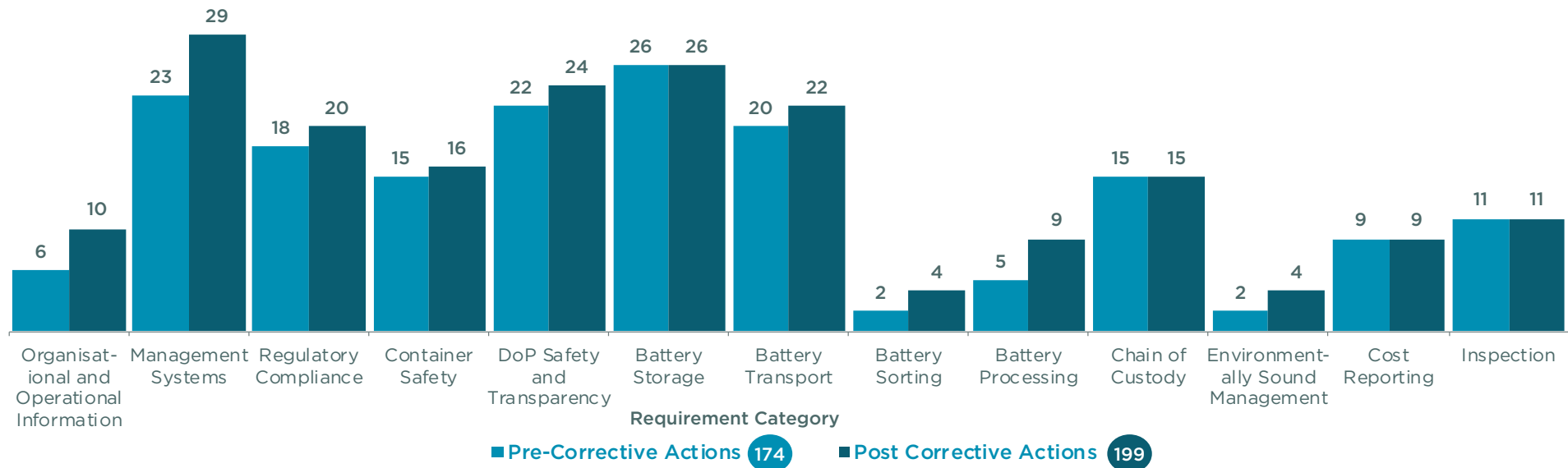
Figure 6. C, S, P 'Area of Concern' Findings Pre and Post Corrective Action (FY2022-2023)



4.1.3 Key points

- + Overall there has been little change the number of AoC findings through the corrective action process. In part this is likely due to the time and effort required by participants to resolve the high number of NCs.
- + Approximately 30% of all AoCs relate to both Battery Transport and Management Systems, indicative of the need for further documentation around safety practices and improving records management to meet scheme requirements.
- + AoCs regarding Environmental Sound Management increased noticeably (from three to seven findings) post corrective actions. This was due to downgrading NCs from the initial audits and reflects that processors are still adjusting to scheme requirements in this area.

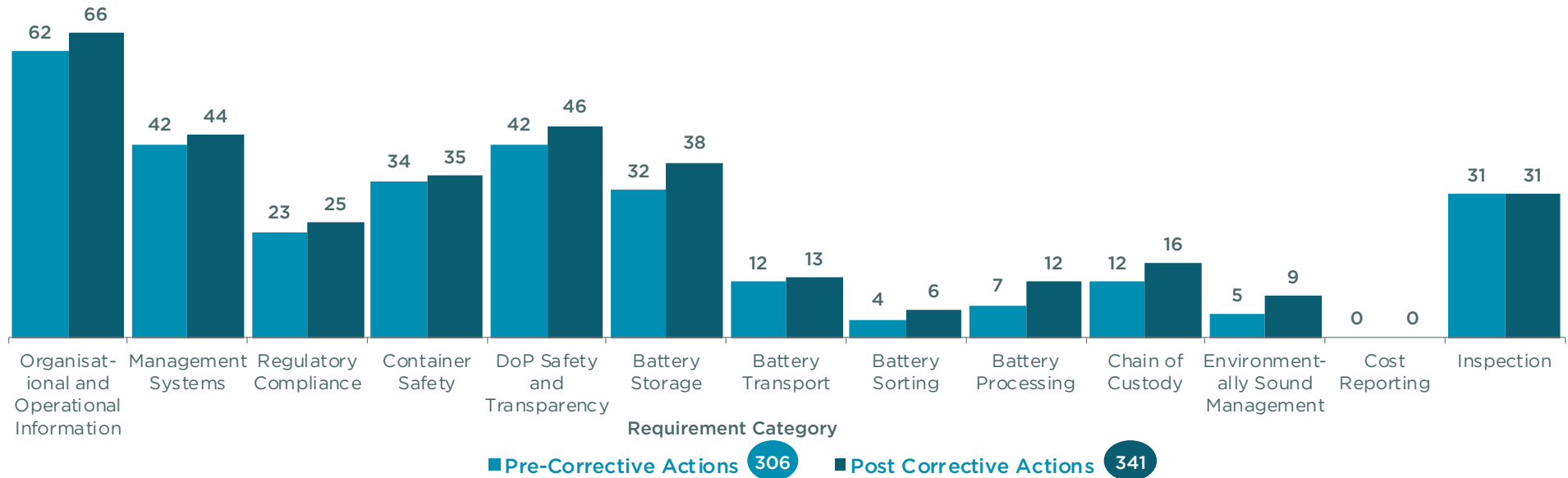
Figure 7. C, S, P ‘Opportunities for Improvement’ Findings Pre and Post Corrective Action Plans (FY2022–2023)



4.1.4 Key points

- + The corrective action process has resulted in overall uptick in the number of OFIs. This is largely due to downgrading of higher risk findings (NCs and AoCs).
- + OFIs are distributed across all categories.
- + Categories with the highest number of OFIs include Management Systems, Battery Storage, and Drop off point Safety.
- + An increase in the number of OFIs for Management system is reflective of new entrants developing their systems and operational changes for existing scheme participants.

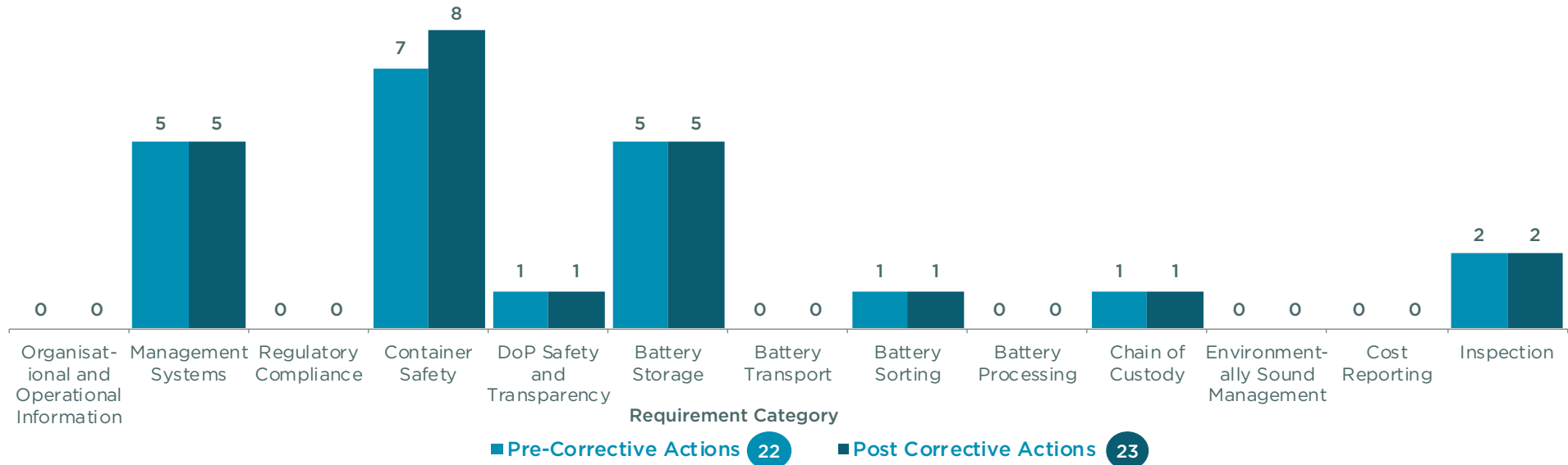
Figure 8. C, S, P 'Conformance' Findings Pre and Post Corrective Action (FY2022-2023)



4.1.5 Key points

- + Significantly 11 out of the 13 categories show improvement in conformance.
- + The improvement distribution is relatively uniform across the categories. This reflects the significant work across all categories in addressing the NCs noted pre-corrective actions.
- + Overall improvement shows an incremental shift in conformance from 50% to 56%.

Figure 9. C, S, P 'System Strength' Findings Pre and Post Corrective Action (FY2022-2023)



4.1.6 Key points

- + The standout category for system strengths is Container Safety, reflecting a significant improvement in adherence to the B-cycle container protocols.

Exemplar operations regarding battery storage and participant management systems can also be observed in the data.

4.2 2023–2024 summary findings involving ‘Collector’, ‘Sorter’ and ‘Processor’ audits

The first six months of this financial year has shown a strong in overall Scheme conformance as show in Table 4 and Figure 9.

4.2.1 Key points

- + Conformance across all participants is currently exceeding 70%.
- + System Strengths represent 5% across the categories, consistent with participants applying innovative approaches to improve performance.
- + Non-Conformance is at a low 1% across the categories, which further supports an overall improvement in Scheme conformance.

Table 4. C, S, P Number of Audit Findings (H1 FY2023–2024)

Finding Type	Findings Pre-Corrective Actions	Findings Post Corrective Actions	Change
System Strength	19	19	+ Remaining steady.
Conformity	238	246	+ Slight increase.
Opportunity for Improvement	81	74	+ Moderate change.
Area of Concern	22	22	+ Remaining steady.
Non-Conformance	4	3	+ Moderate improvement.
Total	364	364	

Figure 9 below summarises the 2023–2024 (first six months) audit findings of Collectors, Sorters and Processors. The data identifies a moderate 2% increase in conformity as participants have addressed some opportunities for improvement. Analysis of category data identifies high levels of conformance for:

- + **Management Systems:** 86% of findings for this category were identified as conforming, with no Non-Conformance findings recorded.
- + **Organisational and Operational:** 86% of conformance for this category, with no Non-Conformance findings recorded.
- + **Regulatory Compliance:** 73% conformance findings for this category, no Non-Conformance.
- + **Inspections:** 91% conformance findings for this category, no Non-Conformance.

Categories requiring further monitoring include:

- + **Environmental Sound Management:** 20% of findings for this category meet conformance requirements and 60% of findings are recorded as areas of concern.
- + **Chain of Custody:** 43% of findings are recorded as opportunities for improvement and 4% Non-Conformance.
- + **Battery Transport:** 23% findings are opportunities for improvement and 13% areas of concern.

For further detailed data refer to Attachment 3.

