

SW/06/04/02/01

Chairperson and Subcommittee Members  
GRANTS ALLOCATION SUB-COMMITTEE

12 DECEMBER 2013

Meeting Status: **Public**

Purpose of Report: For Decision

## RECOMMENDATIONS ON WASTE LEVY GRANT APPLICATIONS

### PURPOSE OF REPORT

- 1 This report seeks approval for:
  - recommendations on the allocation of funding for the current round of the Community Education and Projects Contestable Fund; and
  - recommendations on responding to Expressions of Interest (EOIs) received for the Innovation: New Technologies and Seed Funding Contestable Fund.

### SIGNIFICANCE OF DECISION

- 2 This report does not trigger the Council's Significance Policy.

### BACKGROUND

- 3 The Waste Minimisation Act 2008 requires operators of waste disposal facilities to pay a levy of \$10 (*excl* GST) per tonne of residual waste disposed of to landfill. Approximately half of this levy money is allocated by the Ministry for the Environment to local authorities to spend on implementing their waste management and minimisation plans. The remaining money is allocated through the national Waste Minimisation Fund. Further information on solid waste and legislation is available in the report SP-10-871.
- 4 The Waste Levy Allocation Policy, approved by the Environment and Community Development Committee on 22 July 2010 and updated on 1 September 2011 (Appendix A **attached** to this report), sets out how the Council would spend part of this funding.
- 5 The overall objective of the Policy is:
  - To ensure optimal and transparent allocation of the national waste levy funding to waste minimisation projects.*
  - To increase the range, scale and number of waste minimisation activities on the Kāpiti Coast through effective use of the waste levy fund.*
- 6 This financial year, \$20,000 (*excl* GST) is available for funding under Category 3 of the Waste Levy Allocation Policy: Community Education and Projects Contestable Fund. For Category 4 of the Waste Levy Allocation Policy: Innovation: New Technologies and Seed Funding Contestable Fund, \$30,000 is available.

- 7 Applications were called for in August 2013 and eight were received. The applications are:

<b>Group</b>	<b>For</b>	<b>Amount Applied for (excl GST)</b>
Te Ra Waldorf School	Organic waste reduction demonstration facility and community waste behaviour survey	\$1,654.35
Waikanae Playcentre	Worm farm, worms, bedding	\$ 445.00
Te Kohanga Reo o Tararua ki Paraparaumu	Worm farm, 2x compost bins	\$ 685.00
The Kaitawa Community Sustainability Group	4x worm farms, 4x biodigesters	\$ 1,030.89
Ames Street Green Street Team	7x 3-bay compost bins (materials), 5x rat traps, 7x worm farms, worms, 1x bokashi bin and start-up mix, 12x biodigesters (materials) for community workshop	\$ 5,379.98
Kāpiti College	3x worm farms and worms	\$ 900.00
Paraparaumu Playcentre	Subsidise 70x Nude Food lunchboxes	\$ 632.44
Take Care Business Services c/o Waikanae Country Lodge	Organic waste recycling system	\$ 1,525.00
<b>TOTAL</b>		<b>\$ 12,252.66</b>

- 8 Category 3 applications were assessed against the criteria in the Waste Levy Allocation Policy. Some applicants were contacted by an assessment panel member for clarification or to request further information. Following that process all applications are now recommended for approval. A description of each application follows in the next section of this report. Applications are **attached** as Appendices B – I.

- 9 EOIs for Category 4 funding were called for in August 2013 and three were received. The EOIs are:

<b>Group</b>	<b>For</b>	<b>Amount Applied For (excl GST)</b>
Silaca Glass Crushers	Extension of glass crushing operation	\$ 26,000
Take Care Business Services	Seed-funding for Elderly Care Composting project	\$ 2,745
Detyre NZ	Seed-funding for the development and manufacture of a mobile tyre cutter	\$ 30,000

- 10 The EOIs were assessed against the criteria in the Waste Levy Allocation Policy. A summary of the EOIs and issues for consideration follows in the next section of this report. EOIs are **attached** as Appendices J and L.
- 11 The applicant(s) who pass this first assessment stage will be invited to develop a full proposal or business case by 13 February 2014. A further decision on the final allocation of funding for Category 4 will be made soon after that.
- 12 Take Care has submitted a full proposal under Category 4 (**attached** as Appendix K) so a final decision can be made regarding this project immediately.

