



Household Bulky Waste Alternatives **Business Case**

Strategic choices for a sustainable future



Item 16.1

Enclosure 1

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Executive summary

This business case considers alternatives to Kiama Municipal Council's current Household Bulky Waste drop-off model, which is delivered through booked events at the Minnamurra Waste Recycling Facility. The current model is no longer considered fit for purpose because it relies on a constrained operating environment, requires significant temporary traffic and site controls, creates ongoing worker and public safety risks, and limits access for residents through daily booking limits.

The need for change is driven by employee injuries and incidents, workplace safety, community access, financial, (including reliance on overtime) and environmental considerations. Recent events have involved traffic congestion, fire risk, battery management issues and manual handling risks.

Community feedback has also increased since booking restrictions were introduced, with residents raising concerns that they contribute through the Domestic Waste Management Charge but may be unable to access the service, reschedule bookings, or transport bulky items to the facility.

Three options have been assessed.

1. Discontinue the HBW drop-off and maintaining the subsidised user-pays on-call kerbside clean-up service.
2. Introducing a voucher system supported by a waste app.
3. Maintaining the current drop-off model.

The options were considered against cost, customer access, community value, operational and reputational risk, environmental outcomes, resource recovery, and alignment with Council's amended Performance Improvement Order and Community Strategic Plan.

Option 1 is recommended. It removes the highest direct safety risk by ceasing the site-based HBW event, provides a rebate on the Domestic Waste Management Charge (DWMC) based on the three-year average annual cost of the current service, whilst maintaining the existing user-pays on-call kerbside clean-up as the main disposal pathway. While this option is not expected to deliver direct cost savings, it provides better cost control, reduces Council's risk exposure on an unsuitable site, and creates a fairer model where households that use the service contribute directly to its cost.

Option 2 offers stronger reuse, recycling and data opportunities through the Dunmore facility pathway and the proposed waste app, but it carries higher implementation complexity, technology adoption risks, administrative requirements and reliance on Shellharbour City Council processing arrangements. Option 3 maintains a familiar service and current resource recovery outcomes but leaves Council exposed to continuing safety, traffic, staffing and site risks, with any expansion expected to increase costs.

If endorsed, implementation should include clear community messaging on why the HBW drop-off is being discontinued, how the rebate will be calculated, how residents can access the user-pays kerbside service, and how Council will continue to support reuse, recycling and landfill diversion. Council should monitor user-pays uptake, service costs, illegal dumping reports, resident feedback and diversion outcomes during the first year to confirm whether the preferred model is meeting safety, financial and community expectations.

- Project Title: Household Bulky Waste Alternatives
- Project Sponsor: Director Infrastructure and Operations
- Prepared by: Manager Waste Services
- Date: 1 August 2026
- Purpose: The purpose of this Business Case is to outline the alternatives to the current Household Bulky Waste drop-off model and to recommend one option for implementation.

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1 Introduction

1.1 Background:

Household Bulky Waste (HBW) is a valued service within the community.

Between 2000 and 2010 many Councils in NSW, including Kiama Municipal Council (KMC), moved away from the scheduled kerbside cleanup model due to the financial, environmental and safety risks it presents.

KMC trialled the current model of HBW drop-off service delivery in 2014. It was trialled in conjunction with the scheduled bi-annual HBW kerbside cleanup model until 2020 when Council adopted the recommendation to cease the biannual HBW kerbside cleanup and implement two HBW drop-off events per year, delivered at the Minnamurra Waste Recycling Facility (MWRF). Resolution 20/027 11 February 2020 Ordinary Meeting.

Council's current HBW model is centred on a free, booked drop-off event for eligible residents, held at the MWRF.

Under the current model, eligible households must register for one drop-off per event, provide proof of residency, and are limited to a standard box trailer or standard ute load of up to 2m³.

Following the fire that ignited in the landfill material after the September 2024 event, an independent safety audit was carried out. The MWRF site constraints were assessed, and safety improvements were implemented through an overhaul of the risk assessment for the HBW drop-off activity. A daily booking cap of 175 was also implemented to reduce the overcrowding risks of too many residents arriving on certain times/days resulting in traffic queuing across the railway crossing. This also allowed for better on-site management of residents.

Despite this, the March 2026 drop-off compromised employee safety, resulting in a Council employee being injured when they were impacted by a resident's vehicle whilst entering the site. Safety is an ongoing issue given the nature of the MWRF not being fit-for the event purpose resulting in temporary barriers, fencing and signage needing to be installed and an adjustment to the layout of the facility before each event.

The HBW drop-off requires a high level of trained staffing to coordinate clear site controls, resident communication, material inspection and sorting, battery management, stockpile management and reuse pathways. This is in addition to the daily business as usual (BAU) activities including public drop-off of garden organics, scrap steel, McMahon's Transport truck movements and Community Recycling Centre usage. This high level of trained staffing across the HBW drop-off activity and BAU requirements results in a significant increase in the application of overtime costs. In March 2026, 154 overtime hours of overtime were applied by the Waste Services team to manage the workload.

The service is currently described on Council's website as being under review, with the next event for September 2026 being placed on hold due to ongoing WHS issues including the potential for fire and delivering the service in a facility that is not fit for purpose.

Following the March 2025, September 2025 and March 2026 HBW events, there was an obvious increase in customer complaints, feedback and comments.

This business case considers whether the current HBW drop-off model should maintain the status quo, be ceased or an alternative implemented. The options presented should address the customer feedback above along with the requirements outlined in the Performance Improvement Order (amended 30 June 2026).

1.2 Scope:

The project scope includes assessing three defined alternatives for household bulky waste management:

Option 1 – Discontinue the HBW drop-off and maintain user pays

Discontinue the current HBW drop-off event and return the average annual service cost to residents through a DWMC rebate whilst maintaining the User-Pays On-Call Kerbside Clean-Up Service (user pays) as the HBW disposal pathway.

