

23 November 2016

Ms Elizabeth Batten
Senior Project Officer, Adjudication
Australian Competition & Consumer Commission
GPO Box 3131
CANBERRA ACT 2601

Via email: elizabeth.batten@accc.gov.au; **cc:** darrell.channing@accc.gov.au;
natalie.morton@accc.gov.au

Dear Ms Batten,

A91520 COUNCIL SOLUTIONS & ORS – APPLICATION FOR AUTHORISATION OF A COMBINED WASTE TENDER PROCESS, FURTHER QUERIES REGARDING COUNCIL SOLUTIONS' APPLICATION

I refer to your email dated 22 November 2016 in regards to the ongoing assessment of the application and the request for further information. The ACCC has requested Council Solutions provides further information to the queries below. Council Solutions is happy to do so and confirms this may be placed on the Public Register.

- 1. Council Solutions' application provides data about the rateable properties as an indicator of the municipal waste collection points In our assessment, we are interested in considering the best proxy for municipal collection points. In interested parties' submissions, this is typically framed in terms of number of households (see for example page 5 of WRASA's submission dated 11 April).*

Are you able to confirm whether rateable properties is the best measure for municipal waste collection points? If this is not the case, can you please specify the number of households / collection points for each of the participating councils?

Council Solutions has provided both the rateable properties and population as indicators of the Participating Councils' market share as these are both third party sourced, publically available information. The population is sourced from the Australian Bureau of Statistics and the rateable properties is sourced from the Local Government Association of South Australia's Local Government Directory. Not only is this information readily available for third parties to verify, it can also provide the same numbers for every local government across South Australia, providing a clear indication of the Participating Councils' market share.

Council Solutions' notes WRASA's submission dated 11 April and while households are mentioned, there is no data provided to state what the number of households is that should be used. In WRASA's submission dated 28 September 2016 it is claimed on pages 38 and 66

1. The City of Adelaide is listed as having a population of 22,690 and rateable properties of 22,735. This is a 1:1 ratio whereas all other Councils have a 2:1 population which is logical based on an average household having 2 occupants. We assume Council Solutions ha[s] erroneously used two population numbers rather than the rateable properties number.

Council Solutions rejects this allegation by providing, at Annexure A, a copy of the ABS report referred to in the Supporting Submission and an extract from the LGA's Local Government Directory. Additionally, Council Solutions note Adelaide City Council is a Capital City Council and the location of the Central Business District, with very little residential areas (predominately in North Adelaide). As such, there is a large proportion of apartment buildings and student accommodation, designed for sole occupancy, as well as a very large number of commercial rateable properties that do not have residents for population purposes. Therefore, a ratio of 1:1, as compared to 2:1 for the other Participating Councils, should be expected.

For completeness, Council Solutions submits the following Household and Service-Entitled Premises numbers for each of the Participating Councils. This is sourced from each Participating Council's internal rating system. A Service-Entitled Premise is any premise entitled to a collection service, which is outlined in each Participating Council's waste collection contract (NB: terminology may differ from council to council, however this is the terminology used in the LGA's Model Waste Management Contract which is used by most South Australian local governments).

Council	Households	Service-Entitled Premises	Rateable Properties		Population	
			Properties	% of All Metropolitan Councils	People	% of All Metropolitan Councils
Corporation of the City of Adelaide	10,828	10,917	22,735	3.88%	22,690	1.80%
City of Charles Sturt	50,455	54,289	54,067	9.23%	112,714	8.94%
City of Marion	39,663	40,986	41,011	7.00%	88,292	7.00%
City of Tea Tree Gully	38,369	38,492	39,393	6.73%	98,575	7.82%
City of Port Adelaide Enfield	53,961	58,298	59,579	10.18%	122,205	9.69%
TOTAL	193,276	202,982	216,785	37.03%	444,476	35.25%

As can be seen from the table above, there is no more than 2.5% difference between the number of Service-Entitled Premises and Rateable Properties for the Cities of Charles Sturt, Marion, Tea Tree Gully and Port Adelaide Enfield. For Adelaide City Council, the number of Service-Entitled Premises is half the number of Rateable Properties which, as outlined above, is to be expected given the high proportion of commercial buildings in the Central Business District that are not entitled to collection services. This difference potentially overstates the Participating Councils' market share as a result, however Council Solutions maintain its position regarding the Participating Councils' market share.