Figure 10. Audit Findings Pre-Corrective Actions (H1 FY2023-2024)

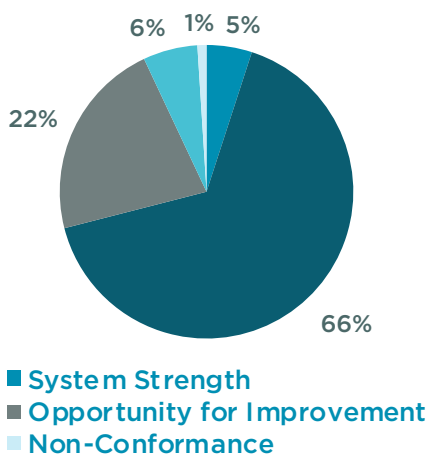
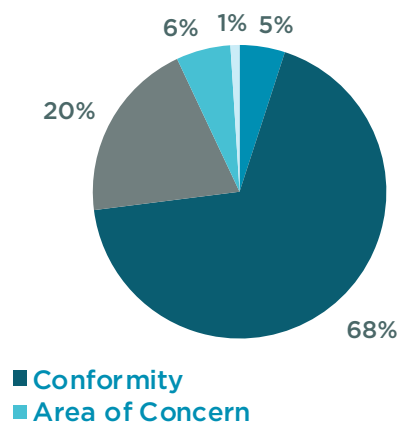


Figure 11. Audit Findings Including Corrective Actions (H1 FY2023-2024)



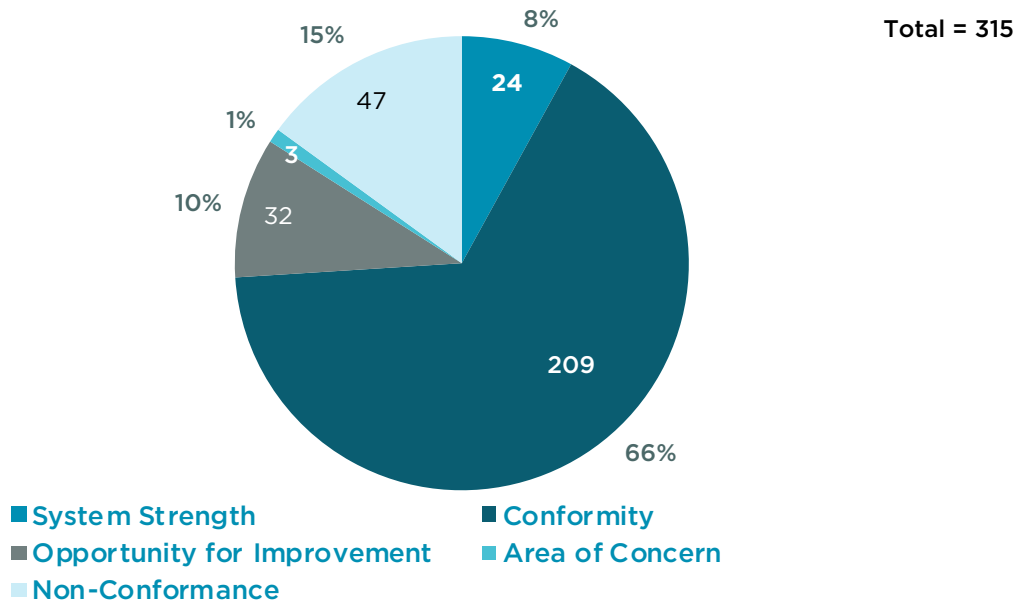
4.3 Summary findings involving ‘Aggregators’

Eight Aggregator sites audits were conducted over the period 2022-2023 and the first six months of 2023-2024. Overall, the sites audited demonstrate a high level of conformity currently measuring to be 74%. Noting that Aggregators are not a specific Participant type in the B-cycle Scheme but have been identified as sites in the battery recovery value chain where batteries are aggregated prior to final transport to a Sorter or Processors.

Therefore, these sites have been identified as a site that should be audited to identify and manage risks appropriately. Note, to ensure individual sites cannot be identified this analysis does not separate between 2022-2023 and 2023-2024.

Figure 12 provides a summary of the number of Aggregator audit findings.

Figure 12. Summary 'Aggregator' Audit Findings



4.3.1 Key points

- + Overall conformity was 74% with: 8% SS and 66% C.
- + NC accounts for 15%, noting that the majority of these findings are restricted to two sites.
- + High system strengths recognised for maintaining relevant (non-mandatory) certifications (21%) and housekeeping practices (63%)
- + 100% of sites were identified as operating to legal storage times.
- + A high level of conformity (>80%) is shown for stockpile management, housekeeping, manual handling and emergency response.
- + Categories identified with significant NCs are: permits (26%), risk assessments (34%), and e-waste management (20%), Non-scheme battery management (19%) and Fire Safety (19%).

The Figures 13, 14, 15 provides a summary of findings for against each category. Refer Attachment 4 for further detailed data.

Figure 13. Aggregator ‘Conformance’ Summary Audit Findings

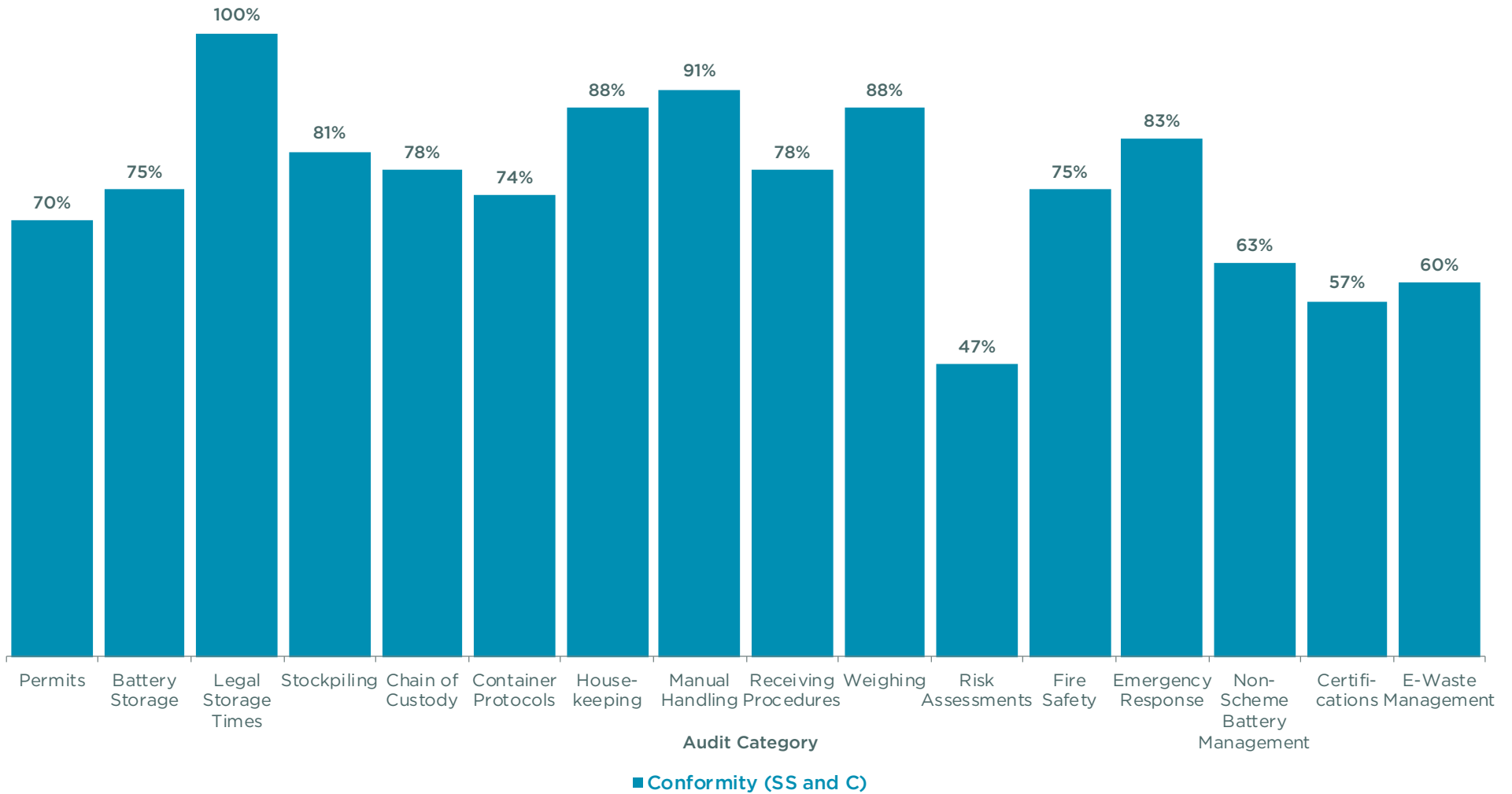


Figure 14. Aggregator ‘Opportunity for Improvement’ and ‘Area of Concern’ Summary Audit Findings

