

Benefits of the new contract

C9698 Whole-of-Govt. (WofG) Waste Management & Resource Recovery



Improved environmental outcomes

- Reduction in waste to landfill – food waste accounts for ~60% of general waste (red bin) contents, which can be diverted through widespread rollout of Organics (green bin)
- Incentives for better recycling and environmental performance – contractual requirement to optimise collections (bin size, frequency etc) and propose relevant innovations
- Lower vehicle emissions – consolidation of services to 1 supplier per region will enable optimised routes & fewer truck runs (e.g. multiple schools, hospitals, offices in same run)
- Informed by data & best practices – to benchmark sites, educate and influence behaviour

Future proof

- Ability to collect new and emerging waste streams – option to add to scope of contract over time if volumes and requirements exist (e.g. e-Waste, mattresses, soft plastics)
- Rebates and discounts – ability to gain-share on recyclables discounts as and when end-markets for recyclables develop & improve (e.g. glass, paper & card, plastics, organics)
- WofG price review mechanism – evidence based, benchmarked and linked to relevant market indexes and key cost drivers (e.g. landfill levy) ensure \$ rates remain competitive
- Access latest innovations – e.g. waste education apps, NMI accredited trucks, cameras

Standardised data and reporting

- Streamlined WofG and Cluster reporting with drilldown to specific sites – from monthly provision of transactional raw data captured down to individual bin level
- Actual weight data captured (not estimated) - thanks to widespread rollout of National Measurement Institute (NMI) accredited weigh scales on trucks in most areas
- Single, consistent reporting format across all suppliers – reduces duplication, effort and provides rich information source to inform waste education and improvement programs
- Greater transparency of subcontractors and downstream facilities – approved only

Savings and efficiencies

- Market competitive rates - cost savings vs. previous contract. Fixed rates for core services & equipment (e.g. compactors)
- Bin rental costs eliminated for standard bins – due to longer term contract these cost have been negotiated out
- Streamlined management - consolidated from 15 to 4 suppliers– new suppliers will act as your 'broker' for all waste services, engaging local or niche subcontractors if required
- Weight-Based-Billing (WBB) enabled – avoid paying for collection of empty or light bins

Single supplier point-of-contact

Single supplier for core waste streams per site & across region(s), with longer term contract incentivises suppliers to invest and optimise end-to-end waste process:

- Waste generation – signage, bin infrastructure, education and behavioural change programs to influence users at site to do the right thing (e.g. avoid, re-use, recycle)
- Waste collection – promote source segregation (sorting waste at site via separate bins) to avoid waste, reduce contamination and increase resource recovery and recycling
- Waste processing – optimising logistics and resource quality to make downstream facilities efficient, effective and commercially viable; upgrading facilities when appropriate

Aligned to wider NSW Govt. policy and initiatives

- Multi-level contract governance and escalation structure – Site, Agency, Cluster and WofG points of contact to escalate issues, leverage Govt. scale and share best practices
- Connection to other contracts, policies and initiatives – e.g. NABERS, Waste audits, 20-Year Waste Strategy, Sustainable Schools Program, Return & Earn
- Streamlined GREP, SME and Aboriginal participation reporting – contractual commitment to report per policy requirements and frequency, plus develop initiatives
- Circular Economy – finding and developing end markets for waste bi-products

Awarded suppliers – Core waste streams







Suppliers were awarded across the Waste Streams and Regions in scope to operate as the Tier 1 supplier for the awarded scope. Awarded suppliers may subcontract to other entities where relevant

Award package / Region	South & South Western Sydney	Central & Northern Sydney	Western Sydney & Blue Mountains	Hunter & Central Coast	Illawarra & South East NSW	North Coast & Mid North Coast	Western NSW	New England	Riverina
General & Organics									
Recycling	 suez		 BINGO INDUSTRIES	 suez		 CLEANAWAY <small>Making a sustainable future possible</small>			
Liquid & Other									
Secure Destruction	(confidential paper & cardboard)				 GRACE <small>INFORMATION & RECORDS MANAGEMENT</small>				
TOTAL:	4 suppliers								

- Refer to Region mapping for suburbs and post codes in scope for each Region
- NSW Govt. is the source of truth for allocation of Sites to Suppliers
- Further details on NSW Buy <https://buy.nsw.gov.au/contracts/waste-management>

Awarded suppliers – Clinical Waste



Award package / LHD	South Western Sydney LHD	South Eastern Sydney LHD	Illawarra Shoalhaven LHD	Southern NSW LHD	Northern Sydney LHD	Central Coast LHD	Hunter New England LHD	Nepean Blue Mountains LHD	Sydney LHD	Murrumbidgee LHD	Mid North Coast LHD	Northern NSW LHD
Clinical sharps												
Cytotoxic												
Anatomical												
Pharmaceuticals												
Other Clinical												
TOTAL:	3 suppliers											

- Refer to map for Local Health District geographic boundaries
- NSW Govt. is the source of truth for allocation of Sites to Suppliers
- Further details on NSW Buy <https://buy.nsw.gov.au/contracts/waste-management>

Contract implementation and ongoing improvement

KRAs and associated KPIs will be progressively introduced over the contract term; priorities in Year 1 are contract implementation and data quality as these are key enablers of all subsequent outcomes

Implementation timeframe:

Year 1
Baseline, transition and implement

Years 2-3
Optimise, invest and innovate

Years 3-5 onwards...
Avoid, reduce, collaborate & educate

Priority KRAs:

1. Service Delivery
2. Contract implementation
3. Data and reporting

As previous, plus:

4. Transition to weight-based billing where relevant
5. Productivity and innovation
6. Diversion

As previous, plus:

8. Resource recovery
9. Waste reduction¹

Sample KPIs:

- % adherence to all site requirements & performance criteria (customer satisfaction, issue/complaints resolution, invoicing accuracy, etc.)
- % of all awarded sites transitioned to new contract
- % of awarded sites (\$ and #) with compliant reporting
- % of awarded sites (\$ and #) transitioned to weight based billing
- # of supplier optimisation proposals submitted, approved and implemented
- Total \$ or volume improvement from optimisation approvals
- % of sites with diversion baseline
- % of sites achieving 5% diversion improvement p.a.
- # of new waste streams introduced
- Tonnes of material recovered from new waste streams (relative to baseline)
- # of sites achieving 2% reduction in aggregate waste volumes¹

¹internal KRA and KPI, which supplier is only partially responsible for supporting and influencing