- Are you able to provide a public submission in relation to the opportunity for improvement [for waste collection from high density multi-unit developments] in relation to the opportunity for improvement and the way in which the proposed conduct is likely to create the opportunity for a supplier to offer more efficient collection operations in this area?*

High density multi-unit dwellings (MUDs) require larger bulk bins that are collected by rear lift trucks instead of side lift trucks (used for the kerbside, three bin collections). When taken in isolation, each Participating Council that operates services to MUDs are only servicing a small number making the service relatively inefficient as there are insufficient services within each Participating Council area individually to create whole runs for collection vehicles. This inefficiency makes the service relatively expensive to provide on a unit basis compared with kerbside services.

By working in partnership with other Participating Councils, it will be possible for services to be undertaken on a more efficient basis by creating whole runs filled for each collection vehicle. It has already been seen on an individual Council level that increasing the number of MUDs serviced decreases the unit cost which can be expected to continue where there is collaboration. The two primary Participating Councils requiring this service, Adelaide City Council and the City of Charles Sturt, are also geographically aligned, which feeds into the expected efficiencies. As well as cost benefits for the ratepayers, more efficient vehicle movement will result in environmental benefits, such as reducing the number of emissions.

Medium to high density residential development is increasing and it can be expected the number of MUDs being serviced will also increase. Some MUDs are currently being serviced by kerbside bins as it is currently not viable for the Council to provide a bulk bin service due to the high cost. As the number of MUDs increase across the Participating Councils and the cost of bulk bin services decrease, the Council may look to negotiate with their residents a change in service provision to provide a more efficient service. Consistency in education to the residents across the Participating Councils' areas, as well as mutual learning from those already servicing MUDs with bulk bins are additional benefits the Proposed Conduct will bring.

Please do not hesitate to contact me if there are any queries regarding this.

Kind Regards,



Taryn Alderdice
Contract Management Officer
Council Solutions

ANNEXURE A

A screenshot of the ABS report has been attached for quick reference, the full file has been provided as an Excel file also.