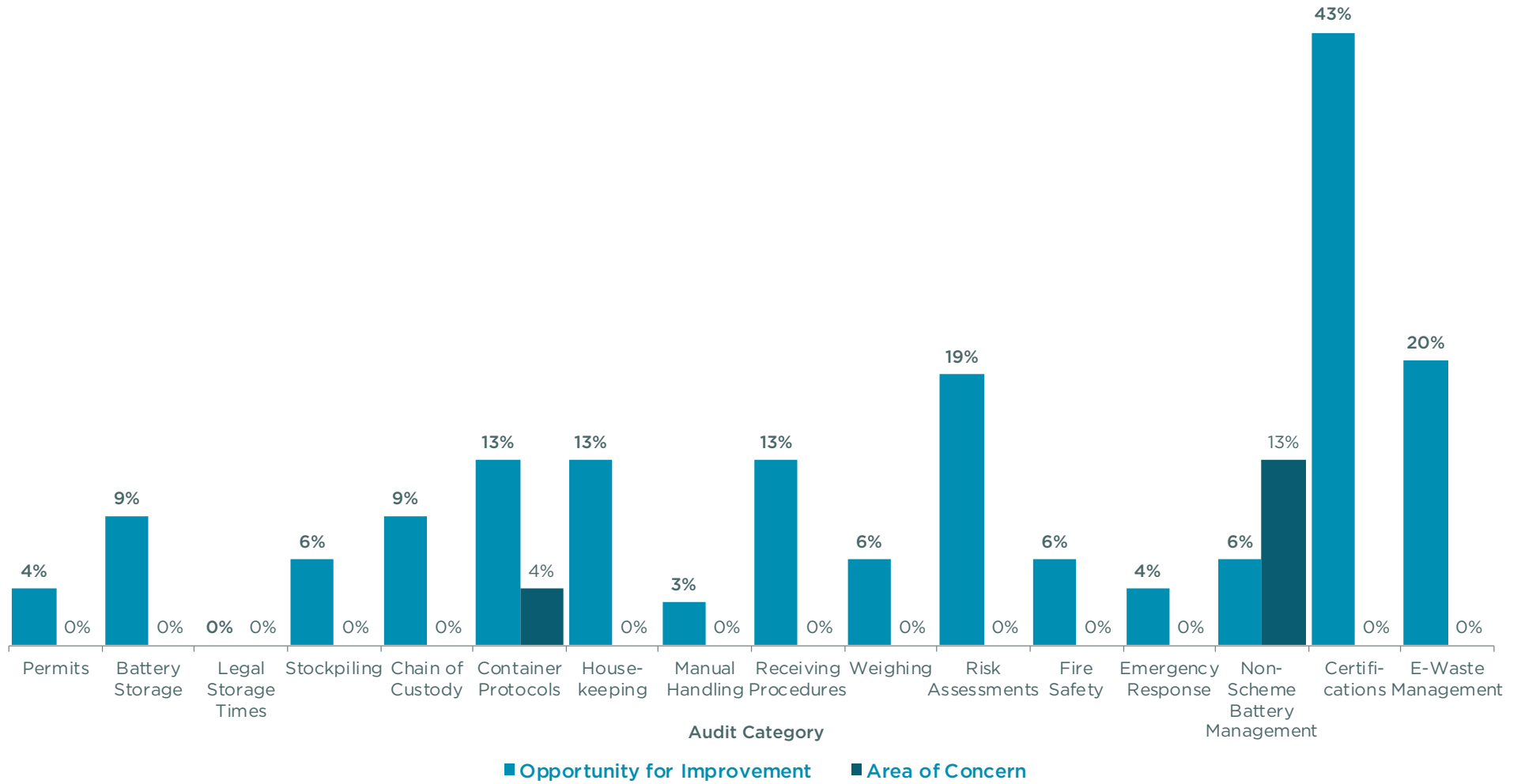
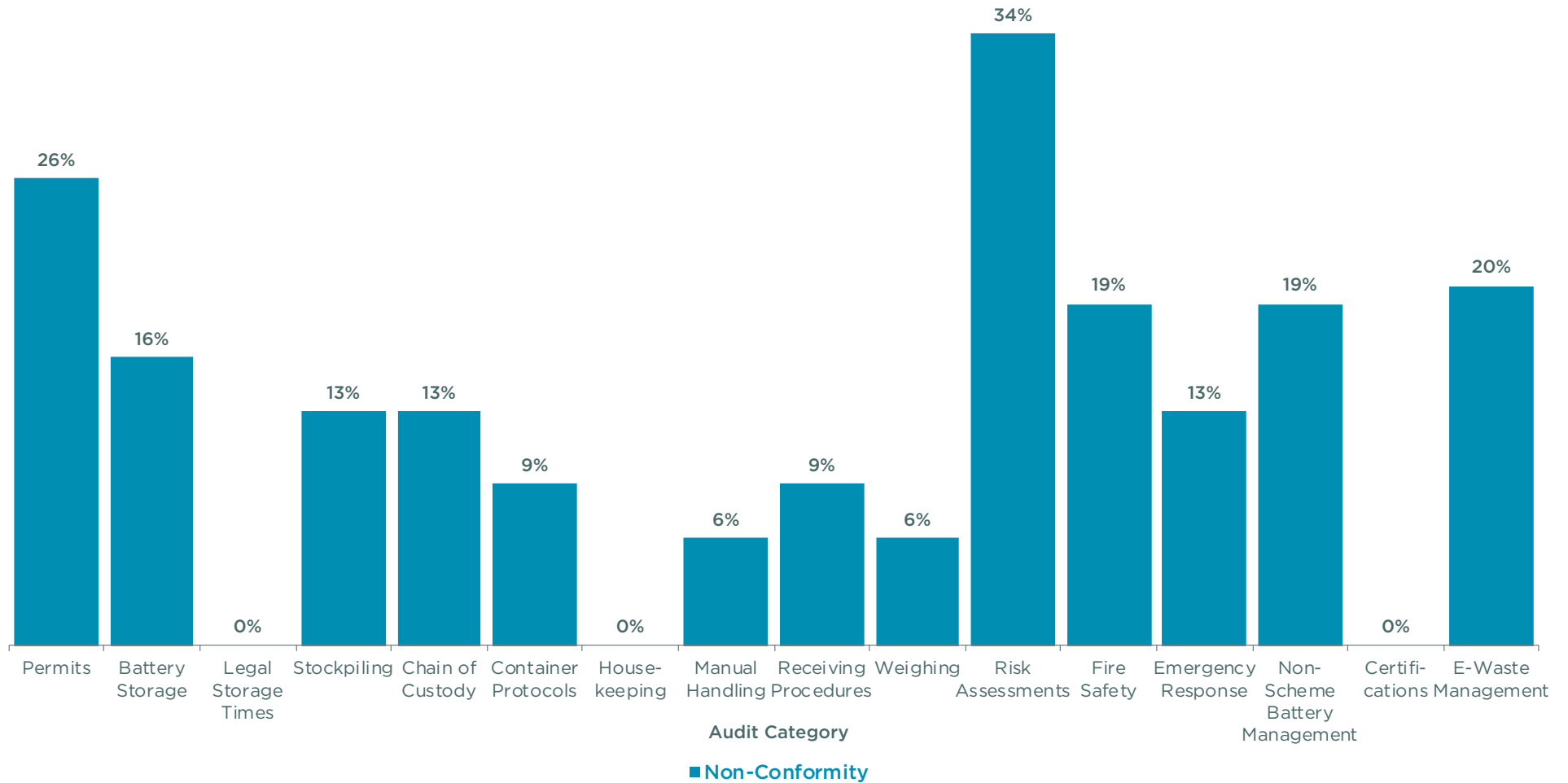


Figure 15. Aggregator ‘Non-Conformity’ Summary Audit Findings



4.4 2022–2023 summary findings involving ‘Drop off points’

A total of 18 Drop off point audits were conducted over the period 2022–2023 and the first six months of 2023–2024. Overall, DoP identify as having the highest level of scheme conformity currently measuring to be 85% over all categories.

To ensure individual sites cannot be identified this analysis does not separate between 2022–2023 and 2023–2024. The following figures provide summary information, with detailed data provided in Attachment 5.

Figure 16. ‘Drop off point’ Summary Audit Findings

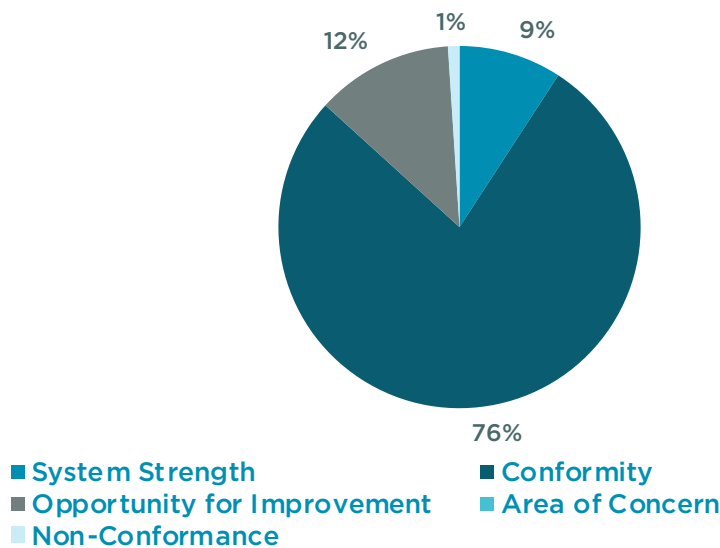
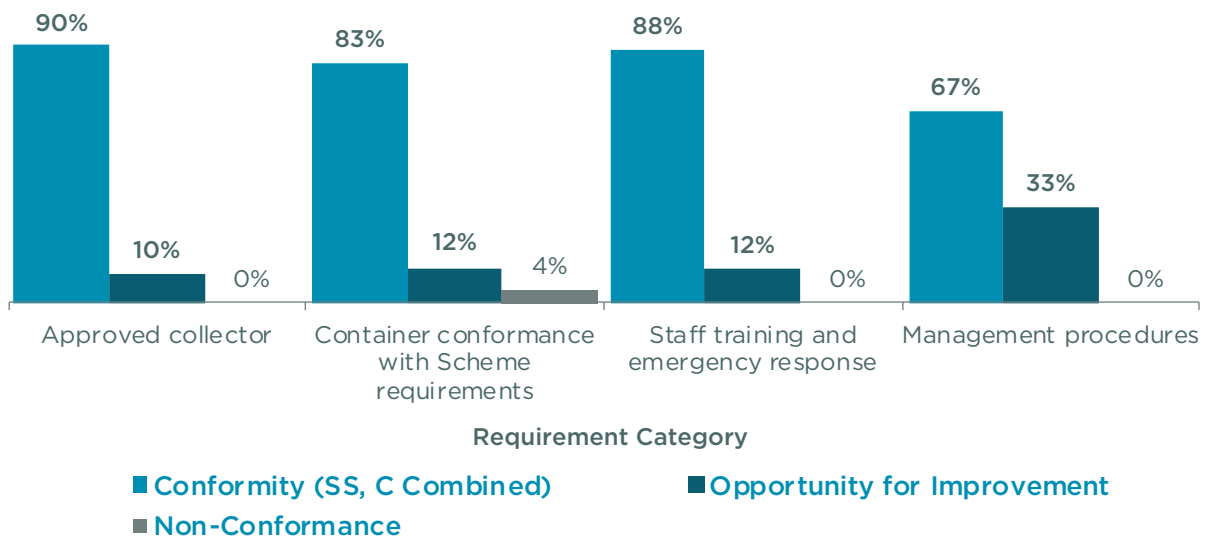


Figure 17. ‘Drop off point’ Summary Audit Findings



4.4.1 Key points

- + There were 273 audit findings across the Drop off point audits.
- + A high level of scheme Conformance is noted. System Strengths reported as 9% of all findings and Conformance equal to 76%.
- + Non-Conformance accounts for 3% of all audit findings, noting that these were only within the areas of: Container Conformance with Scheme Requirements, specifically regarding containers not containing B-cycle logos or safety messaging.
- + 11% of findings identify system strengths for maintaining container conformance with scheme requirements.
- + Conformity exceeded 80% of all findings for three out of the four categories, which is an extremely positive result.
- + Container Conformance with Scheme Requirements is the only category identified with Non-Conformance findings (4%).

5. Trend analysis

An analysis audit data for the period 2022–2023 and first six months of 2023–2024 was conducted to identify any observable trends and demonstrated change across the Audit requirements, analysis included areas of:

- + Improvement across Participant audit categories.
- + Little or no change in conformance.
- + Potentially declining conformance.

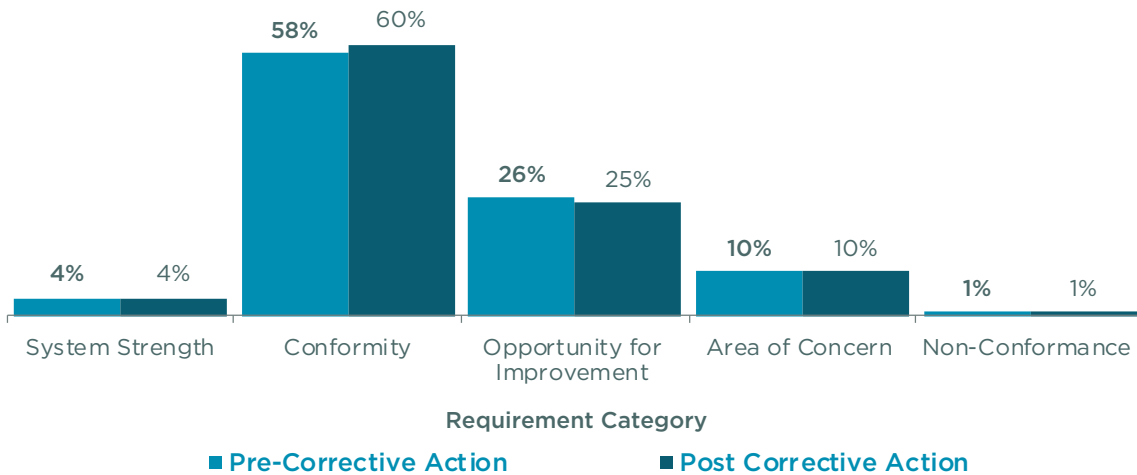
5.1 Collector Scheme participants

This analysis involved participants accredited solely as Collectors. Overall, data analysis identifies that these participants demonstrate a good level of conformity (>64%), and low levels of Non-Conformance (1%). However, analysis identifies little activity is resulting from the corrective action process.

