



4 June 2018

Mr Gavin Jones
Director
Australian Competition and Consumer Commission
GPO Box 520
MELBOURNE VIC 3001

Dear Mr Jones,

Council Solutions Application for Authorisation AA1000420 – Interested Party Consultation

The City of Charles Sturt welcomes the opportunity to make a submission to the Australian Competition and Consumer Commission (ACCC) on the Council Solutions application for the procurement of a range of ancillary waste services including hard waste, street litter bins and bulk bins collections.

As we have previously outlined in earlier submissions to the ACCC, we are pleased to be working with the other partnering councils on a collaborative approach to these waste services, as we strongly believe that the following benefits will be delivered through a joint procurement approach:

- Tender process and contract management cost savings and efficiencies, achieved by reducing replication for both participating councils and potential suppliers through alignment of specifications and service standards, and the administration of a single tender process.
- Increased opportunity for competition from the stimulation of the market.
- Lower costs for participating councils through improved purchasing power.
- Environmental benefits from increased diversion of waste from landfill. This is particularly true for the hard waste and bulk bin ancillary services where the economies of scale will help to drive better investment in processing the material collected from these services.
- Increased service efficiencies by allowing contractors to move across council boundaries which, again, will be particularly important for the hard waste and bulk bin ancillary services streams.

In addition to the benefits outlined above, we believe that conducting a separate request for tender for the ancillary service streams will help to maximise competition by providing the opportunity for potential suppliers who are capable of providing any (or all) of the services to tender without also being required to provide the 3- bin collection service - which has



traditionally been the case. Separating the tender process for these services will also provide an opportunity for greater focus to be placed on the delivery of the services to improve diversion, which has traditionally been low and difficult to manage.

Improving the management and performance of our ancillary contracts is important to the City of Charles Sturt as demand for these services is continuing to grow. This is particularly true for the bulk bin service. As an inner metro council that is experiencing significant growth in the number of medium to high density developments, we have developed detailed *'Residential Waste and Recycling Guidelines For New Development'* to ensure that effective and efficient waste and recycling systems are in place for all new developments and their future residents. The submission by Council Solutions will help us to continue to deliver a bulk bin service that is affordable, while maximising diversion.

As previously highlighted to the ACCC, the City of Charles Sturt has a long history of joint procurement projects via the G6 Procurement Group, and now Council Solutions. Based on our extensive history of positive experience with joint procurement we are seeking to pursue a continued focus on strategic and collaborative procurement through the Council Solutions application and urge you to consider favourably the community benefits of this application.

I look forward to receiving the ACCC's draft determination and working with you to ensure the process is a success.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Paul Sutton', written in a cursive style.

Paul Sutton
Chief Executive Officer