Annexure A ABS 3218 report.xls [Compatibility Mode] - Microsoft Excel

File Home Insert Page Layout Formulas Data Review View Developer Acrobat

Clipboard Font Alignment Number Styles Cells Editing

M10 22690

A B C D E F G H I J K L M N O P Q R S T U V W X

Australian Bureau of Statistics

3218.0 Regional Population Growth, Australia
Released at 11.30am (Canberra time) 31 March 2015

Table 4. Estimated Resident Population, Local Government Areas, South Australia

ERP at 30 June

Change

2013r-2014p

Area

Population density 2014

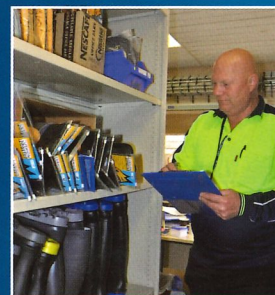
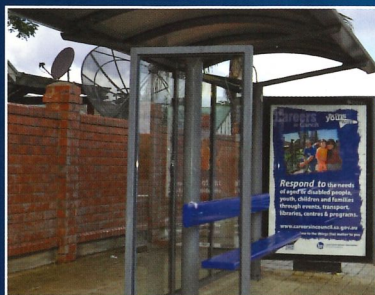
LGA code	Local Government Area	2004 no.	2005 no.	2006 no.	2007 no.	2008 no.	2009 no.	2010 no.	2011 no.	2012r no.	2013r no.	2014p no.	%	no.	km2	persons/km2
40070	Adelaide (C)	15613	16573	17479	18549	19217	19914	20525	20920	21657	22198	22690	2.2	494	15.6	1457.1
40120	Adelaide Hills (DC)	38890	39066	39165	39204	39301	39424	39640	39899	39821	39846	39873	0.1	27	794.5	50.2
40220	Alexandrina (DC)	20019	20611	21208	21843	22472	23027	23729	24125	24489	24820	25136	1.3	316	1827.3	13.8
40250	Anangu Pitjantjatjara (AC)	2469	2389	2310	2352	2416	2476	2560	2660	2706	2733	2772	1.4	39	102320.5	0.0
40310	Barossa (DC)	20370	20751	21096	21357	21641	21889	22257	22525	22680	22804	22964	0.7	160	893.5	25.7
40430	Barunga West (DC)	2596	2590	2590	2587	2575	2560	2535	2496	2482	2452	2453	0.0	1	1590.4	1.5
40520	Berri and Barmera (DC)	11197	11190	11239	11175	11029	10902	10819	10733	10665	10609	10530	-0.7	-79	516.8	20.4
40700	Burnside (C)	42998	43272	43414	43549	43678	43969	44091	44092	44310	44491	44734	0.5	243	27.5	1625.6
40910	Campbelltown (C)	46883	47059	47383	47886	48379	49067	49531	49788	50431	50883	51344	0.9	461	24.3	2108.6
41010	Ceduna (DC)	3676	3684	3702	3693	3672	3642	3630	3595	3662	3669	3696	0.7	27	5420.1	0.7
41060	Charles Sturt (C)	102751	102797	103364	103897	104773	106320	107862	108680	109923	111208	112714	1.4	1506	54.8	2857.2
41140	Clare and Gilbert Valleys (DC)	8320	8328	8370	8448	8537	8622	8759	8871	8916	8992	9029	0.4	37	1892.5	4.8
41190	Cleve (DC)	1976	1981	2000	1970	1916	1877	1852	1814	1808	1809	1808	-0.1	-1	5018.9	0.4
41330	Cooper Pedy (DC)	2150	2040	1984	1928	1860	1799	1781	1760	1780	1787	1810	1.3	23	77.7	23.3
41560	Copper Coast (DC)	11266	11440	11649	12042	12382	12781	13033	13126	13410	13674	13824	1.8	250	772.9	18.0
41750	Elliston (DC)	1175	1172	1164	1150	1131	1107	1086	1066	1063	1068	1068	0.0	0	6738.5	0.2
41830	Flinders Ranges (DC)	1776	1767	1767	1767	1753	1736	1728	1722	1675	1649	1637	-0.7	-12	4126.4	0.4
41960	Franklin Harbour (DC)	1243	1240	1245	1252	1254	1254	1258	1238	1240	1230	1227	-0.2	-3	2755.6	0.4
42030	Gawler (T)	18746	18966	19241	19851	20270	20755	20939	20987	21242	21624	22219	2.8	595	41.1	540.7
42110	Goyder (DC)	4267	4265	4271	4285	4249	4246	4246	4225	4236	4238	4242	0.1	4	6716.0	0.6
42250	Grant (DC)	7546	7585	7613	7643	7729	7818	7917	7954	7969	8010	8174	2.0	164	1898.0	4.3
42600	Holbfast Bay (C)	33730	34007	34371	34817	35375	35650	35940	36120	36481	36711	37006	0.8	295	13.8	2690.9
42750	Kangaroo Island (DC)	4355	4392	4396	4427	4451	4477	4501	4522	4535	4552	4583	0.7	31	4400.7	1.0
43080	Karoonda East Murray (DC)	1216	1200	1189	1163	1134	1110	1076	1050	1037	1027	1027	0.0	0	4415.8	0.2
43220	Kimba (DC)	1183	1160	1147	1135	1122	1113	1108	1105	1103	1103	1101	-0.2	-2	3984.0	0.3
43360	Kingston (DC)	2343	2404	2390	2393	2381	2381	2363	2343	2361	2364	2368	0.2	4	3339.8	0.7
43650	Light (RegC)	11922	12325	12680	12994	13138	13464	13788	13984	14243	14417	14648	1.6	231	1276.8	11.5
43710	Lower Eyre Peninsula (DC)	4345	4408	4537	4619	4712	4809	4911	5013	5068	5069	5079	0.2	10	4721.2	1.1
43790	Loxton Waikerie (DC)	12081	12023	11962	11870	11771	11652	11561	11478	11459	11453	11447	0.2	24	7999.3	1.4
43920	Malala (DC)	7816	8023	8118	8255	8285	8324	8417	8463	8548	8609	8692	1.0	83	832.4	9.3
44000	Maralinga Tjarutja (AC)	123	116	111	98	88	84	80	75	75	75	75	0.0	0	102737.8	0.0
44060	Marion (C)	79611	79980	80646	81616	82536	83917	85110	85714	86703	87555	88292	0.8	737	55.6	1586.9
44210	Mid Murray (DC)	8307	8253	8216	8195	8199	8210	8200	8225	8238	8212	8262	0.6	50	6271.4	1.3