Option 2 – Voucher System

Introduce a voucher system, with a voucher value based on the 3-year average annual HBW drop-off service cost.

Option 3 – Maintain Status Quo / Do nothing

Continue the existing HBW drop-off event. Including the daily booking limit of 175 participants.

1.3 Objectives:

The business case presents three options that avoid significant cost increases, consider impacts, risk and customer feedback.

To identify the option that provides the best overall value for the Customer, the Community and the Council, the business case compares:

- forecast income and expenditure
- potential reuse and recycling pathways
- risk to Council employees and public safety
- environmental risks

1.4 Key stakeholders:

Key stakeholders include:

- Residents and property owners
- Council's Waste Services team responsible for planning and delivery of the current HBW drop-off and any future alternatives.
- User pays on-call kerbside collection workers or contractors affected by safety and operational requirements
- The Director Infrastructure and Operations as project sponsor
- Customer service and communications teams
- Local reuse, repair and charity partners
- Neighbouring Councils and regional waste bodies
- State and Commonwealth agencies, such as the Environment Protection Authority (EPA) that outline minimum requirements for resource recovery rates.

2 Need

2.1 Summary of Need

The current HBW drop-off model, delivered at the MWRF creates unavoidable safety risks as it is no longer a 'fit for purpose' facility that can accommodate the service whilst safely maintaining business as usual operations and services.

It is also necessary to present options for consideration because bulky waste takes up valuable landfill volume, so a reuse and resource recovery pathway is important to meet the waste diversion targets outlined by the NSW Government. In 2020, The ISJO and UOW completed a study, benchmarking, characterising and valuing resources in HBW clean-up services. The report identifies that less than 15% of household bulky waste in NSW is diverted from landfill through council kerbside clean-up services.

Any service alternatives must be cost effective, protect workers, recover more value from materials and provide residents with both disposal and reuse pathways. The safety risk, financial risk including reliance on overtime and the environmental risk associated with the HBW drop-off also needs to be mitigated.

Given the nature of the amended Performance Improvement Order (PIO) dated 30 June 2026, financial risk also needs careful consideration to ensure that alternatives do not cost significantly more, annually, than the current service model.

2.2 Customer and Community Demand

Residents need a practical way to manage large household items such as furniture, mattresses, metals, timber, textiles, e-waste and whitegoods.

In 2014, a customer survey was undertaken at the first HBW trial. The results suggest that many residents value the reuse options available through giving away, selling or donating items before using council clean-up services.

Regionally, there is demand for stronger circular economy solutions, including repair hubs, reuse centres, better source separation and partnerships with charities or social enterprises.

The anticipated benefits of an alternative model must include the demand for reduced landfill, safer operations, improved amenity, greater resource recovery and better community understanding of service costs and outcomes.

However, the MWRF is not an appropriate transfer facility. The current design of the MWRF safely accommodates 62 average daily transactions that include, large truck movements relating to the leased area and internal truck movements, customer-based Community Recycling Centre, scrap steel, refrigerants and garden organics drop-offs. Significantly less than the high demand HBW drop-off period of 175 vehicles per day in addition to the average 62 transactions per day. It is important to note that under the EPA License 5958, all waste that is dropped off at the facility requires transfer offsite to ensure the overall MWRF waste stockpile remains within the license conditions.

Following the implementation of booking restrictions (175/day) to mitigate on-site risk, customer feedback, complaints and comments increased significantly. These have highlighted the customer demand for the service. The complaints, comments and feedback had the following themes:

- **Booking restrictions** – *All households are paying for the service, but bookings are limited. I am paying for a service that I cannot access due to change beyond my control.*
- **Booking system inadequate** – *Can't reschedule due to all other days being fully booked. No waitlisting available.*
- **Lack of transport and mobility** – *Can't get my HBW to the MWRF.*

2.3 Strategic Alignment:

The Amended Performance Improvement Order, 30 June 2026 (PIO)

The PIO states that by 30 June 2027, Council must adopt an operational plan and annual budget for 2027/28 that demonstrates an operating position at or above break even before capital grants and contributions and excludes reliance on proceeds from asset sales.

This business case aims to align with this requirement by ensuring that the options that are presented do not result in a significant increase in costs contributing to a deficit outcome.

This business case will explore the financial impacts in more detail.

The Community Strategic Plan 2025-2035 (CSP)

Pillar 2 – Sustainable

Goals

2.2 We work together to understand and respond to the need for growth and change

2.3 We use natural resources sustainably, focusing on protection, restoration, maintenance and enhancement

Strategies

2.3.1 Responsibly manage resources and waste. Promote recycling and Food Organics and Garden Organics (FOGO) to reduce the amount of waste we send to landfill.

Pillar 4 – Responsible

Goals

4.1 Public funds and assets are managed strategically, transparently and efficiently.

Strategies

4.1.3 Council delivers local government functions and sustainable services that meet community expectations, with regular service reviews per IP&R requirements.

Although the Delivery Plan and Operation Plan do not list actions or measures relevant to HBW, the CSP identifies sustainability through responsible waste management, diversion of waste from landfill and promoting recycling.

The proposed alternatives to the current HBW drop-off should align with these strategic priorities for safe service delivery, responsible waste management, environmental protection, financial sustainability and community wellbeing.

The business case does not present free kerbside cleanup services as an option and therefore aligns with the February 2020 resolution of Council.

2.4 Expected Outcomes

The alternatives seek to deliver the following outcomes:

- No net increase in funding requirements (PIO compliance)
- 50-60% waste diversion rates (CSP alignment)
- Reduced overall risk. (Work Health Safety Compliance)
- Improved service accessibility (Customer feedback considered)

Appendix B provides an assessment of the options against these expected outcomes.