5.1.1 Key points

- + No change in AoCs or NCs, identifying an across-the-board lack of action within the time specified.
- + Minor improvement in conformity and opportunity for improvement.
- + System Strength performance remaining steady.

Figure 18. Audit Finding Summary for ‘Collector’ Participants



The following analysis provides observations regarding trends across the audit categories for Collector participants, noting that:

- + No change is 1% or less.
- + Marginal improvement is 2% to 4%.
- + Significant improvement is 5% or greater.
- + Decline in performance is a negative result.

Table 5. ‘Collector’ Only Summary of Trends (H1 FY2022–2023)

Audit Category	Conformance (C, SS)		Observations
	Pre-Corrective Actions	Post Corrective Actions	
Organisational and Operational Information	87%	87%	No change
Management Systems	71%	70%	No change
Regulatory Compliance	54%	56%	Moderate improvement
Container Safety	56%	58%	Moderate improvement
Drop off point Safety and Transparency	62%	65%	Moderate improvement
Battery Storage	52%	54%	Moderate improvement
Battery Transport	43%	43%	No change
Chain of Custody	47%	50%	Moderate improvement
Cost Reporting	0%	0%	No change
Inspection	86%	86%	No change
Total	62%	64%	+ Moderate improvement

5.2 ‘Collector’, ‘Sorter’ and ‘Processor’ participants

Initial auditing identifying a significantly high level of Non-Conformance (17%). However, after undertaking corrective actions Collector, Sorter, Processor participants demonstrated an overall good level of conformance.

5.2.1 Key points

- + Collector, Sorter and Processor has proactively addressed Non-Conformance issues, reducing the overall Non-Conformance from 17% to 1%.
- + Conformity was raised from 50% to 59% through the corrective action process.
- + OFIs and AoCs increased as a result of downgrading some of the Non-Conformances (i.e. responses provided included partial evidence requiring further details, however no longer considered as non-conforming).
- + The proportion of System Strengths remaining relatively steady.

Figure 19. C, S, P Audit Trend Summary (H1 FY2022–2023)

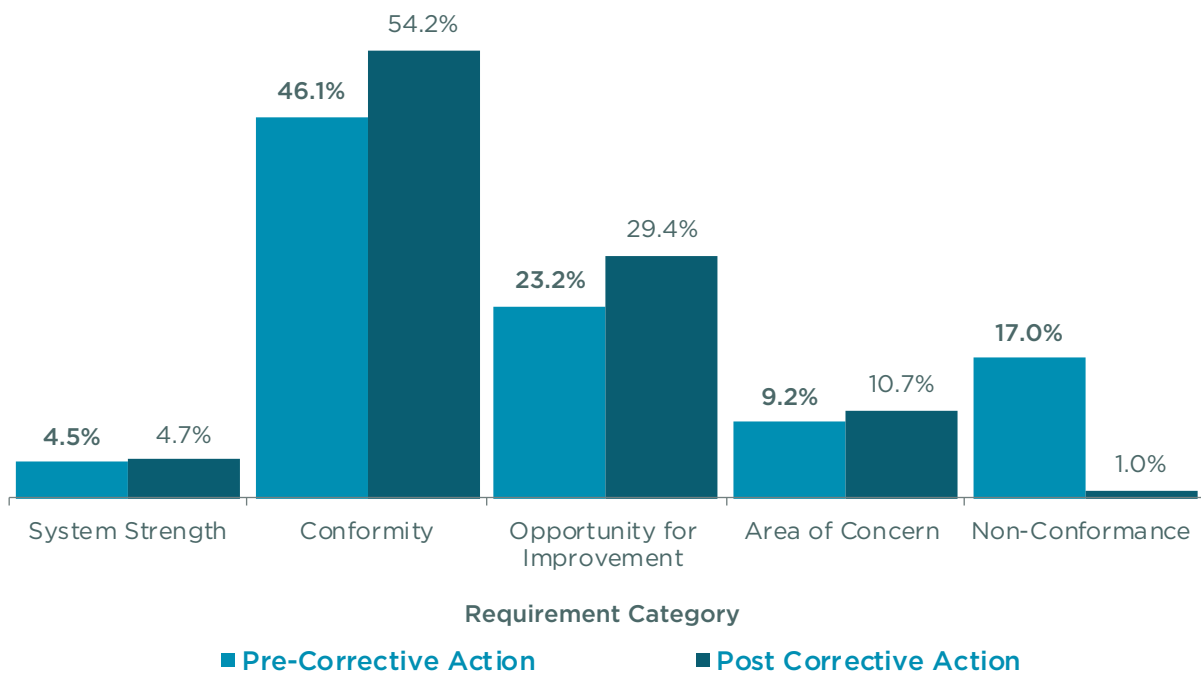


Table 6 provides a summary of audit finding change, noted as improvement or no change, noting that: No change is 1% or less; Moderate improvement is 2% to 4%; Significant improvement is 5% or greater.

Table 6. C, S, P Trend Summary (H1 FY2022–2023)

Audit Category	Conformance (C, SS) Pre-Corrective Actions	Conformance (C, SS) Post Corrective Actions	Observations
Organisational and Operational Information	73%	80%	+ Significant improvement
Management Systems	56%	60%	+ Moderate improvement
Regulatory Compliance	47%	53%	+ Significant improvement
Container Safety	69%	72%	+ Moderate improvement
Drop off point Safety and Transparency	55%	65%	+ Significant improvement
Battery Storage	57%	70%	+ Significant improvement
Battery Transport	33%	38%	+ Moderate improvement
Battery Sorting	56%	69%	+ Significant improvement
Battery Processing	29%	43%	+ Significant improvement
Chain of Custody	29%	42%	+ Significant improvement
Environmentally Sound Management	24%	40%	+ Significant improvement
Cost Reporting	N/A	N/A	+ N/A
Inspection	61%	61%	+ No change
Total	51%	59%	+ Significant improvement

5.3 Comparison to first year performance

The following provides a summary of developments and trends relating to conformance with Scheme requirements for Collectors, Sorters and Processors (including participants operating solely as Collectors).

5.3.1 Key points

- + High NC rates with initial audits has been a challenge, involving significant time and effort from those involved including B-cycle participants, BSC and auditors to resolve.
- + Audit categories with ongoing conformance challenges are: Environmental Sound Management, Battery Processing and Chain of Custody.
- + Significant gains in conformance performance is evident in Management Systems, Drop off point safety and transparency, and Battery Sorting.
- + Organisational and Operational Information findings remains at a steady high level of conformance.

Table 7. C, S, P Summary of Audit Findings (2021 to 2024)

Audit Findings	Pre / Post Corrective Action	FY2021-2022	FY2022-2023	H1 FY2023-2024	Audit Findings
Non-Conformance	Pre	11%	11%	1%	<ul style="list-style-type: none"> + High NC rates with initial audits has been a challenge. + Corrective Action planning is proving to be effective. + 2023-2024 to date is showing a significant improvement. + Challenge remains in Environmentally Sound Management.
	Post	4%	1%	1%	
Area of Concern	Pre	12%	12%	6%	<ul style="list-style-type: none"> + No significant change. + Challenges remain in key areas of Battery Processing and Environmentally Sound Management.
	Post	12%	13%	6%	
Opportunity for Improvement	Pre	15%	27%	22%	<ul style="list-style-type: none"> + Increase over time. + OFIs present across all categories. + Key challenges are Chain of Custody and Cost Reporting.
	Post	20%	30%	22%	
Conformity, System Strength	Pre	61%	50%	71%	<ul style="list-style-type: none"> + Significant improvement shown in 2023-2024 (to date) + Battery sorting, Inspections and Systems are particular strengths + Overall, positive trend.
	Post	64%	56%	71%	

A detailed review of year-on-year data identifies the areas of improvement and areas that can be described as challenging, these are outlined in Table 8.

Table 8. C, S, P Key Trends Relating to Improvement and Challenges

Audit Category	Finding	Comment / Observation	Conformance (C+SS) Post CAP Implementation
Organisational and Operational Information	+ Steady performance	+ Conformance findings consistently exceed 80% in this category.	80%
Management Systems	+ Significant improvement	+ Conformance trend shows 18% improvement to date.	60%
Drop off point Safety and Transparency	+ Significant improvement	+ Steady increase in conformance, raised by 14% over the period.	65%
Battery Sorting	+ Significant improvement	+ 23-24 data shows 100% conformance for this category, up from 58% the previous year.	69%

Audit Category	Finding	Comment / Observation	Conformance (C+SS) Post CAP Implementation
Environmentally Sound Management	+ Significant challenge	+ Overall category conformance consistently below 50%. + 20% of findings are NCs, also with a high rate of AoCs.	40%
Chain of Custody	+ Improvement identified, however remains a challenge	+ Rate of conformance has improved by 14% over the period. + Overall conformance in this category remains relatively low (currently 52%).	52%
Battery Processing	+ Requires monitoring	+ Low overall non-compliance, however AoCs are consistently trending upward. + Overall conformance currently below 50% for findings in this category.	43%

Figures 20, 21, and 22 below show the year on year summary of audit findings post correction action implementations across the audit categories, demonstrating a downward trend in non-conformities and improved trends to conformity.

