

Chairperson and Subcommittee Members
GRANTS ALLOCATION SUB-COMMITTEE

19 MARCH 2013

Meeting Status: **Public**

Purpose of Report: For Decision

RECOMMENDATION ON WASTE LEVY GRANTS CATEGORY FOUR FUNDING

- 1 This report presents for approval the proposed allocation of levy funding under the Waste Levy Allocation Policy.

SIGNIFICANCE OF DECISION

- 2 This report does not trigger the Council's significance policy.

BACKGROUND

- 3 In September, two Expressions of Interest (EOIs) were called for from local businesses seeking funding under category four of the Council's Waste Levy Allocation Policy: New Technologies and Seed Funding. Businesses had the opportunity to bid for up to \$25,000 under category four of the Policy.
- 4 A total of four businesses submitted EOIs to the Council for consideration and at its meeting of 18 December 2012 the Grants Allocation Subcommittee recommended that only one of these applications (Biobagga Limited) should be asked to submit a full application (report IS-12-725 **attached**).
- 5 On 8 February 2013, Biobagga Limited formally withdrew its application for funding. The company has decided not to pursue its trial proposal on the Otaihanga Landfill site at this moment due to Greater Wellington Regional Council's (GWRC) feedback that composting of biosolids in a Biobagga system will not be allowed under the current resource consent of the Otaihanga Landfill. The applicant is instead pursuing the offer from another district council to establish the Biobagga trial in their district.

CONSIDERATIONS

- 6 There are now no complying applications for category four funding in this year's waste levy allocation process. The policy allows for the carryover of any unallocated funds into the next year's allocation, it also allows for the redistribution of funds within each of the policy categories in any one year.
- 7 A similar situation arose at the end of the 2011/12 waste levy allocation process in that there was \$33,000 of unallocated funds in category four. This unallocated funding was transferred to category two of the policy: Minimisation Incentives: Contracts and used to subsidise MidWest Disposals' TV recycling initiative at the Otaihanga Resource Recovery Centre.
- 8 In this year's round for category four, MidWest Disposals Ltd was one of the EOI applications considered during the 18 December 2012 meeting. It was mentioned in report IS-12-725 that should the preferred Biobagga proposal not

be suitable for funding, MidWest's proposal to use funding to continue to subsidise TV recycling by \$10 (inc. GST) per unit would be revisited.

- 9 In October 2011 MidWest took the initiative to no longer accept TVs and computer screens as general waste into Otaihanga Transfer Station but to charge \$20 per TV or screen to cover the cost of recycling.
- 10 Old televisions and computer screens are classified as hazardous waste because they have elements of lead in them. When TVs and computer screens are landfilled and become broken the lead becomes harmful as it can potentially leach into the ground and water supply, just like the arsenic, mercury and cadmium.
- 11 Council supported this action by no longer accepting TVs and computer screens as general waste into Otaki Transfer Station and transferred the available \$33k levy funding into the contractors initiatives category two of the Policy to enable a subsidy at the gate of \$10 for every TV or computer screen dropped off for recycling.
- 12 Due to the lower North Island's Digital Switchover on 28 September 2013, many residents have already decided and will be deciding to buy a new TV and dispose of their old one. Since November 2011, 2261 residents have paid \$10 to recycle their old TVs and computer monitors.
- 13 Because of the successful uptake of the subsidy to date, the Digital Switchover and that this initiative supports Council's waste minimisation goals, it is recommended that \$25,000 be reallocated from Category four to Category two of the Policy.

This will ensure the continuation of the recycling subsidy at the gate by \$10 (inc. GST) per unit throughout the Digital Switchover and will provide a longer transition period between a subsidised and a full user-pays fee for TV recycling in Kāpiti.

Financial Considerations

- 14 There are no financial considerations as levy spending does not form part of the solid waste operational budget or capital expenditure budget.

Delegation

- 15 The Grants Allocation Subcommittee may make a decision under Clause 7 of Section C.1 of the Governance Structure and Delegations: "Authority to assess all applications and allocate funds for the Waste Levy Fund grants."

Policy Implications

- 16 Midwest's proposal meets the criteria for funding under category two of the Waste Levy Allocation Policy 2011.

Publicity Considerations

- 17 The extended subsidised TV recycling period would be publicised by the Council through a media release.

RECOMMENDATIONS

- 18 That the Grants Allocation Subcommittee approves the reallocation of \$25,000 for the purpose of continuing to subsidise TV recycling as set out in report IS-13-819.

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ATTACHMENT: report IS-12-725