3 Cost Benefit Analysis

3.1 Cost Assessment Option 1 – Discontinue HBW drop-off, provide DWMC rebate and maintain the User-pays On-call Kerbside Cleanup.

3.1.1 Operating Costs

The DWMC currently funds the HBW drop-off whilst only 24% of households utilise the service due to the limited booking availability.

As a result, a rebate of DWMC funds is recommended if this option is implemented. It is proposed that this be determined by averaging the annual expenditure reported over the last three financial years. This amount will then be divided by the total eligible households paying the DWMC and refunded accordingly.

Household Bulky Waste Summary of Statistics 2023-2026				
Financial Year	2023-2024	2024-2025	2025-2026	AVERAGE
Total number of bookings	2831	2835	2985	2884
Total number of no shows	457	297	280	345
Total number of attendees	2374	2538	2705	2539
Attendance Rate (%)	84%	90%	91%	88%
Tonnage Received (tonnes)	470	420	394	428
Tonnage Landfilled (tonnes)	242	248	205	232
Resource Recovery Rate (%)	51%	59%	52%	54%
Total Annual Expenditure	\$ 201,661.00	\$ 214,714.00	\$ 204,334.00	\$ 206,903.00
Average Cost Per Attendee	\$ 84.95	\$ 84.60	\$ 75.54	\$ 81.69
Average Weight (kg) per attendee	198.0	165.5	145.7	168.6

Table 1: The table above indicates an average annual expenditure of \$207K.

Average of HBW Annual Expenditure (2022-2026)	Eligible Households	Rebate Value
\$ 206,903.00	10463	\$ 19.77

Table 2: The table above indicates the value of the rebate resulting from dividing the average annual expenditure by the number of eligible DWMC paying households.

Table 1 and Table 2 above calculate the value of the DWMC rebate resulting from ceasing the HBW drop-off service.

Option 1 offers an alternative to the HBW drop-off, in the form of the existing User-pays On-call Kerbside Cleanup. This service allows households, who pay the DWMC, up to 1m³ (1m wide x 1m high x 1m deep) or 100kg of household items, to be collected from their property. The 2026/2027 adopted fee for this service is \$121.00.

Note, the terms and conditions of the service state on Council's website that *'The true weight of your load will be determined when disposed of at the waste facility. If it exceeds 100kg, additional payment will be sought, and you will be contacted accordingly.'*

User Pays On-Call Kerbside Cleanup Cost Breakdown			
Plant and Equipment			
Description of Truck	Truck (hrs)	Truck Cost (per hour)	Truck Cost per Cleanup
9187 (Small Rear Loader)	1.5	\$ 25.00	\$ 37.50
Labour Cost			
Description of Labour	Labour (hrs)	Labour cost (per hour)	Total Labour Cost
Driver	1.5	\$ 41.00	\$ 61.50
Labourer	1.5	\$ 35.00	\$ 52.50
			\$ 114.00
Waste Disposal Cost			
Description of Waste	Landfill cost (per tonne)	Estimated weight (Kg)	Cost of
Waste to Landfill	\$ 515.00	100	\$ 51.50
Summary of costs			
Truck	Labour	Waste Disposal	TOTAL
\$ 37.50	\$ 114.00	\$ 51.50	\$ 203.00

Table 3: This table illustrates the costs associated with the delivery of the user pays service.

The total cost to Council for the delivery of the user pays service is estimated to be \$203.00 per 100kg (1m³) kerbside collection.

Based on the 2026/2027 adopted fee for this service of \$121.00 per kerbside collection, the DWMC therefore subsidises 40% of the cost to deliver the user pays service making it more accessible for community members without a means of transport.

If Option 1 results in the same 24% of households currently using the HBW drop-off service, using the user-pays service, the subsidy will incur the costs outlined in Table 4 below. Historically, households plan for the HBW drop-off service for the disposal of their HBW rather than pay additional for the user pays service. The table below outlines the estimated annual costs associated with the user pays service.

User Pays On-Call Kerbside Cleanup Revenue and Expenditure Analysis			
Revenue (Assume 1 User Pays Request / Household and 24% Participation Rate)			
Households	Participation Rate	Fee / Service	Forecast Revenue
10463	24%	\$121	\$303,845.52
Expenditure (Assume 1 User Pays Request / Household and 24% Participation Rate)			
Households	Participation Rate	Estimated Cost	Forecast Expenditure
10463	24%	\$203	\$509,757.36
Net Profit / Loss			
Forecast Revenue	Forecast Expenditure	Net Profit / Loss	Current HBW Drop-off Average Annual Expenditure
\$303,845.52	\$509,757.36	-\$205,911.84	\$ 206,903.00

Table 4: Illustrates the revenue, expenditure and profit/loss resulting from 24% of households using the service once per annum.

The level of service, funding, labour and contract arrangements vary considerably between Councils.

Refer to Appendix A – Comparison of HBW Services for a summary of kerbside service levels delivered by 9 NSW Councils. It is evident that Shellharbour, Shoalhaven and Wollongong all own and operate a landfill accompanied by a Community Recycling Centre, Revolve Shop and other diversion pathways. They also outsource the service delivery, resulting in less imposition on internal Council employees.

Discontinuing the current HBW drop-off service completely and maintaining the user pays model aligns with the Shellharbour City Council (SCC) model of HBW service delivery.

3.2 Cost Assessment Option 2 – Implement HBW voucher system

3.2.1 Operating Costs – Voucher Value

Household Bulky Waste vouchers have never been trialled by Kiama Council. Developing a voucher value that does not result in a significant increase in annual costs, whilst still meeting community expectations is challenging. However, for the purposes of this report and to ensure compliance with PIO requirements, the following method has been used.