Figure 20. C, S, P YoY Summary of 'Conformity' (Post Corrective Actions)

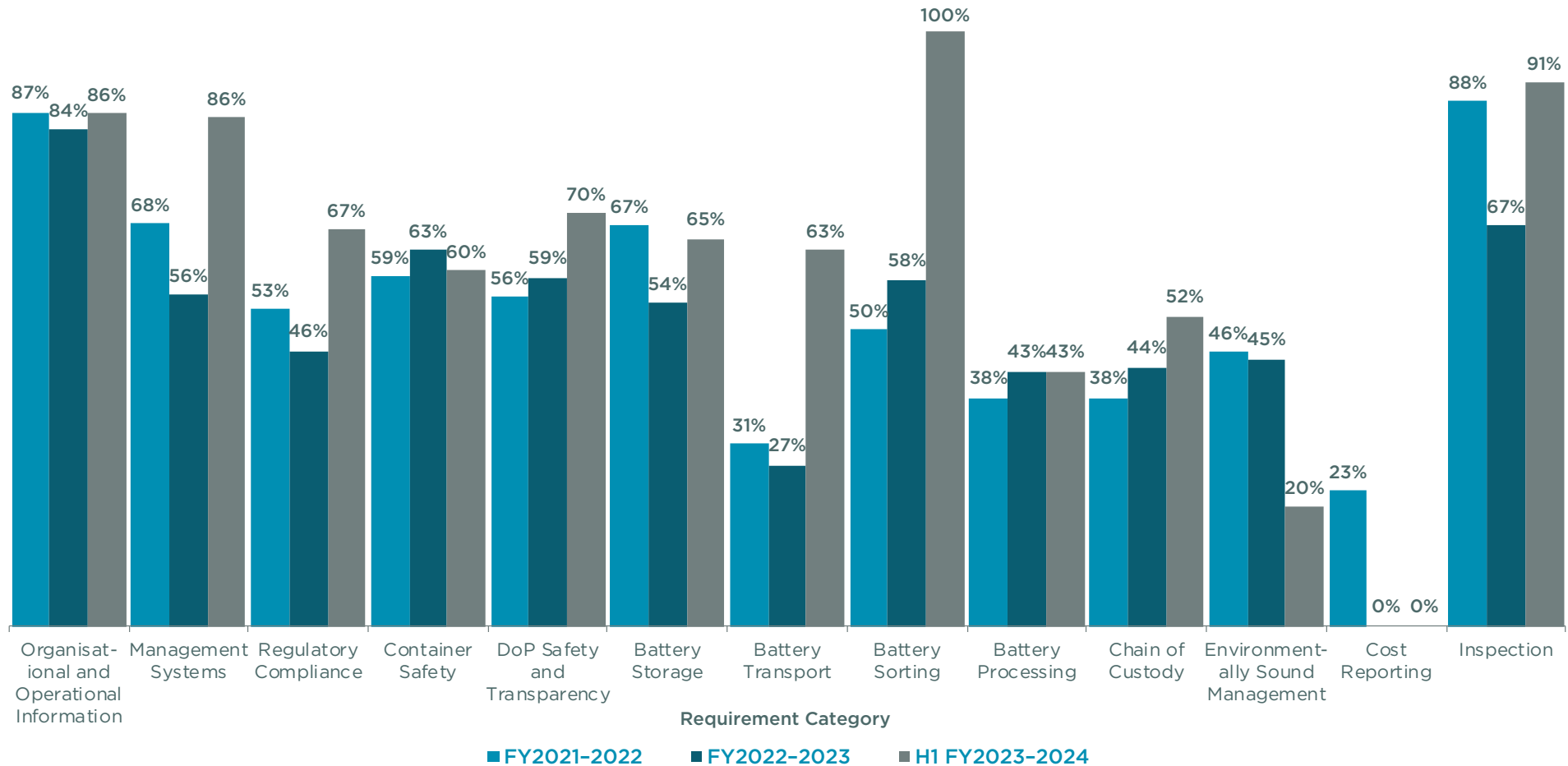


Figure 21. C, S, P YoY Summary of 'Non-Conformance' (Post Corrective Actions)

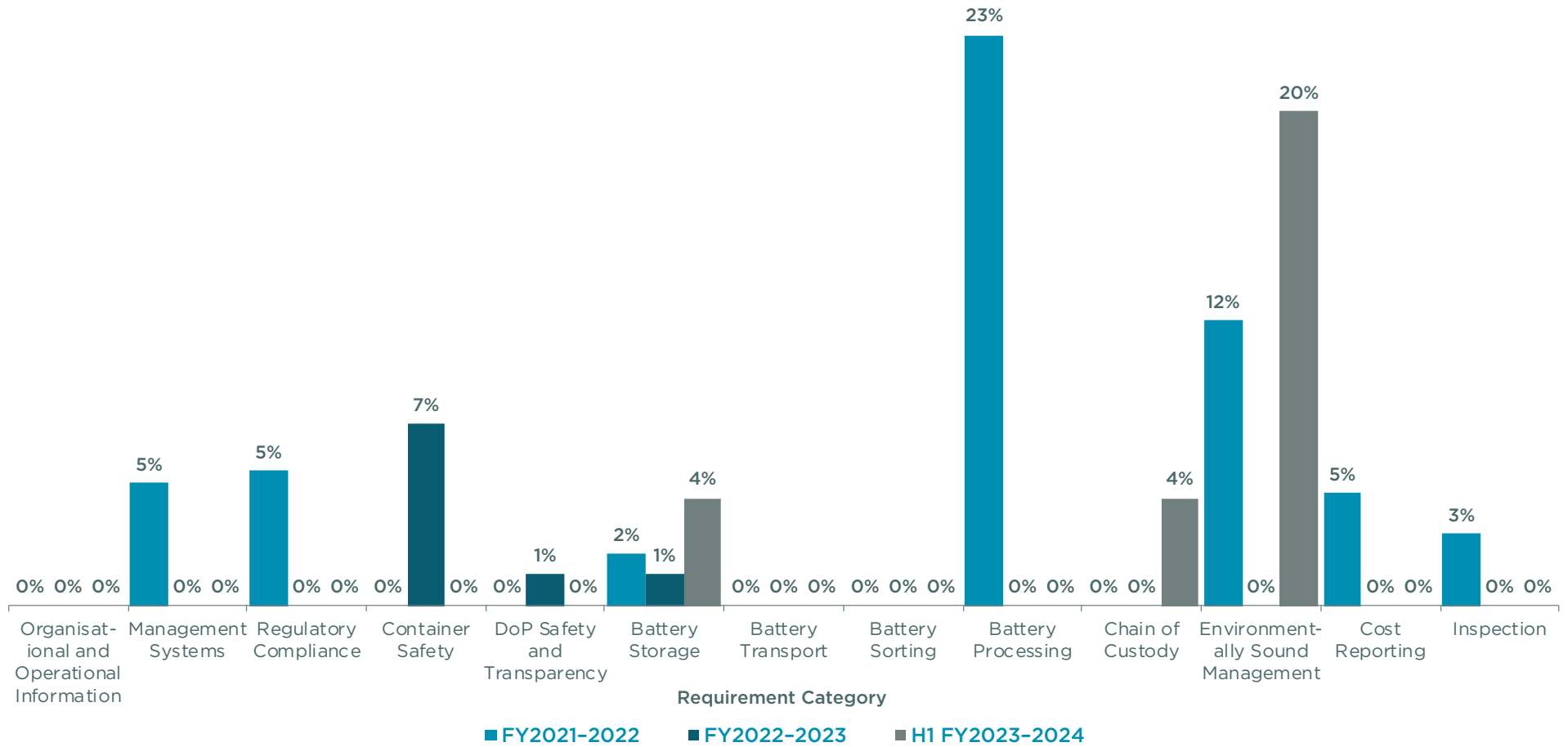
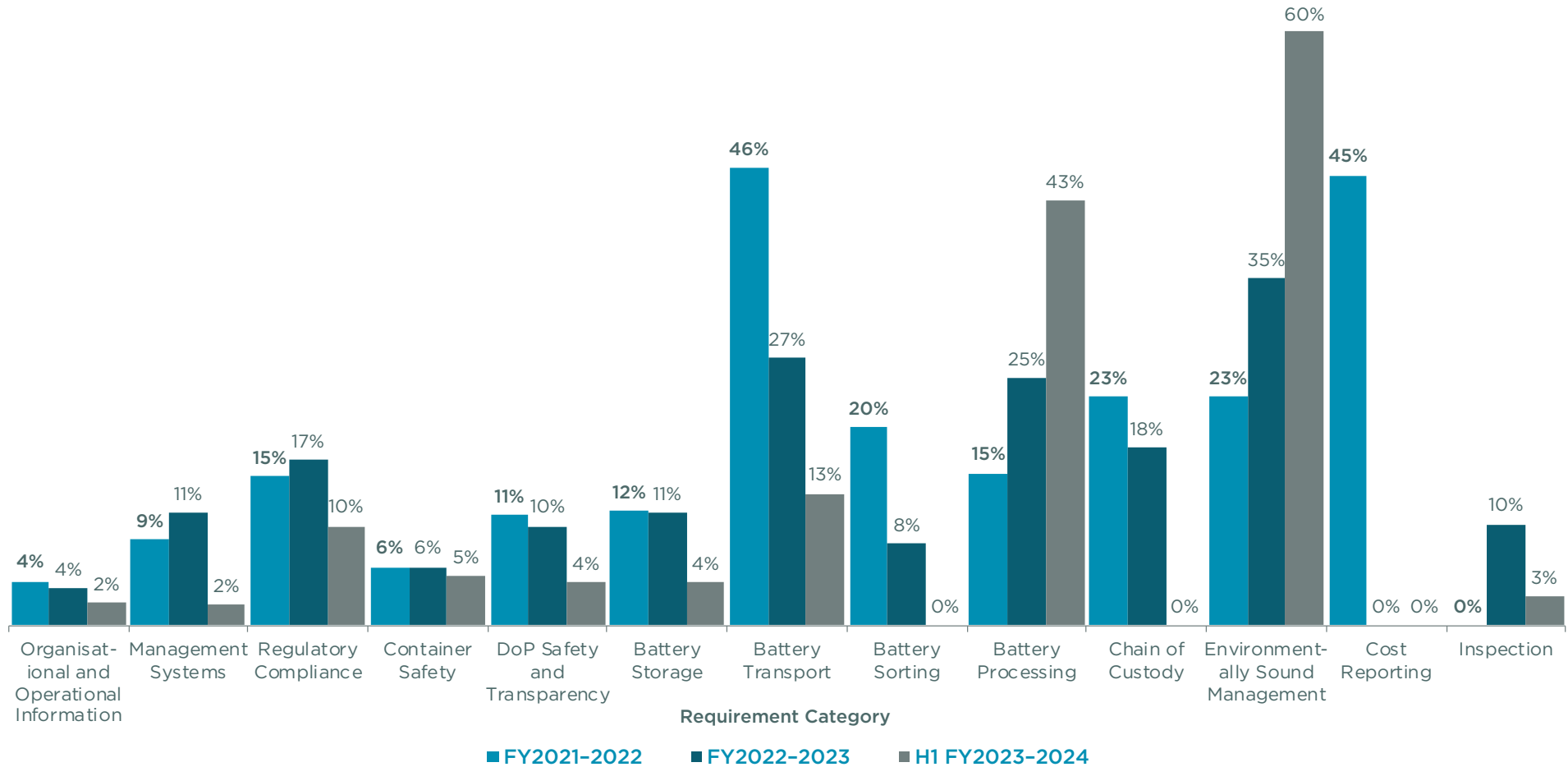


Figure 22. C, S, P YoY Summary of 'Areas of Concern' (Post Corrective Actions)



6. Challenges meeting B-cycle accreditation requirements

Analysis of audit NC and AoC findings provides insight into the key challenges faced by scheme participants seeking to meet B-cycle accreditation requirements and as they continue to deliver services under the scheme.

This section provides an overview of the key challenges as identified through the audit process. It is noted that the challenges identified here are prior to corrective actions being undertaken and that therefore some of the sites may have addressed and resolved some of these challenges.

In total there were 175 audit findings analysed, involving 100 AoC findings and 75 NC findings. For reporting purposes the challenges are allocated into three groups:

1. Resourcing challenges for day-to-day operations and systems management. Some sites have reported high staff turnover and significant time required to fill technical roles.

- + Some of the issues resulting in audits have involved: poor maintenance of records; lack of information available to complete audits, particularly involving DSVs; lack of technical information regarding recovery rates; and an observed for sites to formally document key systems and processes (e.g. safety systems).
- + More than half of findings (55%) are represented in this category.

