Decision Report Item Number **20.2**

WASTE AND RECYCLING COLLECTION SERVICES CONTRACT

Report Date: 20 October 2026
Reporting Officer: Interim Chief Executive Officer, Bridget Mather
Responsible Manager: Interim Chief Executive Officer, Bridget Mather

Recommendation (Public) – Confidential Order

20.2.1 *Pursuant to section 90(2) of the Local Government Act 1999 (the **Act**) the Council orders that all members of the public except Interim Chief Executive Officer Bridget Mather, Director Assets & Infrastructure James McInnes and Executive Support Officer Lexie O'Loughlin be excluded from attendance at the meeting for the report titled 'Waste and Recycling Collection Services Contract' dated 20 October 2026.*

20.2.2 *That Council is satisfied that pursuant to sections 90A(4) and 90(3)(b) of the Act the information to be received, discussed and considered in relation in this Agenda Item concerns information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with who Council is conducting, or proposes to conduct, business, and prejudice Council's commercial position in relation to future procurement activities.*

Report Purpose

The purpose of this report is to seek Council's approval to enter into an interim Waste and Recycling Collection Services Contract with GP & NJ Turner for the period 1 January 2026 to 30 June 2027, approve revised contract pricing for the interim contract period, and undertake a review of waste management services across the district to inform a future Request for Tender (**RFT**) process.

Discussion

Council entered into Contract 20078 with GP & NJ Turner for the provision of waste and recycling collection services commencing in January 2021. The contract provided for an initial two-year term with an option to extend for a further three years, subject to satisfactory performance and Council approval.

In December 2022 Council approved a three-year extension of the contract through to 31 December 2025. The extension also introduced provisions requiring annual reviews of operating costs and contract pricing.

The contract expired on 31 December 2025. Despite the contract expiry, waste and recycling collection services have continued to be delivered without interruption whilst Council

considered future service delivery arrangements. The contractor subsequently requested a review of contract rates and sought a 9% increase effective from 1 January 2026.

Given the expiry of the contract and the ongoing provision of services, legal advice was sought from Tracy Riddle of Kelledy Jones Lawyers. The advice confirmed that any future arrangement should be treated as a new contract rather than a variation or extension of the previous agreement. The advice further supported Council entering into an interim contract arrangement to formalise the current service delivery arrangements while a strategic review and future procurement process are undertaken.

Waste collection is an essential community service and any interruption to service delivery would expose Council to operational, environmental and public health risks. The proposed interim contract will ensure continuity of service while Council reviews future service requirements and undertakes a competitive procurement process.

The legal advice also recommended that Council review current waste collection policies and service delivery arrangements before proceeding to a future Request for Tender. Such a review will enable Council to consider current service levels, future service demands, opportunities to expand service coverage, collection frequencies, operating efficiencies and community expectations. The outcomes of the review would then inform a future procurement process and ensure Council goes to market from a well-informed position.

Contract Pricing

The current annual contract value established under the 2022 variation is:

Service	Annual Value (Ex GST)
Garbage Collection	$87,360
Recycling Collection	$18,792
Total Contract Value	$106,152

The contractor has requested a 9% increase in contract rates effective from 1 January 2026.

In considering this request, it is relevant to note that the contract extension commenced on 1 January 2023, and no annual pricing reviews appear to have been undertaken during the extension period despite the contract specifically contemplating annual reviews of fuel and operating costs.

The Australian Consumer Price Index increased by approximately 4.1% during 2023, 2.7% during 2024 and 3.8% during 2025. On a compounded basis, cumulative inflation over the three-year extension period was approximately 10.8%.

Accordingly, the contractor's requested increase of 9% is below cumulative CPI growth over the same period and is considered broadly consistent with inflationary increases in labour, fuel, plant maintenance, insurance and general operating costs.

Approval of the requested increase would result in the following revised annual contract value:

Service	Current Value	Revised Value (9% Increase)
Garbage Collection	$87,360	$95,222
Recycling Collection	$18,792	$20,483
Total Contract Value	$106,152	$115,705

It is considered that the requested increase represents a reasonable outcome having regard to inflationary pressures experienced since the commencement of the contract extension, the absence of annual contract reviews during that period, and Council's desire to maintain continuity of an essential community service while a strategic review and future procurement process are undertaken.