Divide the average annual cost of delivering the HBW drop off event at the MWRP, by the number of eligible households paying the DWMC.

When the value of the vouchers is developed, it is then possible to determine the annual cost of the vouchers and demonstrate the financial impact of this alternative.

Using data collated from the 2023-2026 financial years, determine the average annual cost of delivering the current HBW service model.

Divide the average annual cost by the total number of eligible households currently paying the DWMC.

Table 1 and Table 2 above demonstrate the value of the rebate using this method. The voucher value is calculated to be: \$19.77 per household.

The weight (tonnes) this voucher will allow the user to dispose of at the SCC facility in Dunmore, based on their 2026-2027 Fees and Charges has been calculated below:

2026-2027 Landfill Fee per tonne (SCC Fees and Charges)	Voucher Value using Method 1	Voucher value as a percentage of the cost of 1 tonne disposal.	Weight allowance provided by voucher (kg)
\$ 515.00	\$ 19.77	4%	38

Table 5: Calculates the weight allowance provided by the voucher value

This calculation demonstrates that the voucher value calculated using Method 1 would allow households to dispose of 38 kilograms of waste to landfill.

The average weight of material received from the attendees under current HBW model was 169kg.

This voucher system would encourage reuse and recycling options to ensure that the voucher is only used for waste going to landfill.

3.2.2 Operating Costs – Voucher Redemption App

In Option 2, Council recommend the implementation of an App that has been specifically generated for Local Government Waste Services and can be used for the following:

1. Waste disposal vouchers
2. A-Z Waste Education
3. Collection calendars
4. Bin night reminder
5. News and alerts
6. Waste Forms (e.g. damaged bin, missed service)
7. Push notifications to specific zones or custom selection of addresses.

The process of implementation of the App involves development of the Council home page and uploading of relevant data. A review by Council is necessary before it is made available on Apple devices through the App Store, or on Android devices through Google Play.

Below is a summary of costs associated with establishing the Council's App.

Description of costs	Costs
Set up fees (initial set up costs)	\$ 5,990.00
Annual subscription (ongoing annual costs)	\$ 9,950.00
Secure hosting of CMS (ongoing annual costs)	\$ 590.00
Multi factor authentication (ongoing annual costs)	\$ 690.00
Mobile device for scanning vouchers (for use at Dunmore weighbridge)	\$ 1,000.00
Data plan per annum	\$ 600.00
Administration costs	\$ 2,352.00
TOTAL	\$ 21,172.00

Table 6: The table above summarises costs associated with implementing the Waste App.

2026-2027 Landfill Fee per tonne	Weight limit applied to voucher (Kg)	Voucher value based on 2026-2027 landfill fee per tonne.	Eligible Households	Assumed Participation Rate	Annual Disposal Costs based on participation rate
\$ 515.00	38	\$ 19.77	10463	25%	\$ 51,713.38
\$ 515.00	38	\$ 19.77	10463	50%	\$ 103,426.76
\$ 515.00	38	\$ 19.77	10463	75%	\$ 155,140.13
\$ 515.00	38	\$ 19.77	10463	100%	\$ 206,853.51

Table 7: The table above forecasts costs of the waste disposal based on 25%, 50%, 75% and 100% of households redeeming the vouchers.

Table 8 and Table 9 above indicate the forecast annual costs of implementing a voucher system plus the annual cost of waste disposal would exceed the average annual cost of delivering the HBW drop-off. However, if 75% of households were to redeem the vouchers, the associated annual cost would be less.

3.3 Cost Assessment Option 3 – Do Nothing / Maintain Status Quo

3.3.1 Operating Costs

Table 1 above outlines the annual operating costs for the HBW drop-off. The average annual expenditure includes:

- Internal employee benefits (ordinary and overtime hours)
- External labour (Contractor / Agency ordinary and overtime hours)
- Waste disposal.
- Site establishment materials (barriers, line-marking and signage).

Maintaining the status quo will ensure compliance with the PIO as there will be no increase in costs, other than standard annual increases. Whilst PIO compliance is an important element, the variable operating costs such as overtime, lost-time injuries, insurance claims and risks to staff associated with Option 3 can have a significant impact on expenditure.

3.4 Benefits Assessment of Option 1 – Discontinue HBW drop-off, provide DWMC rebate and maintain the User-pays On-call Kerbside Cleanup.

3.4.1 Cost savings & Revenue Generation

There is no cost savings expected as a result of implementing Option 1.

In the first year, the DWMC rebate would reduce revenue generated through the DWMC. In subsequent years, the Domestic Waste Management model would be changed to reflect the implementation of this option by removing HBW drop-off as a service offering.

The DWMC is not likely to reduce as a result, rather, any cost savings would be offset by the annual increases in the cost of labour, plant, processing fees, waste disposal charges and NSW State waste disposal levies.

By discontinuing the current HBW drop-off model and maintaining the user-pays service, revenue would increase as user pays would be the only pathway households have available for the disposal of their HBW. However, this service will remain subsidised by the DWMC. It is therefore likely this subsidy would be implemented more often.

3.4.2 Other Unquantified Benefits (if applicable)

Discontinuing the current HBW drop-off model will have the following benefits:

1. Significantly reduce risk of incidents to council staff and facilities.
2. Only users that require the service, pay for the service.
3. Provide better cost control.
4. Facility upgrades will not be required to continue delivering the service.

3.4.3 Community Value

In recent years, Council has received complaints from the community due to the restrictions placed on bookings. The community has expressed frustration that they are paying for the service through the DWMC, but they are unable to access the service, either because the resident does not have the means of transporting the waste, or because the HBW service was fully booked for that period.

The community will benefit from Option 1 because only those households that need the service will pay for the service and even those households that do not have a means of transport can access the service.