2. Regulatory processes that are complex and time consuming. Common challenges include identified delays involving EPA review periods and requests for further details; EPA approved time extensions to allow sites to respond.

- + This category represents 20% of the findings.

3. Information sharing challenges for reasons of confidentiality or difficulties in obtaining information from partners and/or downstream vendors. Examples including lack of chain of custody information as well as no information or verification on recovery rates.

- + This category represents 25% of findings.

Table 9 provides details of the challenges by audit area and by category as identified through the NC and AoC audit finding analysis.

Table 9. Scheme Participant Challenges Identified

Audit Area	Challenges
Organisational and Operational Information	
Resourcing	<ul style="list-style-type: none"> + Resources not available to support audit process or provide correct information and data (e.g. insurance certificates, information registers, facility leasing arrangements). + Resourcing issues compounded by reported high staff turnover and staff shortages.
Regulatory	+ No specific challenges identified.
Information Sharing	+ Third parties not responding to information requests (unwilling or not a priority).
Management Systems	
Resourcing	<ul style="list-style-type: none"> + System maintenance issues and records management (e.g. hot work permit systems not maintained). + Difficulties in developing systems while also managing equipment installation and commissioning. + Resources not available to support audit process / provide correct information / data. + Updating management systems to cover key aspects (e.g. spills management).
Regulatory	<ul style="list-style-type: none"> + Responding to EPA requirements and/or notices is complex and involving delays, e.g. Fire Risk Assessments requiring specialist fire engineering companies. + Fully documented permit to work systems is challenge (e.g. hot works, equipment isolation systems).
Information Sharing	+ No specific challenges identified.
Regulatory Compliance	
Resourcing	+ Resources not available to support audit process / provide correct information and data (e.g. compliance with heavy vehicle laws, waste tracking information).
Regulatory	<ul style="list-style-type: none"> + Li-ion battery flows increases and monitoring to maintain permitted DG limits. + Waste tracking codes and interpreting complex state based and interstate regulations (e.g. mixed batteries transport).
Information Sharing	<ul style="list-style-type: none"> + Difficulties obtaining information from transport companies regarding waste tracking information and their procedures. + No specific challenges identified.
Battery Container and Drop off points	
Resourcing	<ul style="list-style-type: none"> + Investing in new DG compliant containers for transport potentially at a high cost and also involves long lead times for quantities of stock involved. + Resourcing to finalise key documents, such as risk assessments. + Lacking resources to formalise and document key procedures.

Audit Area	Challenges
Regulatory	<ul style="list-style-type: none"> + Interpretation in meeting complex regulations, specifically DG Code and labelling requirements. + Collectors finding it difficult to select correct DG rated containers, interpreting the DG Code is complex.
Information Sharing	+ No specific challenges identified.
Battery Management (Storage, Transport, Sorting, and Processing)	
Resourcing	<ul style="list-style-type: none"> + Allocating resources to finalise key documents, such as risk assessments and procedures. + Ensuring key systems in place, e.g. registers for permits and licences.
Regulatory	<ul style="list-style-type: none"> + Collection points exceeding container weights (for DG transport compliance). + Ensuring small ULAB's are not accepted. + Managing battery flows to keep on-site storage within compliance limits, specifically noting increases in Li batteries. + Interpretation and obtaining clear understanding of DG Code requirements / complex regulations and keeping procedures up to date with the regulations.
Information Sharing	<ul style="list-style-type: none"> + Protecting information re: cost effective solutions for further processing of battery materials (local and/or overseas). + Third party transporters not providing key information such as transport procedures and DG compliance. + Agents and/or downstream vendors not providing information. + Restricting access to view processing equipment due to confidentiality concerns. + Difficulty in calculating recovery rates: obtaining data from DSV's and developing clear and transparent methods for calculations.
Chain of Custody and Environmental Management	
Resourcing	<ul style="list-style-type: none"> + Finalising key systems and formalising agreements (e.g. contracts) to meet scheme requirements + Inaction from previous audit leading to finding escalation.
Regulatory	+ Maintaining key regulatory documents (e.g. export licences).
Information Sharing	<ul style="list-style-type: none"> + Brokers not providing downstream vendor information. + Downstream vendors not providing information, particularly overseas entities. + Participants not willing to share downstream vendor information for confidentiality reasons.
Site Inspections	
Resourcing	+ Ensuring key operational procedures are documented.
Regulatory	<ul style="list-style-type: none"> + Isolated instance of poor housekeeping, cultural issues. + Build up on waste materials or products from battery processing.
Information Sharing	+ No specific challenges identified.

Table 10 provides the overall findings allocated high level audit areas. On review of data the largest proportion of findings are operational focused, including:

- + Battery Management (storage, transport, sorting, and processing) representing 37% of findings.
- + Battery Container and Drop off points representing 18% of findings.

It is also worth noting that 21% of findings are in the Chain of Custody and Environmental Sound Management, largely related to information sharing issues.

Refer Attachment 6 for detailed breakdown of challenges by audit categories.

Table 10. Number of Challenges by Audit Area and by Category

Audit Area	Resourcing	Regulatory	Information Sharing	Total
Organisational, Operations and Regulatory Issues	9	0	2	11
Management System Issues	15	3	0	18
Regulatory Compliance	5	10	1	16
Battery Container and Drop off points	26	5	0	31
Battery Management (Storage, Transport, Sorting, And Processing)	30	12	22	64
Chain of Custody and Environmental Sound Management	9	2	18	29
Inspection	3	3	0	6
Total	97	35	43	175

7. Auditor observations

Audits conducted over the period generally involved good levels of scheme participant cooperation. Participants displayed a high level of willingness for audits to proceed and demonstrated good levels of engagement throughout the audit process.

7.1 'Collector' participation

Collector (sole Collectors, not also Sorters or Recyclers) audits involved high levels of co-operation, including managing audit requirements with professionalism and provision of information in a timely manner.

In general Collector feedback on the audit process was positive and were found willing to take on board actions for further improvements.

No issues of concern were identified regarding key audit processes, where collectors overall more than adequately ensured:

- + Agreement to audit dates and agreement with schedules.
- + Provision of information and data throughout the audit process.
- + Appropriate staff were available during inspections.
- + Allowing operations to be viewed during inspections.
- + Participating in follow up de-briefing sessions after audit inspections (as necessary).

7.2 'Aggregator' participation

Similarly, to the sole Collector audits, Aggregator participation in scheme audits involved good levels of co-operation and involvement. Mostly, audits were a positive experience with supportive feedback from participants and displaying interest in opportunities to further engage with scheme requirements.

From the eight audits conducted there was, however, some difficulty obtaining data and arranging inspection dates for two of the audits. Ultimately these audits were completed, however the sites involved record a higher proportion of NCs compared with other Aggregator businesses. Staff resourcing and availability of key personnel for audit involvement likely central to the issues experienced, this was evident through:

- + Low level of engagement, with communication and general lack of response to emails and messages.
- + Key contact low level of availability for site visits due to extended leave, resulting in delays.
- + Low levels of information provided for document review.

7.3 'Drop off points' audits

The majority of the Drop off point audits were conducted unannounced. The purpose of these audits is to evaluate the 'health' of the drop off point container, setup and operation.

There have been no reported issues with staff co-operation and availability to complete the audits. Indeed, staff at retail stores in general show an interest in the scheme and the service that is provided.

These audits have proved to be a useful and informative component of the audit program, particularly as a way of viewing and assessing collector infrastructure in operation.

7.4 'Collector', 'Sorter', 'Processor' participation

The high proportion of NCs recorded for C, S, P audits reflect the challenges faced in completing these initial audits. It is important to stress that the issues faced were pre the corrective actions process, and C, S, P participants have since demonstrated higher levels of engagement and involvement.

Key issues experienced in the initial audits relate to co-operation with the audit process, restricted availability of key staff, and insufficient availability of information and data for verification purposes.

A central issue was availability of information and data to complete audits, this presented as a challenge in different ways depending on the site and was evident as follows:

- + Resource constraints and a lack of key staff availability for document review.
- + A low level of co-operation from senior management to assist audit completion, including unexpected reduction in time availability during audits.
- + Key staff unable to provide evidence for audit review due for reasons of commercial in confidence, particularly relating to Environmental Sound Use, Chain of Custody, and Operational Information.
- + Lack of co-operation, and clear reluctance, from senior management to enable auditors to inspect battery processing operations for reasons of protecting intellectual property.
- + Not declaring all operations and sites prior to site inspections.

Pleasingly, through the corrective action plan process, these issues have been largely addressed and the audits successfully updated to a satisfactory level. This outcome emphasises the importance of the corrective action process with C, S, P participants whilst ensuring the integrity of the audit process.

8. Conclusions and recommendations

This report shows overall high levels of engagement and involvement with the audits, and as highlighted demonstrates the importance of the corrective action plan process. Positive areas of the audit program are shown in:

- + High level of engagement from Collectors, evident from positive involvement and cooperation in audits and low levels of Non-Conformance.
- + Collector, Sorter, Processor showing significant improvements in key audit categories since entering the scheme in 2021-2022. Particular growth has been shown in Management Systems, Battery Sorting and Drop off point Safety and Transparency.
- + Active responses from Collector, Sorter, Processor participants in to address Non-Conformance issues through the corrective action process.
- + Aggregator performance relating to battery storage and overall high level of conformance for stockpile management and housekeeping.

As the battery recycling continues to grow the challenges for the audit program include ongoing monitoring participant performance relating to:

- + Environmentally sound management and ensuring ongoing transparency of downstream activities for C, S, P participants. Including further monitoring of Chain of Custody where overall conformance rates are relatively low.
- + Ensuring a focus on Collectors and Aggregator further involvement in the corrective action process, currently at a relatively low level.

Recommended actions to support the continuous improvement of the audit program are outlined as follows.

8.1 Information requests

Recent audits have moved to a model of co-locating key documents and related requirements on the BSC SharePoint system, which is accessible to auditors.

It is recommended that this practice be maintained and rolled out further, ensure all Collector, Sorter, Processor participants follow this practice. Opportunities to improve this include:

- + Make it mandatory for participants to upload minimum sets of information and data before an audit inspection is scheduled.
- + Requesting participants to update their SharePoint files on a quarterly basis or half yearly basis, to assist with audit efficiencies.
- + Setup file structures in SharePoint to align with audit categories, which would further improve audit efficiency.

8.2 Review and update audit protocol questions

The audit categories established for the different audit types are relevant and work well. These should be maintained to ensure that Year-on-Year trends can be monitored. However, as the scheme has developed there is the opportunity to review audit protocol questions and update as appropriate.

This process should include removal of redundant or duplicative requirements, example areas of improvement include:

- + Risk assessments, which appear in similar ways throughout the question set.
- + Transport regulations for heavy vehicles, which appears in two separate areas.
- + Ensure regulations questions specifically require EPA and Council related permits and licences.

8.3 Value adding for participants

BSC tools and support materials are available to participants to assist as they develop and grow their battery recycling operations. These tools have shown to be particularly useful for new entrants and are often referenced in audit reports.

In the main Collector, Sorter, Processor organisations are now well resourced to make system improvements which includes undertaking corrective actions identified through audits.

Commonly small and medium sized businesses, particularly Collectors and some Aggregators, are resource constrained and find it difficult to work on continuous improvement projects, noted through the low activity in resolving areas of concern identified in audits.

