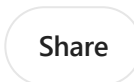
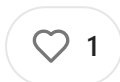


Port Phillip Independent Waste Review: The Verdict

A special precursor to TWiSK #408



TWiSK
MAR 31, 2024



**CLICK HERE FOR
THE FULL TWiSK LIST**

C O P P TWiSK
WHAT'S GOING ON IN OUR COUNCIL
N E W S IN ST KILDA
THIS WEEK

TWiSK #408 Special supplement



Independent Waste Review The Verdict

Council has released two independent reports examining the chaotic transition to a new garbage contractor in July last year.

While the reports find the selection process was fair and impartial, the findings document many disturbing shortfalls, including:

- > Lack of attention to detail by council, senior executives and senior officers;
- > A problematic 'she'll be right' attitude to a critical service;
- > An obvious lack of senior skills to manage both the procurement and transition;
- > The rate of bin fails remains higher than with previous contractor;
- > Price was considered as the major deciding factor, but the new contractor has said the staffing levels required are unsustainable;

And bizarrely and astoundingly ...

Despite the City of Melbourne owning one of the bidders (the successful candidate), an employee of the CoM (and former CoPP employee) was a voting member of the selection panel.

Mayor Cunsolo responds to TWiSK questions



The reports were added to the Council website on Wednesday 27 March and only promoted on social media.

Council did not distribute a media release (as would be considered normal practice).

With Easter looming, that gave TWiSK (and any other interested parties) just hours to digest the report and submit questions.

Here are our questions and the responses from Mayor Heather Cunsolo in full:

Q: The apology for the service disruption is appreciated but it is old news, you've said that before. The bin fail is an outwardly visible symptom of internal issues. Is there a comment from you on the failings outlined in these reports, such as the chain of lack of attention to detail that spanned the councillors, senior leadership and responsible officers?

A: "Council welcomes the reports into this situation, in which we didn't meet our own and community expectations and is developing a comprehensive response plan to ensure that the organisation, at all levels, embeds the learnings and that we continue to deliver the wide range of high-quality services that our community rightly expects and deserves."

Q Please provide detail on what this [quote from CEO Chris Carroll] means: "There have been several changes to responsibilities, personnel, and resourcing." This is euphemistic. What were/are the consequences in terms of employment?

A; "There have been several changes across the organisation including amending the

responsibility of general manager and senior officer roles to provide greater focus on procurement, contract management, governance, and risk. We have also recruited new staff into key positions with experience and expertise in waste, project and contract management and established new positions to provide greater focus on managing our high-value service contracts. Some changes already made have included the recruitment of an experienced Executive Manager of Waste & City Maintenance. We are also currently recruiting other key roles."

Q: No press release? Please explain.

A: "Providing the outcome of the waste review was always intended to be focused on our community. We have been fully transparent, including a statement from myself and our CEO and provided a link to the reports via a Facebook post. We have also shared the reports with other councils."

[Council statement](#)

Links to reports

[Cause Analysis and Recommendations Report](#) | [Probity Audit Report](#)