#### Updates

- 13 Category 3: in 2012/13 \$10,970.44 was approved for allocation. A summary of the funded projects is **attached** as Appendix M.
- 14 Category 4: Updates from two projects that previously received funding under Category 4 are **attached** as Appendices N and O. Carbon Partnership was awarded \$30,658 in the 2010/11 funding round to carry out a two-year household anaerobic digestion trial. Silaca Glass Crushers was awarded \$22,000 in 2011/12 for the development of a new building material 'Plasglass' made from recycled plastic and glass.

### **CONSIDERATIONS**

#### Category 3: Community Education and Projects Contestable Fund

- 15 Refer to Appendix A for the objectives and requirements of Category 3 projects under the Policy.

#### Applications

- 16 **Te Ra Waldorf School** has applied for \$1,654.35 to establish an organic waste reduction demonstration facility and survey waste behaviours in the School community (approximately 150 households). The facility would consist of six worm farms (a variety of different models) and bokashi bins (donated by a staff member) and would also be used as a base for delivering waste reduction workshops.
- 17 The project is being led by an ex-waste reduction educator and has buy-in from teaching and administration staff. It is recommended that the application for \$1,654.35 is approved.
- 18 **Waikanae Playcentre** has applied for \$445 to purchase a worm farm. The new worm farm would be able to treat all of the Playcentre's food scraps and paper towels; it is estimated that the initiative would reduce waste to landfill by over fifty percent. It is recommended that the application for \$445 is approved.
- 19 **Te Kohanga Reo o Tararua ki Paraparaumu** has applied for \$685 to purchase a worm farm (\$445) and two wooden compost bins (\$120 per unit). The worm farm would be able to treat all of the Kohanga's food scraps (approximately two litres per day – which is currently sent to landfill) and the compost bins would be used to divert garden waste from landfill. It is recommended that the application for \$685 is approved.
- 20 **The Kaitawa Community Sustainability Group** has applied for \$1,030.89 to purchase four worm farms (\$153.37 per unit) and four biodigesters (\$104.35 per unit). The Group's objective is to learn and work towards sustainability in the

community by sharing knowledge, resources, and time. The Group has a core membership of six households and connects with the community *via* social media and school newsletters. All households have children at Paraparaumu School. The worm farms and biodigesters would go to households that currently send food scraps and garden weeds to landfill.

- 21 To date, applications for biodigesters have been assessed on a case-by-case basis. In 2011/12, two groups received funding for biodigesters that complemented other waste minimisation equipment such as worm farms and compost vessels.
- 22 It is recommended that the application for \$1,030.89 is approved.
- 23 **Ames Street Green Street Team** has applied for \$5,379.98 to purchase materials for seven three-bay compost bins (\$294.89 per unit), five rat traps (\$43.48 per unit), six worm farms (various models ranging from \$200 to \$414 per unit), one bokashi bin and start-up mix (\$83.35), and materials for twelve biodigesters (\$105 per unit). Ames Street has entered the 2013/2014 Kāpiti Coast Greenest Neighbourhood Competition, and this application follows a Council-supported waste audit. It is estimated that, across eight households, this initiative would reduce waste-to-landfill by twenty-five percent.
- 24 Ames Street proposes to run a community biodigester construction workshop for which a total of twelve households have expressed interest. Six of these households are not part of the waste reduction initiative for which the bulk of this funding application represents. Following the approach in 2011/12 where biodigesters were funded if they complemented larger waste minimisation systems, Ames Street provided evidence to demonstrate that the additional six households are engaged in waste minimisation activities.
- 25 It is recommended that the application for \$5,379.98 is approved.
- 26 **Kāpiti College (Eco Action Group)** has applied for \$900 to purchase three worm farms. This initiative follows Council-supported waste audits conducted in 2012. The Eco Action Group would be tasked with promoting the worm farms and educating staff and students about worm farming. The Group proposes to utilise local media, newsletters, and websites to share its progress with the community. It is recommended that the application for \$900 is approved.
- 27 **Paraparaumu Playcentre** has applied for \$632.44 to subsidise 70 'Nude Food' reusable lunchboxes. The Playcentre is implementing a 'Litterless Lunchbox' policy to reduce the amount of waste to landfill generated onsite. Only a small number of children at the Playcentre currently have Litterless Lunchboxes; this initiative aims to assist families of children that do not. The lunchboxes would be offered to families to purchase for \$8.70 (\$10 incl GST), with the waste levy grant paying for the remainder of the cost per lunchbox. The proposed subsidised price was set based on feedback to ensure buy-in from existing families. In the future, prospective families will be made aware of the Litterless Lunchbox policy prior to enrolment. Beyond this grant application, the Playcentre aspires to carry out on-going fundraising so that subsidised lunchboxes are available to families that require them.
- 28 This initiative has the potential to serve as a case study to inspire other early childhood centres to implement Litterless Lunchbox policies. It is recommended that the application for \$632.44 is approved. Successful Category 3 applicants are normally required to make their purchases within six months of receiving funding. Not all of the 70 lunchboxes would be purchased within six months;