It is recommended that BSC consider widening support toward small and medium sized businesses to help them resolve outstanding corrective actions. Importantly, support should be directed at building participant capacity, for example:

- + Training in using BSC tools, such as use of risk assessment. But not conducting the risk assessment on their behalf.
- + Review of key procedures and providing advice for improvements. For example, transport related procedures for safe battery handling.
- + Provide sessions on container safety in accordance with the B-cycle container protocols.

8.4 Unannounced audits

An option available to BSC is to undertake unannounced auditing. When considering this option, it is recommended specific audit outcomes be reviewed, taking into account:

- + Potential to scope inspections with a focus on Non-Conformance, or areas of concern. This would also streamline audit inspections for efficiency.
- + Consider undertaking desktop audits (i.e. no need for site visits) targeting review of material saved to SharePoint, with a particular focus on Environmentally Sound Use and Chain of Custody.
- + Consider 'spot audits' targeting single issues such as battery storage and fire safety. This approach would help provide valuable insight into practices outside of the formal annual audits.

Audit attachments

Attachment 1 – Details of audits conducted

Participant	Audit Type	No. of Sites	State and Suburb	Audit Date
1. Officeworks ⁴	C	1	National (Head Office)	27-May-22
2. Nyrstar1	P	1	SA, Port Pirie	07-Jun-22
3. Close the Loop	C	1	VIC, Somerton	01-Dec-22
4. Envirostream	C, S, P	3	VIC, Campbellfield (2 sites) and Ringwood	21-Dec-22
5. SPC Ecycle	C	1	NSW, Girraween	23-Feb-23
6. Gregory's	C	1	VIC, Campbellfield	03-Mar-23
7. Ecocycle	C, S, P	2	VIC, Campbellfield and Ringwood	22-Mar-23
8. ReSource	C, S, P	1	VIC, Sunshine	29-Mar-23
9. ActivGroup	C	1	VIC, Burwood	22-Jun-23
10. Battery Recyclers	C	1	NSW, Kings Park	19-Jul-23
11. Officeworks	C	2	VIC, Maribyrnong (retail site) and Tottenham (Aggregation site)	17-Aug-23
12. Environment Treatment Solutions	C	1	NSW, Minto	13-Sep-23
13. Close the Loop	C	1	VIC, Somerton	24-Nov-23
14. Envirostream	C, S, P	2	VIC, Campbellfield and Ringwood	11-Dec-23
15. Cleanaway	A	1	NSW, St Marys	23-Feb-23
		1	SA, Wingfield	16-Dec-22
		1	VIC, Laverton North	17-Oct-23
		1	WA, Kwinana	31-Jul-23
16. Ecocycle	A	1	SA, Gillman	15-Jan-23
		1	WA, Malaga	31-Mar-23
		1	TAS, Brighton	8-Nov-22
17. Total Green Recycling	A	1	WA, Welshpool	6-Jul-23
18. Certificate Destruction Services Pty Ltd	DoP – Commercial Site	1	QLD, Murarrie	17-Nov-22
19. Shred-X	DoP – Commercial Site	1	WA, Welshpool	28-Mar-23

⁴ Included in this report as reports/CAP's finalised in 2022-2023, noting audit inspections dates were in 2021-2022.

Participant	Audit Type	No. of Sites	State and Suburb	Audit Date
20. Big W (255 Queen St, Brisbane) 21. Mitre 10 (165 Elizabeth St, Brisbane) 22. Officeworks (100 Adelaide St, Brisbane) 23. Woolworths (265 Queen St, Brisbane) 24. Aldi (Maribyrnong, Vic) 25. Big W (Maribyrnong, Vic) 26. Vinnies (Ascot Vale, Vic) 27. Woolworths (Maribyrnong, Vic) 28. JB HiFi (Bondi, NSW) 29. Officeworks (Bondi Junction, NSW) 30. Officeworks (Hunter St, Sydney NSW) 31. Officeworks (Pitt St, Sydney NSW) 32. Woolworths (Bondi Junction, NSW) 33. Foodland (Adelaide Sefton Plaza, SA) 34. Woolworths (Northpark Adelaide, SA) 35. Coles Prospect (Adelaide, SA)	DoP - Retail Sites	16	QLD, VIC, NSW, SA	Over the period Oct to Dec-23

Two further audits were involving a downstream vendor and sorter application, details provided the table below. Note that the audit scope for these were developed specific to the circumstances, as such these are separated to other audits and not included in this analysis.

Two further audits were involving a downstream vendor and sorter application, details provided the table below. Note that the audit scope for these were developed specific to the circumstances, as such these are separated to other audits and not included in this analysis.

Table 11. Details of Specific Downstream Vendor and Sorter Audits Conducted

Participant	Audit Type	No. of Sites	State and Suburb	Audit Date	Comment
Castings Tasmania	Downstream Vendor Audit	1	Tas, Launceston	9-Nov-22	<ul style="list-style-type: none"> + Downstream vendor for Ecocycle. + This is the first, and currently only, audit conducted of this type.
Battery Recyclers	Sorter	1	NSW, Kings Park	18-Dec-23	<ul style="list-style-type: none"> + Virtual audit conducted to verify Battery Recyclers preparation to achieve Sorter Status. + A specific set of audit questions developed just for this audit.

Attachment 2 – Audit categories

Auditing was conducted in accordance with BSC requirements. All audits involved assessing site performance against key performance aspects and categories. Audits tools and templates are developed for different participant types, as follows:

- + Collectors, Sorters and Processors (C, S, P).
- + Aggregators (A).
- + Drop off points (DoP).

Collector, Sorter and Processor categories

The key categories audited are outlined in the B-cycle Collector, Sorter and Recycler Accreditation Protocols and associated Application Checklist, summarised in Table 12.

Table 12. Collector, Sorter and Processor Audit Questions

Category	Description
Organisational and Operational Information	+ Identifying battery and related affiliations and site and vehicle ownership.
Management Systems	+ Processes to manage risks associated with collecting and sorting of used batteries.
Regulatory Compliance	+ Collection network processes compliance with existing collection and transportation regulations.
Container Safety	+ Collection containers are designed and used in ways that minimise the risk of an incident and protect worker and community safety.
Drop off point Management	+ Drop off point safety and transparency.
Receiving and Storing Batteries	+ Battery storage safety and compliance throughout the operations.
Battery Transport	+ Safety and compliance for transport activities.
Battery Sorting	+ Confirming battery chemistries for sorting and compliance with sorting specifications established by BSC.
Battery Recycling	+ Processing activities conform to BSC protocols and AS 5377 (or equivalent), including confirming final fate of all battery materials collected, sorting and processed.
Chain of Custody	+ Chain of custody from batteries received to final processing either onshore or offshore.
Environmentally Sound Management	+ Ensuring that all batteries collected are ultimately processed in an environmentally sound manner and in accordance with BSC recovery rate criteria.
Cost of Service	+ Commitment to transparency and disclosing the costs of service.
Inspections	+ Involving a site inspection of the battery receipt, storage, and processing areas to verify systems implementation and EHS performance.

Aggregator category

Aggregator audits involve a process of document review and site inspection in order to report against categories and specific audit questions outlined in Table 13.

Table 13. Aggregate Audit Questions

Category	Audit Question	Details
Permits	Permits and Approvals are in place for battery aggregation and storage activities?	<ul style="list-style-type: none"> + Copy of EPA Permit available on site, copy provided. Council + Planning Approval available and a copy provided. + Worksafe permissions relating to battery storage available, and a copy provided.
Battery Storage	Battery storage meets regulatory requirements.	<ul style="list-style-type: none"> + Documented Storage Plan available and copy provided. + Storage Plan Compliant with Regulation requirements and meets BSC requirements. + Storage inventory management system has been implemented, observed during inspection as meeting BSC requirements. + Inventory reports provide site storage (total tonnes)
Legal Storage Times	Systems are effective for meeting legal storage times.	<ul style="list-style-type: none"> + Confirm EPA licence limit on storage time (where relevant). + Inventory records confirm batteries stored less than 6 months.
Stockpiling	Stockpiled batteries not in evidence.	<ul style="list-style-type: none"> + All scheme batteries are recorded by the site inventory system. + No legacy stockpiles observed on site (stock > 1tonne)
Chain of Custody	Chain of custody evidence for tracking B-cycle collections is maintained.	<ul style="list-style-type: none"> + Chain of custody data is maintained at site, evidence sighted. + Information maintained includes: Aggregation weights, Battery types, dispatch records. + Records confirming dispatch to nominated Collector.
Container Protocols	Storage and aggregation battery containers meet B-cycle container Protocols.	<ul style="list-style-type: none"> + Compliant labelling, specifying relevant DG Code (for transport) + Labels clearly identify weight and chemistry type. + Storage meets best practice (indoors, hardstand, accessibility).
Housekeeping	Facility safety and housekeeping observed to be effective.	<ul style="list-style-type: none"> + Housekeeping observed by auditor as acceptable.
Manual Handling	Manual handling procedures and practice Safe Work requirements in the applicable jurisdiction.	<ul style="list-style-type: none"> + Manual handling of batteries has been eliminated; systems observed during site inspection. + Manual handling hazards identified, and risk assessment conducted. + Evidence of controls were sighted and observed as effective. + Staff have been trained in key handling procedures.

Category	Audit Question	Details
Receiving Procedures	Battery receiving procedure and practice meets B-cycle Collection and Recycling Accreditation Protocols.	<ul style="list-style-type: none"> + Battery handling and storage procedure available, and document provided. + Training conducted and evidence sighted. + Spill kit's available and fully stocked.
Weighing	Weighing Scale calibration records are current.	<ul style="list-style-type: none"> + Scale calibration records available, copies provided. + Calibration test records are current and identify system Passing tests.
Risk Assessments	Risk assessment and safety plan is consistent with the B-cycle Template Risk Assessment for Collectors.	<ul style="list-style-type: none"> + Uses an approved battery aggregation container. + Has provided a battery storage safety plan and risk assessment that meets BSC requirements. + Has implemented controls specified on risk assessments, and has observed these to be effective + Maintains training up to date staff safety training records.
Fire Safety	Appropriate fire safety measures in place and observed to be effective in practice.	<ul style="list-style-type: none"> + A site fire risk assessment has been conducted, with a copy provided. + Fire equipment testing is up to date.
Emergency response	Emergency preparedness and response in place and observed to be effective.	<ul style="list-style-type: none"> + Site has in place an emergency evacuation plan. + Emergency evacuation plans are visibly posted in prominent locations. + Staff interviews confirm staff clear understanding of emergency procedures?
Non-scheme Battery Management	Procedure ensuring no cross-contamination of scheme batteries with out of scope or e-waste batteries.	<ul style="list-style-type: none"> + Procedure available and documented clearly specifies out of scope batteries are tracked and double counting is not occurring. + Procedure observed in practice to be effective.
Certifications	Site operations conform to applicable certifications (desirable but not mandatory).	<ul style="list-style-type: none"> + ISO14001 certified + ISO 9001 certified + ISO 45001 certified
E-Waste Management	E-waste collectors certification (mandatory).	<ul style="list-style-type: none"> + AS 5377 certified

Drop off point category

Drop off point audits involve a process of document review and site inspection in order to report against categories and specific audit questions outlined in Table 14.