Verbatim highlights from the reports

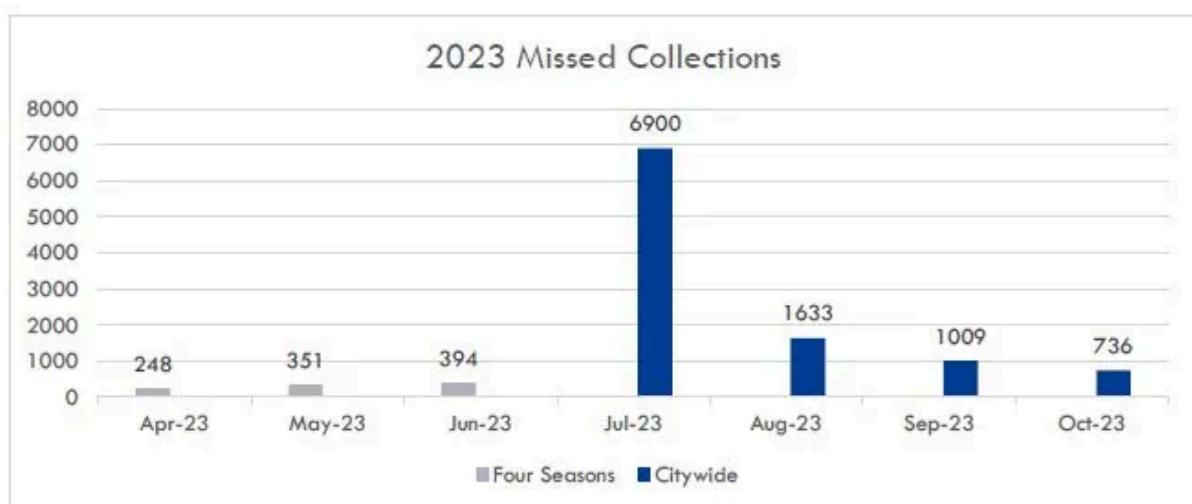


Figure 2. Summary of missed collections, total bins per month

Failed bin collections remain 2 times higher than with previous contractor

The extent of the problem ...

"Immediately on the introduction of the new services the number of bins not collected materially increased. Based on monthly performance reports, the number of bins not collected increased to approximately 6,900 bins not collected in the first

month, compared with 394 bins not collected in the month immediately prior.”

The ongoing problem ...

“At the time of writing this Report missed bins have fallen from over 1,800 per week (first week of contract), to 179 per week. While services have improved, missed bins remain higher than before-services commencement.”

Broader concerns ...

“In addition to the missed bins, the Council has informed [the report authors] of other areas it considers Citywide’s performance does not meet the requirements of the new Waste Services Contract.

"These areas were:

over-compaction of recycling; insufficient plant and equipment;

the collection of strip shopping centre cardboard outside of designated hours;

notifying the contract manager in the event of service disruptions;

accommodating reasonable requests by the contract manager or users of services

with a positive and proactive attitude and the positioning of bins after they had been emptied.

"At the time of writing this report, these claims have not been substantiated nor accepted by Citywide.”

She’ll be right attitude ...

“Transition was treated as a Business as Usual (BAU) activity without adequate governance oversight typically needed to manage a complex transition.”

Missing maps ...

“A critical control in the transition period was Citywide’s contractual obligation to submit route maps for review six weeks prior to service commencement. This did not occur and was not escalated by either party. The Council first received the route maps after services had commenced and they were found to be materially deficient.”

Finders were not minders ...

“The Waste Transformation Procurement Project that managed project delivery during the procurement phase did not continue into the transition phase and transition was treated as a Business-as-Usual activity.”

Processes were not followed ...

“While the Council has a project management assurance program in place, project controls, in particular planning, project management, risk management and reporting were not adequately utilised to support project delivery or governance needs.”

Price was the key factor ...

“The high weighting to price meant that any issues in capability, experience or transition were masked in the overall tender score. The sustainability of pricing was not adequately considered in the evaluation process.”

Price may not be sustainable ...

“Pricing was a key factor in the Council’s decision to appoint Citywide. Its overall pricing was assessed to be materially lower than the other tenders received. The level of due diligence conducted by the Council on pricing did not include consideration of whether the waste services could be delivered at the tendered price and whether the proposed unit rates were sustainable.

“Following the emergency response and stabilisation of services, Citywide has stated that current resourcing levels are above sustainable levels. Further testing of pricing may have been warranted to consider the initial tender’s sustainability.”

Big red flag ... or is it a white flag?

“Citywide has put to the Council that, while the services have improved substantially, that

delivering the services at the current (improved) service level requires more people and vehicle resources than was anticipated in its tender and that continued delivery of the services at this level may be unsustainable.”

City of Melbourne owns Citywide outright, yet

“Throughout the project, the Waste Transformation Procurement Project was impacted by internal resourcing capability and capacity constraints. It sought to address this issue through the use of specialist consultant appointments and through bringing in a waste operations specialist from the City of Melbourne Council.”

[**CLICK HERE FOR
THE FULL TWiSK LIST**](#)