3.5 Benefits Assessment of Option 2 – Implement HBW voucher system

3.5.1 Cost savings and Revenue Generation

Option 2 is not expected to present any cost savings to Council and is unlikely to generate additional revenue.

The user of the voucher system will redeem the voucher at the SCC Waste Facility in Dunmore, or another chosen location and any additional costs of disposal above that of the voucher value will result in revenue generated by SCC.

However, it is expected that ongoing annual costs associated with domestic waste management will reduce as a result of implementing the Council's Waste App.

By using the App for the distribution and redemption of vouchers, it is also possible to promote the App for educational purposes and use the App to send push notifications to zones, suburbs or streets if necessary as well as allow App users to submit forms to notify Waste Services of missed services, damaged bins etc.

This will reduce the cost of printing annual calendars and educational materials and create a more efficient way of communicating with residents.

3.5.2 Community Value

Option 2 presents the community with a pathway for the disposal of their HBW whilst maintaining re-use and resource recovery. A purpose-built facility is not only safer for the community to use, but it also offers more business-as-usual services tailored to the needs of waste disposal, re-use and recycling.

The resident is likely to enter a purpose-built facility with a load of HBW and are immediately presented with a re-use pathway via the 'Tip Shop' at the front gates for re-usable second-hand goods.

At the weighbridge the resident will be encouraged to drop-off their recyclables such as paint, oil, cardboard, batteries, light globes and e-waste to reduce the cost of disposal.

The resident will then approach the weighbridge again with only the HBW items with no reuse or recycle options. The resident will redeem their voucher using the App and pay any additional fees above the value of the voucher.

3.6 Benefits Assessment of Option 3 - Do Nothing / Maintain Status Quo

3.6.1 Cost savings and Revenue Generation

Option 3 is not expected to present any cost savings or revenue generating opportunities.

In fact, to further reduce operational risk by increasing control over the flow of traffic, minimise interactions between vehicles and pedestrians and ensure proof of residency checks are carried out, the HBW drop-off traffic will be directed over the weighbridge and through a one-way traffic flow.

To facilitate this, for the duration of the HBW drop-off, the MWRF will cease acceptance of any materials, other than those customers registered for the HBW drop-off. Based on 2025-2026 weighbridge data, this will translate to lost revenue of approximately \$4,500.

3.6.2 Other Unquantified Benefits

Option 3 maintains the current service model including the re-use and recycling pathways, delivering an average resource recovery rate of 56%.

3.7 Risk Management

3.7.1 Strategic Risk

Strategic risk is high across all options because HBW is a visible community service and any change must balance safety, cost, landfill diversion, access and community expectations. Compliance with the amended PIO is a critical strategic constraint, as Council must demonstrate disciplined decision-making, avoid unnecessary service cost escalation, (such as reliance on overtime and inability to predict the weight of material dropped off at each event) and ensure any preferred option is financially responsible, transparent and supported by clear evidence.

Option 1 reduces Council's exposure to the current MWRF site-based event risk. However, it creates strategic risk if residents view the change as a loss of service after contributing through the DWMC.

Option 2 supports a more flexible and data-rich model, but depends on successful app adoption, resident understanding, SCC processing arrangements and clear voucher controls.

Option 3, whilst a familiar service for the community, delivered in a familiar location, requires further facility upgrades to continue improving safety. The service cannot continue to be delivered at a facility that is not fit for purpose.

3.7.2 Operational Risk

Operational risk is highest for Option 3 because it continues the current drop-off model at MWRF, where previous events have involved a landfill fire risk, incidents and lost-time injuries to workers, traffic interface issues, manual handling, proof-of-residency checks near vehicle movements, battery management and non-compliant loads. To address this risk, facility upgrades are necessary.

Option 2 transfers much of the operational processing to another facility, but introduces new controls around App redemption, weighbridge processes, voucher validation, customer support and misuse prevention.

Option 1 removes the HBW drop-off event risk to employee safety but may increase demand for user-pays kerbside collections and requires clear scheduling, safety controls and customer service support to ensure the risk to staff is properly managed.

3.7.3 Reputational Risk

Reputational risk is significant because the service is politically sensitive and residents have previously expressed frustration about paying through the DWMC and not always being able to access the service due to restricted booking limits.

Option 1 has the highest reputational risk if it is seen as removing a 'free' service and replacing it with a user-pays model although this is being offset by the DWMC rebate and subsidised on-call service.

Option 2 may be better received if the voucher value, reuse pathways and disposal process are clearly explained, but it may attract criticism from residents with limited digital access or those required to travel to Dunmore.

Option 3 is familiar and easier to communicate, but reputational risk remains if safety issues, booking limits, traffic congestion or site delays continue.

3.7.4 Financial Risk

Financial risk must be considered against the amended PIO. This is a critical risk consideration for the business case because each option must demonstrate financial discipline, avoidable increases in costs and be supported by clear evidence that the service change is affordable, necessary and aligned with Council's broader financial improvement obligations.

Option 1 requires a DWMC rebate based on average annual HBW expenditure and may increase use of the subsidised user-pays kerbside service, where the DWMC currently funds about 40% of the delivery cost.

Option 2 voucher model estimated at \$19.77 per household has an annual cost that aligns with the average annual cost of the HBW drop-off. However, including the setup fees for the voucher app and the ongoing annual admin and subscription costs, the voucher system only aligns with the average annual cost of the HBW drop-off if less than 75% of households redeem the voucher.

Option 3 presents financial risk resulting from lost-time injuries, insurance claims and increasing claim premiums. Most importantly, option 3 reduces Council's ability to benefit from its plans for the MWRF as a catalyst site. As mentioned previously in the business case, facility upgrades are required to safely deliver the service whilst maintaining BAU waste collections and cleaning services. If future plans for the MWRF as a catalyst site are realised, it will not be possible to deliver the HBW drop-off service alongside waste collections, cleaning, parks and gardens, building maintenance, construction, civil maintenance and the mechanics workshop, the operations are incompatible.