Ready



LGA Procurement
Local Government Association
of South Australia

2015 South Australian Local Government Directory



www.lgaprocurement.sa.gov.au
Email: lgaprocurement@lga.sa.gov.au

Adelaide City Council

25 Pirie Street, Adelaide SA 5000

(GPO Box 2252, Adelaide SA 5001)

Phone: 8203 7203 Fax: 8203 7575

Email: city@adelaidecitycouncil.com

Website: www.adelaidecitycouncil.com



Council Meeting Detail

Council Meeting: 2nd & 4th Tuesday every month at 6:00pm
Committee Meeting: 1st & 3rd Tuesday of every month at 5:30pm
Planning Meeting: 1st & 3rd Monday of the month at 5.30pm

Elected Members

The Right Honourable Lord Mayor of Adelaide, Mr Martin Haese

Area Councillors

Cr Anne Moran Cr Natasha Malani
Cr Sandy Wilkinson Cr Robert Simms

North Ward Councillors

Cr Sue Clearihan Cr Phil Martin

Central Ward Councillors

Cr Megan Hender Cr Houssam Abiad Cr Dave Slama

South Ward Councillors

Cr Priscilla Corbell Cr Alex Antic

Corporate Information

Auditors : KPMG (internal); BDO (external)
Bank : National Australia Bank
Solicitor : Norman Waterhouse / Wallmans / Piper
Alderman / CowellClarke

Council Statistics

Population : 21,590
Number of Employees : 756.6 FTE's
Total Operating Revenue : \$172,352,000
Number of Electors : 23,489
Number of Rateable Properties : 22,735
State Electorate : Adelaide
Federal Electorate : Adelaide

Suburbs / Towns

Adelaide 5000, North Adelaide 5006.

Senior Management

Chief Executive Officer
General Manager – City Culture & Community Services
General Manager – City Infrastructure & Public Works
Acting General Manager – City Planning
General Manager – City & Organisational Development
General Manager – Finance & Corporate Services

: Peter Smith
: Sandy Verschoor
: Neil Brown
: David Chick
: Jane Booth
: Peter Scargill

Council Contact Officers:

Accessible City
Active City
Adelaide Town Hall
Capital Works
City Activation
City Community
City Design
City Planning
City Growth & Investment
City Safety & Customer Service
Finance & Risk
Information & Communication Technology
Infrastructure Management
Marketing & Creative Services
Office of Business Services
Office of the Chief Executive Officer
Office of the Lord Mayor
Office of Major Projects & Initiatives
People & Culture
Public Realm
Residential Growth & Development
Strategic Property & Facilities Management
Strategy and Innovation
Sustainable City
Vibrant City

- Tanya Bacic
- Matthew Rechner
- Trevor Barker
- Mike Blythe
- Noni Williams
- Sabine Jung
- Angela Orchard
- Don Donaldson
- Mick O'Neil
- Joanna Beaumont
- Mark Gray
- Luu Nguyen
- Vacant
- Christine Evans
- Gavin Webster
- Kylie Bennetts
- Jane Reed
- Nicola Hurdle
- Vanessa Petterson
- Tom McCready
- Mike Philippou
- Mike Philippou
- Clare Mockler
- Adrian Stokes
- Penny McAuley

Local Industries

Retail, Education, Tourism, Finance & Insurance, Government, Administration Services, Health, Creative Digital Technology, Culture, Placemaking.

Major Tourist Attractions

Botanic Gardens, Zoo, Museum, Art Gallery, Festival Centre, Rundle Lantern, Park Lands, Adelaide Oval, Major Events including the: Adelaide Fringe, Adelaide Festival, Feast Festival, WOMAdelaide, Santos Tour Down Under, Clipsal 500.