Procurement Considerations

Council's Procurement Policy identifies a Request for Tender as the preferred procurement method for contracts of this nature. However, the Policy also provides that Council may waive procurement requirements where strict compliance would not necessarily achieve the best outcome for Council, including circumstances involving continuation of existing arrangements or continuity of essential services. Any exemption must be formally recorded together with the reasons for the exemption.

Given:

- the previous contract has expired;
- the contractor has continued to provide services without interruption;
- waste collection is an essential community service;
- an immediate tender process is not considered practical in the current circumstances; and
- Council intends to undertake a comprehensive review and future competitive procurement process,

It is considered appropriate for Council to approve an exemption from the standard procurement requirements for this interim arrangement.

Financial Implications

The current annual contract value is $106,152 excluding GST. Approval of the requested 9% increase would increase the annual contract value to approximately $115,705 excluding GST, representing an annual increase of approximately $9,553.

For the proposed interim contract period from 1 January 2026 to 30 June 2027, the estimated additional expenditure above the current contract value would be approximately $14,330 excluding GST.

Provision for these costs can be accommodated within future waste management operating budgets.

Community Implications

The proposed interim contract will ensure continuity of waste and recycling collection services throughout the district while Council undertakes a review of future service requirements and procurement options.

The proposed review will provide an opportunity to consider future community expectations, requests for expanded service coverage and opportunities to improve waste management outcomes across the district.

Governance / Risk Implications

Legal advice confirms that the proposed arrangement should be treated as a new contract rather than an extension of the previous contract. Entering into a new contract will provide certainty regarding service delivery, pricing and contractual obligations.

The contractor is associated with Councillor Greg Turner. Legal advice confirms that where Council is considering and determining the award of a new contract, Councillor Turner would have a material conflict of interest and should declare that interest and leave the Chamber while the matter is considered and determined.

The proposed service review and future Request for Tender process will assist Council in demonstrating transparency, accountability and value for money in the future provision of waste management services.

Recommendation

Recommendation 1:

20.2.1 *That Council receive and note the report titled 'Waste and Recycling Collection Services Contract' dated 20 October 2026.*

20.2.2 *That Council notes the expiry of the Waste and Recycling Collection Services Contract with GP & NJ Turner on 31 December 2025;*

20.2.3 *That Council approves the preparation and execution of a new Waste and Recycling Collection Services Contract with GP & NJ Turner for the period 1 January 2026 to 30 June 2027; and*

20.2.4 *Pursuant to section 7 of Council's Procurement Policy, approves an exemption from the standard procurement requirements and records that:*

20.2.4.1 *continuity of an essential community service must be maintained;*

20.2.4.2 *the existing contractor has continued to provide services following expiry of the previous contract;*

20.2.4.3 *the arrangement is temporary in nature pending a future market testing process; and*

20.2.4.4 *Council intends to undertake a competitive Request for Tender process prior to expiry of the interim contract.*

Recommendation 2:

20.2.5 *That Council approves a 9% increase in contract rates effective from 1 January 2026, increasing the annual contract value from $106,152 to approximately $115,705 excluding GST, noting:*

20.2.5.1 *the contractor requested a 9% increase effective from 1 January 2026; and*

20.2.5.2 *cumulative CPI growth between January 2023 and December 2025 was approximately 10.8%, meaning the requested increase is below cumulative inflation over the same period.*

Recommendation 3:

20.2.6 *That Council directs the Chief Executive Officer to undertake a review of waste management services across the district, including:*

- *service levels;*
- *service coverage;*
- *requests for expanded service delivery;*
- *collection frequencies;*
- *future waste management requirements;*
- *community expectations;*

20.2.7 *with the outcomes of that review to inform a future Request for Tender process for waste and recycling collection services.*

Recommendation (Public) – Confidential Order

20.2.8 *That having considered the report titled 'Waste and Recycling Collection Services Contract' dated 20 October 2026 in confidence under sections 90(2), 90A(4) and 90(3)(b) of the Local Government Act 1999 (the **Act**), the Council, pursuant to section 91(7) of that Act, orders that the report, attachments and minutes be retained in confidence until the contract has been entered into.*

20.2.9 *That pursuant to section 91(9)(c) of the Act the Council delegates to the Chief Executive Officer the power to review and revoke this Confidentiality Order.*