3.7.5 Environmental Risk

Environmental risk differs across the three options and should be assessed against the NSW Government objective to reduce avoidable landfill, protect landfill airspace and improve reuse, repair and recycling outcomes.

Option 1 may reduce direct site-based environmental risks at the MWRF, but it may increase illegal dumping, reduce source separation opportunities and shift more material into the user-pays kerbside pathway if residents do not have a convenient reuse or recovery alternative.

There is also the risk that some kerbside waste presented may pollute the local environment if non-compliant / uncollectable materials remain on the kerbside.

Option 2 provides the strongest environmental opportunity because a purpose-built facility such as Dunmore Waste Disposal Depot includes a resource recovery centre, Community Recycling Centre and a Revolve Shop, allowing residents to separate reusable, recyclable and hazardous materials before final disposal.

Option 3 maintains the current reuse and recycling pathways and has achieved an average resource recovery rate of 56%, but continuing the event at a constrained facility creates ongoing risks in managing batteries, hazardous items, non-compliant loads and material stockpiles safely. All on-site environmental risks are assigned to Kiama Council.

Any preferred option should therefore include clear environmental controls, measurable diversion targets, education, reporting on recovery outcomes and a practical pathway for residents to avoid landfill where possible.

4 Options Analysis

4.1 Option 1: Discontinue delivery of the HBW Drop-off model, provide a DMWC rebate to residents and maintain the user-pays on-call kerbside cleanup

Option 1 is to discontinue the current HBW drop-off event model and provide a DMWC rebate to all residents based on the average annual cost of delivering the service over the last three financial years.

This option would be accompanied by a continuation Council's user-pays on-call kerbside clean-up service for residents who still require a bulky waste collection.

The community have expressed frustration with the restriction placed on the number of daily attendees as it translates to every household contributing funding through the DMWC, but not every household can access the current service model.

The main benefit is reduced direct Council service delivery. A more controlled approach allowing Council to schedule requests for user-pays on-call kerbside collections throughout the year.

Additionally, clearer user-pays pricing resulting in only those households using the service will pay.

Key risks include:

- Increased fees for service.
- Community concern about loss of a 'free' drop-off event
- Increased illegal dumping risk
- The need for clear communication about the available user-pays service.

4.2 Option 2: Implement a HBW voucher system.

The voucher value would be calculated based on the average annual cost of delivering the current service model over the last three financial years.

The proposed voucher value is \$19.77 covering the cost of disposal of 38kg of waste to landfill and promotes the use of reuse and recycling to minimise weight of material.

This option may provide more flexible access, better visibility of service value, stronger data capture, and opportunities to direct usable items toward reuse and recycling pathways.

Key risks include

- App adoption barriers faced by residents and weighbridge operators at the landfill facility.
- Digital access issues encountered by certain demographics in the KMC Local Government Area.
- Administration requirements
- Fraud or misuse controls

4.3 Option 3: Do Nothing / Maintain Status Quo

Option 3 is to continue the existing household bulky waste drop-off event model.

This option retains a familiar and controlled service model, supports site-based sorting and safer presentation than broad kerbside collection, and can be scaled by extending the number of event days rather than increasing daily site pressure.

Key risks include :

- Impacts on the future use of the MWRF as a catalyst site
- Variable service costs (overtime and waste disposal)
- Staffing and traffic management requirements
- Site constraints and impacts on residents' ability to access the service
- Continued reliance on residents being able to transport items
- The need to manage batteries, hazardous items, reusable goods and non-compliant loads at the facility that is not fit for this purpose.

4.4 Preferred Option:

Option 1 is the recommended option.

Appendices

Appendix A: Comparison of HBW services

Neighbouring Councils	Scheduled or booked on-call Bulk Kerbside Cleanup	Fees and Charges	Outsourced or In-house?	Accepted Waste	Restricted Waste	Own a Landfill?	Other disposal alternatives	Domestic Waste Management Charge Revenue (2024-2025 Annual Financial Statements)
Kiama Municipal Council	Booked on-call	User pays \$121 / collection for 1m ³	In-house	Indoor and outdoor furniture, toys and sporting goods, Whitegoods (Except refrigerants), Rugs and carpet scraps and scrap metal	Refrigerants, glass, mirrors, putrescible waste, asbestos, Household Problem Waste (CRG), construction materials, e-waste, tyres, mattresses and bean bags. Items that can not be picked up safely by one person.	NO	Second Hand Saturday, NSW EPA Household Chemical Cleanout.	\$6.7 million
Shellharbour City Council	Booked on-call	User pays \$112 / collection for 2m ³ . Additional costs for mattresses (\$49), refrigerants (\$17), car tyres no rims (\$27). Extras in addition to 2m ³ .	Outsourced	Mattresses and bases (\$), Tyres (\$), refrigerants (\$), whitegoods, plastic containers, small furniture, baby items and toys, tools and equipment, sporting goods, rugs and carpet scraps, scrap steel, reusable/resaleable items	Food scraps, building materials, asbestos, tiles, fencing timber etc, garden waste, glass and mirrors, chemicals, Household Problem Waste, recyclables, medical waste, items more than 2 metres in length, items too heavy for two people to lift.	YES	Dunmore Waste Disposal Depot - Revolve Shop, Landfill, Resource Recovery Centre and Community Recycling Centre, NSW EPA Household Chemical Cleanout.	\$17.6 million
Shoalhaven City Council	Booked on-call	User pays \$159 / collection for 1m ³ . Vouchers can be used for this service.	Outsourced	Mattresses (wrapped in plastic sheet), furniture, electrical items, whitegoods, sporting equipment, bikes, toys, garden tools, rugs, sinks, blinds, lawnmower (push), BBQs, chicken wire, guttering and any other general household items.	Bricks, concrete, rocks, soil, building materials, carpet, car batteries, gas bottles, oils, fire extinguishers, toilets, tyres, motor bikes, car parts, pallets, hazardous materials, putrescible waste, liquid or chemical waste, asbestos and items heavier than 2 person lift.	YES	Vouchers can be used at the local waste facilities. Revolve Shop, Community Recycling Centres and Landfill (West Nowra), NSW EPA Household Chemical Cleanout.	\$32.6 million
Wollongong City Council	Booked on-call	2 x booked on-call per financial year. Entitled to 2m ³ per collection. Includes recyclable items, scrap metal and landfill collections. No extra costs.	Outsourced	LANDFILL: Furniture items, garden tools and equipment, sporting goods, baby items, toys, clothing and shoes, rugs and carpet, bed bases. RECYCLING: Mattresses (x2), Computers, Tyres and Televisions, SCRAP METAL: Bikes, lawn mowers, BBQs, Microwaves, other small scrap steel.	Batteries and items containing embedded batteries, bean bags, household waste and food scraps, building materials, commercial waste, liquids (inc paint, oil, chemicals), gas bottles, white goods, garden vegetation, household recyclables, medical waste, glass and mirrors, polystyrene, car parts and cardboard. ineligible items left on the kerbside will be considered illegal dumping and may result in penalty fines.	YES	Whites Gully Landfill, Revolve Shop, Community Recycling Centre, NSW EPA Household Chemical Cleanout.	\$45.9 million

