

24 November 2020

Greg Piper MP
Chair Public Accounts Committee
Parliament of New South Wales
Macquarie Street
SYDNEY NSW 2000

By email: pac@parliament.nsw.gov.au

Dear Mr Piper

**AUDITOR-GENERAL'S PERFORMANCE AUDIT REPORT – DOMESTIC WASTE
MANAGEMENT IN CAMPBELLTOWN CITY COUNCIL AND FAIRFIELD CITY COUNCIL**

I refer to your letter dated 23 October seeking further details of Council's waste and recycling service and am pleased to provide you with the following information as a response to the respective questions.

Recommendation 1: Campbelltown City Council should better measure and evaluate the effectiveness of their activities in improving resident's waste-sorting habits, in order to make adjustments as needed.

- *How does the Council intend to conduct ongoing monitoring of the effectiveness of improvements to residents' waste sorting habits?*

Council will continue to use auditing to monitor the effectiveness of the sorting habits of residents.

Unfortunately, Council's current recyclables processing contract does not contain financial penalties for the presence of non-recyclable materials (contamination) in the recycling stream. Under this contract Council pays a gate fee however, the recyclables processing contractor bears the risk of material quality.

The only information available to Council about the volume and quality of recyclables is provided by the recycling contractor from facility performance reports. The monthly report identifies each contributing Council's weighbridge tonnages (volume), but does not extend to providing an analysis of the levels of contamination of each Council (quality). The report provides a monthly percentage (%) figure aggregated for all loads received at the facility.

This arrangement is typical of most or all Material Recovery Facilities (MRFs). MRF's are not set up to individually process each contributing Council's loads, all loads are processed as a job lot upon receipt at the facility. That is, all vehicles tip their loads at the receipt area of the MRF and become mixed with loads from other councils. The residual material or contamination, usually in the form of household garbage, is then weighed-off and taken to landfill. The volume of contamination, as a measure of the sorting effectiveness of residents, is reported to the respective Councils monthly.

Council has previously implemented a bin inspector program to monitor the contamination levels in garden organics bins. This did not prove effective in controlling contamination as only the material sitting in the top layer of the bin can be seen and any contamination located beneath could not be detected. The program was subsequently discontinued as it was deemed ineffective and a poor use of Council's and the community's resources.

Recommendation 2: Ensure all buildings have adequate and appropriate waste storage facilities, to make it easy for residents to sort their waste properly

- *How does the Council ensure that all building have adequate and appropriate waste storage facilities? The Council response notes that there are detailed waste management provisions within the Development Control Plan. Please provide more details about how the current provisions ensure all buildings have adequate and appropriate waste storage facilities.*

Council assesses the adequacy of proposed waste and recycling arrangements for medium and high density dwellings through its Development Control Plan (DCP). Applications for approval are assessed for compliance against the provisions of the DCP.

The DCP contains all provisions necessary to guide developers in arrangements that are acceptable for the separation, storage, and collection of waste and recyclables from these buildings. A copy of the DCP is available through the following link for your reference <https://www.campbelltown.nsw.gov.au/BuildAndDevelop/PlanningPoliciesandControls/DevelopmentControlPlans/CampbelltownSustainableCityDevelopmentControlPlan2015>

Recommendation 3: Obtain more information on the costs of other viable options for waste collection, transportation, processing and disposal, in order to determine if there is a need to change existing arrangements. The Committee notes that the Council will not consider the issues raised in recommendation 3 until the current contracts for waste collection and processing have expired.

- *Could the Council provide reasons why you will not consider the issues raised in recommendation 3?*

Council is currently participating in a regional procurement initiative for processing and disposal services "Project 24" which will determine the future arrangements for achieving State government targets in waste reduction and recycling. This process will provide the Councils that are a member of Project 24, with currently available and viable options for waste collection, transportation, processing and disposal with all options and costs focused to deliver a value for money outcome for residents moving into the future.

Once the Project 24 tender outcome is known i.e. which streams require separation for treatment/recycling, then the collection arrangements can be selected through an open tender process, that are tailored to meet the needs of the processing/disposal contract.

Council believes it fulfils its duty of care to residents and this can be clearly demonstrated through the cost of its annual Domestic Waste Management Charge (DWMC). When comparing the cost of service provided by Campbelltown City Council to other Councils in NSW, Campbelltown charged \$394.55/household in 2018-19 when the highest charge that year was \$740.00 and the average charge was \$405.07. A copy of a report of all Councils DWMC's is available from the

EPA through the following link <https://www.epa.nsw.gov.au/your-environment/recycling-and-reuse/warr-strategy/policy-makers/surveys>

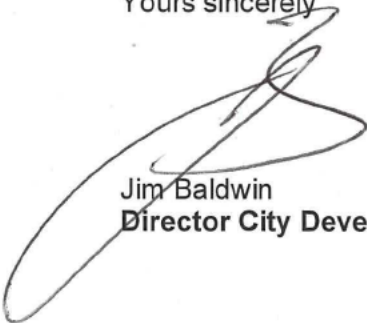
- *Will the Council consider the issues raised in recommendation 3 after the completion of the contracts in 2025? If so, can you provide a subsequent report to the Committee detailing how the Council will achieve value for money?*

Value for money outcomes for processing/disposal services is a main focus of the Project 24 contract negotiations and one that the Project 24 member Councils expect to realise through the respective competitive tendering process. Council considers value for money as a major determining criteria across all its various business functions.

I trust the above responses provide you with a clearer understanding of Council's commitment to achieving efficient and value for money outcomes for all aspects of Council's operation.

If any further information is required please contact [REDACTED]

Yours sincerely



Jim Baldwin
Director City Development