

23 Marcus Clarke Street
Canberra ACT 2601

GPO Box 3131
Canberra ACT 2601

tel: (02) 6243 1111

fax: (02) 6243 1199

adjudication@acc.gov.au

www.acc.gov.au

Contact officer: Tessa Cramond
Contact phone: 03 9658 6516

12/07/2018

Bruce Wright
Senior Procurement Officer
Council Solutions

By email: bruce.wright@councilsolutions.sa.gov.au

Dear Mr Wright,

Authorisations AA1000414 and AA100020 submitted by Council Solutions & Ors – confidential submission

We have received the below submission in response to both the Collection and Ancillary applications. The submission has been excluded from the public register at the request of the submitting party, though the party has consented to us providing it to you for response in an anonymised form.

Please provide a response to the submission as it relates to *both* the Collection and Ancillary applications. The submission is as follows:

“The compostable bag market is new and developing and that growth in this market is being best facilitated through small to medium contracts, rather than larger combined tenders.

Suppliers win compostable bag supply contracts through one of two channels: (1) direct with councils and (2) as a supplier to a collection contractor for a council. In both scenarios, if a single large contract is involved, a supplier will have only one opportunity to tender. If the supplier loses, it may be forced out of the market entirely. If the contracts are for manageable sizes, which in South Australia applies to all urban councils, a supplier has the opportunity to tender on numerous occasions with either Councils direct or collection contractors.

Spreading tenders and contracts out over time, and keeping contracts at a manageable size, enables suppliers to schedule and operate production in South Australia, which allows for lower risk business ownership and better employment opportunities for local staff.

Dealing with councils or collection contractors direct makes difficult projects (such as bin and bag deliveries to tens of thousands of households) significantly easier and more successful, as it involves fewer parties and there is clearer direction. With several councils and Council Solutions as an extra administrative party, delivery of bags and bins to households will be more complex and difficult, with the resident and Council officers ultimately receiving a compromised service.”

We would be grateful if you could provide a response to the submission by 26 July 2018.

If you wish to discuss any aspect of this matter, please do not hesitate to contact Tessa Cramond on 03 9658 6516; or via email (adjudication@acc.gov.au).

Yours sincerely

A handwritten signature in blue ink, appearing to read 'G Jones', with a long horizontal flourish extending to the right.

Gavin Jones
Director
Adjudication