OTHER NSW COUNCILS	Scheduled or booked on-call Bulk Kerbside Cleanup	Fees and Charges	Outsourced or In-house?	Accepted Waste	Restricted Waste	Own a Landfill?	Other disposal alternatives	Domestic Waste Mgmt Charge Revenue (2024-2025 Annual Financial Statements)
Strathfield Council	Booked on-call	3 x booked on-call per financial year. Entitled to 2m ³ per collection. No extra costs.	Outsourced	Household Furniture (e.g. chairs) Mattresses (2 per collection) general household items (e.g. clothes, toys bagged or boxed) tied bags of garden organics (up to 150mm diameter & 1 m in length), whitegoods inc fridges, household metals (e.g. dismantled swing sets or trampolines) & small hot water tanks.	Electronic Waste (e.g. TV and computer), trade, industrial or commercial waste, construction and demolition waste (e.g. bricks, concrete and building timber), asbestos, gas bottles, fire extinguishers, chemicals, paint, oils, glass (inc mirrors), car tyres and large hot water tanks)	NO	Bower re-use and repair centres. Partners with City of Canada Bay Community Recycling Centre	\$10.1 million
Lane Cove Council	Booked on-call	4 x booked on-call per financial year. Entitled to 3m ³ per collection. No extra costs.	Outsourced	Mattresses and bases, furniture (tables, chairs, sofas, wardrobes etc), rugs and carpet scraps (no greater than 1.2m in length), BBQ's, Lawn mowers (no petrol), gym equipment (inc bicycles, exercise bikes, treadmills), ironing boards and appliances (e.g. vacuum cleaners, heaters, irons, kettles etc)	Televisions and computers, building waste (e.g. bricks, concreterodding or gutting), oversized items (e.g. bathtubs, clothes lines, sinks, toilets), paint, chemicals, light globes, and fluorescent tubes, mirrors and glassm, flammables, gas bottles, car parts and car batteries, timber (e.g. fencing), soil and rocks, bulk cardboard, putrescible waste and items longer than 1.5 metres.	NO	Bower re-use and repair centres and the Community Recycling Centre in Artamon	\$9.8 million
Burwood Council	Scheduled	1 x scheduled (date set by Council) and 1 x booked on-call. Entitled to 1.5m ³ per collection. No extra costs.	Outsourced	Furniture and household items, lounges (within size limits), mattresses (2 per collection), white goods (under 30kg), baby items, toys, garden tools and equipment, bagged clothing and shoes, rugs and carpet (cut into 1m lengths).	Putrescible waste, building, renovation or construction materials (e.g. concrete, timber, asbestos bricks etc), Glass and mirrors, liquid waste (inc fuel, chemical, paint), car parts or car tyres, green waste, items longer than 1.5m, items over 30kg, electronic waste (e.g. tv and computers).	NO	City of Canada Bay Community Recycling Centre, Bower re-use and repair centres. Additional waste collection anytime by Paul's Rubbish Removal (extra \$).	\$9.3 million
Randwick City Council	Booked on-call	1 x scheduled (date set by Council) and 5 x booked on-call per financial year. Entitled to 2m ³ per collection. No extra costs.	Outsourced	Furniture, white goods, small household appliances (e.g. toasters, heaters and fans), toys, plastics (e.g. garden pots, baby baths, buckets etc), mattresses, empty paint tins, televisions and computers, BBQs, gym equipment and green waste.	Putrescible waste, business or commercial waste, building, renovation or demolition waste, hazardous waste (inc asbestos), tyres, glass and mirrors, bean bags, gas bottles, empty drums, car and boat parts and liquids.	NO	The Bower Re-use and Repair Centre, Randwick Community Recycling Centre, EPA Household Rubbish Removal (extra \$).	\$41.6 million
Port Stephens Council	Booked on-call	2 x booked on-call per financial year. Entitled to 1m ³ per collection. No extra costs. If the household presents more than 1m ³ they forfeit the second service.	Outsourced	Furniture (e.g. chairs, tables and similar), whitegoods (no refrigerants), household electrical appliances (e.g. TV, vacuum, computers etc), green waste (must be bundled and tied), scrap metal (e.g. fencing, hot water systems, BBQs and bikes), mattresses and bed frames/bases, battery free toys, camping and sporting equipment (bagged or boxed), clothing and shoes (bagged or boxed).	Oils, paints, chemicals, flammables or oils, gas bottles, batteries, car parts, building materials (e.g. framework, plasterboard, decking), renovation / demolition waste (e.g. kitchens, bathrooms or manufactured stone), composites/compressed boards (e.g. MDF, asbestos, weatherboard etc), concrete, bricks, rubble or soil, glass and mirrors, putrescible waste or commercial waste or commercial sized appliances.	NO	Salamander Bay Waste Transfer Station, Community Recycling Centre, EPA Household Chemical Cleanout, Veolia Resource Recovery Park	\$17.9 million