Table 14. Drop off point Audit Questions

Category	Audit Question
Approved Collector	<ul style="list-style-type: none"> + Partners with a B-cycle accredited collector and meets general commitments. + Battery collection container on site is provided or approved by B-cycle accredited Collector.
Container Conformance With Scheme Requirements	<ul style="list-style-type: none"> + Battery collection container on site is provided or approved by a B-cycle accredited collector. + Battery collection container meets B-cycle container protocols. + The container contains an easily visible B-cycle sticker/logo. + There are communications near or on container that clearly stipulates bin is for collecting used batteries. + There are communications near or on container to provide additional safety messaging (e.g. taping of terminals) + The container is located with easy, safe access by users and the public (if public drop off point) + The container is not overflowing or at capacity or staff has confirmed a pick-up has been arranged. + There are nearby options for other waste/recycling to be disposed of to avoid contaminants. + The container is easily accessible by collector. + The container is fixed or difficult to move. + The container is in a well-ventilated, indoor or undercover area that is away from direct heat and sunlight. + The container is generally in good condition and does not have any significant wear and tear or damage.
Staff Training and Emergency Response	<ul style="list-style-type: none"> + At least one staff on-site confirmed they are aware of B-cycle, its purpose and had completed B-cycle drop off point safety training. + It has been confirmed on-site that staff were aware of what to do in the event of a battery fire. + It has been confirmed on-site that staff were aware of what to do in the event their battery container was damaged. + Implementation of effective procedures for ensuring cross-contamination of out of scope or e-waste batteries are tracked and double counting is prevented.
Management Procedures	<ul style="list-style-type: none"> + Implementation of effective procedures for ensuring cross-contamination of out of scope or e-waste batteries are tracked and double counting is prevented. + A Register of Customers dropping off >15kg is up to date with name, contact information and date of drop off for traceability purposes. + Batteries dropped-off are kept separate for 15 days from the receipt date on the register. + Implementation of effective procedures for managing and tracking shipments received from customers that contain undeclared batteries within other materials (e.g. photographic evidence, scale docket of undeclared evidence in shipment that includes undeclared batteries).

Attachment 3 – Collector, Sorter, Processor data sets

Table 15. C, S, P Pre-Corrective Actions (FY2022-2023)

Finding	System Strengths	Conformity	Opportunity for Improvement	Area of Concern	Non-Conformance	Total
Organisational and Operational Information	0	62	6	2	8	78
Management Systems	5	42	23	12	5	87
Regulatory Compliance	0	23	18	9	4	54
Container Safety	7	34	15	6	6	68
Drop off point Safety and Transparency	1	42	22	8	7	80
Battery Storage	5	32	26	8	8	79
Battery Transport	0	12	20	11	5	48
Battery Sorting	1	4	2	2	3	12
Battery Processing	0	7	5	7	9	28
Chain of Custody	1	12	15	5	6	39
Environmentally Sound Management	0	5	2	3	10	20
Cost Reporting	0	0	9	0	0	9
Inspection	2	31	11	5	0	49
Total	22	306	174	78	71	651

Table 16. C, S, P Post Corrective Actions (FY2022–2023)

Finding	System Strengths	Conformity	Opportunity for Improvement	Area of Concern	Non-Conformance	Total
Organisational and Operational Information	0	66	10	3	0	79
Management Systems	5	44	29	10	0	88
Regulatory Compliance	0	25	20	9	0	54
Container Safety	8	35	16	4	5	68
Drop off point Safety and Transparency	1	46	24	8	1	80
Battery Storage	5	38	26	9	1	79
Battery Transport	0	13	22	13	0	48
Battery Sorting	1	6	4	1	0	12
Battery Processing	0	12	9	7	0	28
Chain of Custody	1	16	15	7	0	39
Environmentally Sound Management	0	9	4	7	0	20
Cost Reporting	0	0	9	0	0	9
Inspection	2	31	11	5	0	49
Total	23	341	199	83	7	653

Table 17. C, S, P Pre-Corrective Actions (H1 FY2023-2024)

Finding	System Strengths	Conformity	Opportunity for Improvement	Area of Concern	Non-Conformance	Total
Organisational and Operational Information	0	38	5	1	0	44
Management Systems	10	32	6	1	0	49
Regulatory Compliance	0	20	7	3	0	30
Container Safety	3	21	14	2	0	40
Drop off point Safety and Transparency	3	29	12	2	0	46
Battery Storage	2	28	12	2	2	46
Battery Transport	1	18	7	4	0	30
Battery Sorting	0	4	0	0	0	4
Battery Processing	0	3	1	3	0	7
Chain of Custody	0	12	10	0	1	23
Environmentally Sound Management	0	1	0	3	1	5
Cost Reporting	0	0	5	0	0	5
Inspection	0	32	2	1	0	35
Total	19	238	81	22	4	364

Attachment 4 – Aggregator detailed data

Audit Question	SS	C	OFI	AoC	NC	Total
1. Permits and Approvals are in place for battery aggregation and storage activities?	3	13	1	0	6	23
2. Battery storage meets regulatory requirements.	3	21	3	0	5	32
3. Systems are effective for meeting legal storage times.	1	8	0	0	0	9
4. Stockpiled batteries not in evidence.	1	12	1	0	2	16
5. Chain of custody evidence for tracking B-cycle collections is maintained.	0	18	2	0	3	23
6. Storage and aggregation battery containers meet B-cycle container Protocols.	2	15	3	1	2	23
7. Facility safety and housekeeping observed to be effective.	5	2	1	0	0	8
8. Manual handling procedures and practice Safe Work requirements in the applicable jurisdiction.	3	26	1	0	2	32
9. Battery receiving procedure and practice meets B-cycle Collection and Recycling Accreditation Protocols.	2	16	3	0	2	23
10. Weighing Scale calibration records are current.	0	14	1	0	1	16
11. Risk assessment and safety plan is consistent with the B-cycle Template Risk Assessment for Collectors.	1	14	6	0	11	32
12. Appropriate fire safety measures in place and observed to be effective in practice.	0	12	1	0	3	16
13. Emergency preparedness and response in place and observed to be effective.	0	20	1	0	3	24
14. Procedure ensuring no cross-contamination of scheme batteries with out of scope or e-waste batteries.	0	10	1	2	3	16
15. Site operations conform to applicable certifications (desirable but not mandatory).	3	5	6	0	0	14
16. E-waste Collectors certification (mandatory).	0	3	1	0	1	5
Total	24	209	32	3	44	312

Attachment 5 – Drop off point detailed data

Audit Category	SS	C	OFI	NC	Total
Container provided by Approved Scheme Collector	0	18	2	0	20
Container Conformance with Scheme Requirements	22	148	25	9	204
Staff training and emergency response	2	36	5	0	43
Management Procedures	0	4	2	0	6
Total	24	206	34	9	273

Attachment 6 – Challenge data by category

Audit Category	Resourcing	Regulatory	Information Sharing	Total	Total (%)
Organisational and Operational Information	9	0	2	11	6%
Management Systems	15	3	0	18	10%
Regulatory Compliance	5	10	1	16	9%
Container Safety	9	5	0	14	8%
Drop off point Safety and Transparency	17	0	0	17	10%
Battery Storage	12	5	3	20	11%
Battery Transport	10	5	5	20	11%
Battery Sorting	3	0	2	5	3%
Battery Processing	5	2	12	19	11%
Chain of Custody	8	0	4	12	7%
Environmentally Sound Management	1	2	14	17	10%
Cost Reporting	3	3	0	6	3%
Total	97	35	43	175	100%

List of figures

Figure 1. C, S, P YoY Summary of ‘Conformity’ (Post Corrective Actions) 2

Figure 2. Number of Audit Findings Pre and Post Corrective Action Plan (FY2022–FY2023)11

Figure 3. Percentage of Audit Findings by Type, Pre-Corrective Action Plan Implementation (FY2022–FY2023)11

Figure 4. Percentage of Audit Findings by Type, Post Corrective Action Plan Implementation (FY2022–FY2023)11

Figure 5. C, S, P ‘Non-Conformance’ Findings Pre and Post Corrective Action (FY2022–FY2023)12

Figure 6. C, S, P ‘Area of Concern’ Findings Pre and Post Corrective Action (FY2022–2023) 13

Figure 7. C, S, P ‘Opportunities for Improvement’ Findings Pre and Post Corrective Action Plans (FY2022–2023) 14

Figure 8. C, S, P ‘Conformance’ Findings Pre and Post Corrective Action (FY2022–2023) 15

Figure 9. C, S, P ‘System Strength’ Findings Pre and Post Corrective Action (FY2022–2023) 16

Figure 10. Audit Findings Pre-Corrective Actions (H1 FY2023–2024) 18

Figure 11. Audit Findings Including Corrective Actions (H1 FY2023–2024) 18

Figure 12. Summary ‘Aggregator’ Audit Findings 19

Figure 13. Aggregator ‘Conformance’ Summary Audit Findings 20

Figure 14. Aggregator ‘Opportunity for Improvement’ and ‘Area of Concern’ Summary Audit Findings....21

Figure 15. Aggregator ‘Non-Conformity’ Summary Audit Findings22

Figure 16. ‘Drop off point’ Summary Audit Findings..... 23

Figure 17. ‘Drop off point’ Summary Audit Findings..... 23

Figure 18. Audit Finding Summary for ‘Collector’ Participants 25

Figure 19. C, S, P Audit Trend Summary (H1 FY2022–2023) 26

Figure 20. C, S, P YoY Summary of ‘Conformity’ (Post Corrective Actions)30

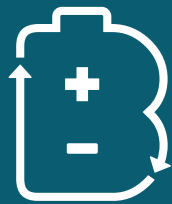
Figure 21. Figure 21. C, S, P YoY Summary of ‘Non-Conformance’ (Post Corrective Actions) 31

Figure 22. Figure 22. C, S, P YoY Summary of ‘Areas of Concern’ (Post Corrective Actions) 32

List of tables

Table 1. Details of Collector, Sorter and Processor Audits (H1 FY2022–FY2023).....	7
Table 2. Number of Databases Developed	8
Table 3. Audit Finding Summary (FY2022–FY2023).....	11
Table 5. ‘Collector’ Only Summary of Trends (H1 FY2022–2023)	25
Table 6. C, S, P Trend Summary (H1 FY2022–2023).....	27
Table 7. C, S, P Summary of Audit Findings (2021 to 2024).....	28
Table 8. C, S, P Key Trends Relating to Improvement and Challenges	28
Table 9. Scheme Participant Challenges Identified	34
Table 10. Number of Challenges by Audit Area and by Category.....	36
Table 11. Details of Specific Downstream Vendor and Sorter Audits Conducted.....	43
Table 12. Collector, Sorter and Processor Audit Questions.....	44
Table 13. Aggregate Audit Questions	45
Table 14. Drop off point Audit Questions.....	47
Table 15. C, S, P Pre-Corrective Actions (FY2022–2023).....	48
Table 16. C, S, P Post Corrective Actions (FY2022–2023).....	49
Table 17. C, S, P Pre-Corrective Actions (H1 FY2023–2024).....	50

Battery Stewardship Council



B-cycle
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Accreditation and Conformance Audit Program

Annual Progress Report



This Scheme is authorised by the Australian Competition & Consumer Commission (ACCC), accredited by the Australian Government, and has received financial support from the Australian Government and industry.