Appendix B: Options Assessment Summary

Overall Outcome Assessment Criteria	Option 1	Option 2	Option 3
Does the option provide Resource Recovery and Reuse Pathways?	✗	✓	✓
Has the option considered Community Feedback?	✓	✗	✗
Does the option meet the requirements of the PIO?	✓	✗	✓
Does the option address Strategic Risks?	✓	✓	✓
Does the option address Operational Risks?	✗	✓	✗
Does the option address Reputational Risks?	✓	✗	✗
Does the option address Financial Risks?	✓	✗	✓
Does the option address Environmental Risks?	✗	✓	✓
	Full Compliance	Partial Compliance	No Compliance
	✓	✓	✗

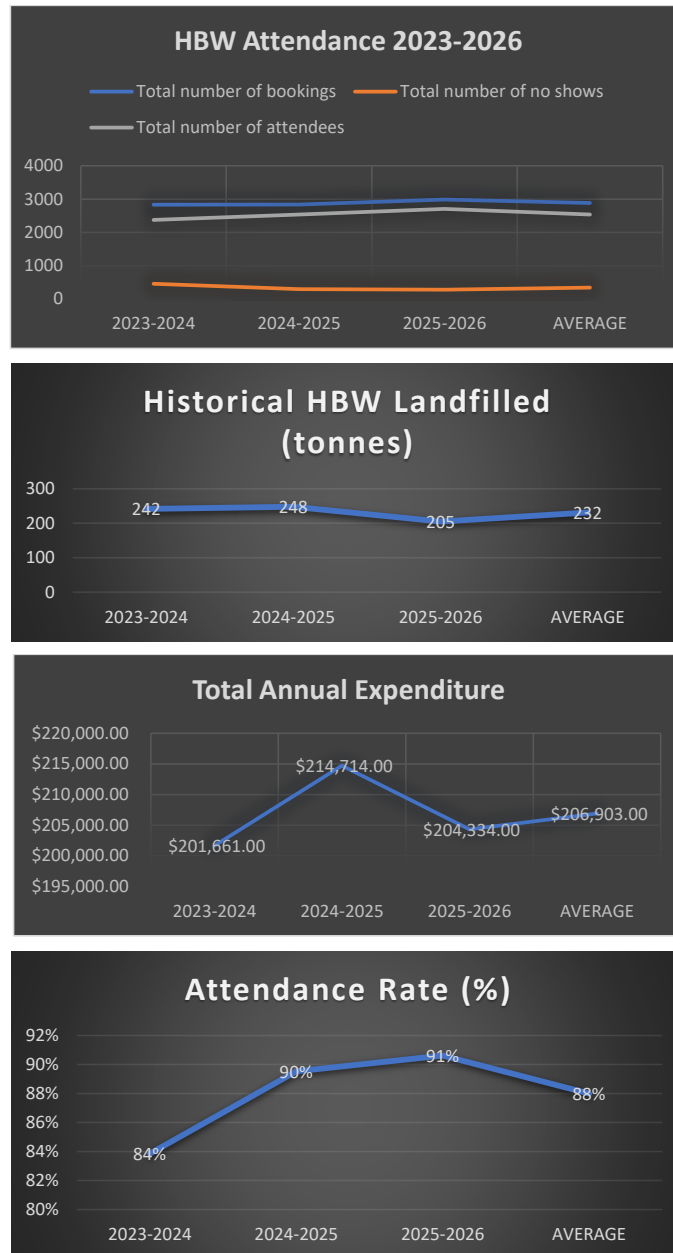
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Enclosure 1

Appendix C: Estimated weight of bulky items

Examples of household items that may weigh around 200 kg			
Household item or load example	Indicative weight range	Why it is useful as a comparison	Source / note
Large upright piano	About 130–250 kg	A single heavy household item that can approach or exceed the 200 kg voucher allowance.	Average item weight reference
Large fridge or fridge/freezer plus contents	About 120–200 kg	Useful for explaining a bulky whitegoods load.	Indicative estimate; varies by model and contents.
Large sofa bed or modular lounge suite	About 100–200 kg	Represents a bulky furniture item often presented through household bulky waste services.	Furniture weight reference
King-size bed, mattress and drawers	About 100–180 kg	Shows that one bedroom furniture set can use most of the allowance.	Average item weight reference
Solid timber dining table with 8–10 chairs	About 120–220 kg combined	Useful example of a furniture load rather than one single object.	Furniture weight reference
Tool chest filled with tools	About 100–250 kg	Good example of a compact but very heavy household load.	Indicative estimate; varies by tool type and quantity.
Several large boxes of books	About 150–220 kg combined	Shows that many smaller items can add up to the same weight as bulky furniture.	Household moving weight guide
Mixed bulky waste trailer load	About 150–250 kg	a sofa bed, mattress, small whitegoods item and loose household goods.	Indicative example

Appendix D: Graphs



Item 16.1

Enclosure 1