therefore, the Playcentre would be asked to report back quarterly until the total amount has been spent.

- 29 **Take Care Business Services** has applied for \$1,525 on behalf of Waikanae Country Lodge to provide the hardware for an organic waste recycling system. The funding would be used to purchase one worm farm (\$256), four compost bins (\$120 per unit), waste receptacles (\$118), an initial six-month supply of compostable liners (\$491), and freight and installation costs (\$180). Take Care is the local supplier for the proposed hardware and offers the items at a retail price which is equivalent or better than those offered by other potential suppliers. The Lodge has committed to covering the ongoing cost of compostable bin-liners. The Lodge is an enthusiastic participant and would be the first to partake in Take Care's Elderly Care Composting project which is outlined in the next section of this report. It is recommended that the application for \$1,525 is approved.

#### **Category 4: Innovation: New Technologies and Seed Funding Contestable Fund**

- 30 Refer to Appendix A for the objectives and requirements of Category 4 projects under the Policy.

#### Expressions of Interest

- 31 Under the evaluation process, applicants with EOIs that pass this first assessment stage will be asked to develop a full proposal or business case by 13 February 2014. EOIs for Category 4 are:
- A. For new technology proposals
  - B. For businesses using proven existing technologies and processes
- 32 **Silaca Glass Crushers** has applied for \$26,000 to assist with its glass crushing plant extension. The upgraded plant would be able to process increased volumes of glass. The project would not lead to new waste minimisation in Kāpiti; rather, it would divert glass from existing recycling routes.
- 33 This fund is intended to promote innovation and not to subsidise ongoing business costs. Silaca received \$16,500 in 2010/11 and \$22,000 in 2011/12 to establish a glass crushing operation and to design and manufacture innovative products containing recycled glass. It is recommended that Silaca is not invited to develop its EOI into a full business case for funding under Category 4B.
- 34 **Take Care Business Services** has applied for \$2,745 seed-funding to help implement its Elderly Care Composting project at Waikanae Country Lodge. Take Care's initial application was submitted under Category 3 of the Policy; however, it contained project elements which fit better under Category 4. Take Care was invited to re-submit the application as two separate parts under Category 3 and Category 4 accordingly. Take Care had already completed the necessary background work required to submit a full application (as oppose to an EOI) for funding under Category 4B.
- 35 Take Care would offer project management services (including organic waste recycling system implementation, and six months of monitoring and support).
- 36 Following the successful implementation at the Lodge, a case study report would be produced to outline the benefits of organic waste recycling at rest-homes. A step-by-step guide, educational posters, and a promotional flyer would also be

developed. Take Care would use these resources to promote its Elderly Care Composting project to other rest-homes in Kāpiti and beyond.

- 37 The total cost of implementing the project at the Lodge is \$5,455. This figure comprises \$1,525 of hardware and set-up costs for which an application under Category 3 has been submitted (see paragraph 31). Of the remaining \$3,920, Take Care will contribute \$1,175 (in-kind), leaving \$2,745 sought from Category 4B.
- 38 The amount of money sought by Take Care is relatively small and will not significantly impact the amount available for other applicants. It is recommended that Take Care's application for \$2,745 is fast-tracked and approved for funding under Category 4B. This would leave \$27,255 available under Category 4 for further allocation.
- 39 **Detyre NZ** has applied for \$30,000 to contribute towards the development and manufacture of a mobile tyre cutter. The prototype cutter would be able to process five tyres per minute onsite at garages, transfer stations, and other tyre collection points. The processed tyres would then be transported to a state-of-the-art tyre recycling plant that Detyre is currently establishing at the Clean Technology Centre in Ōtaki. The plant will have the capacity to process approximately 2,000 tonnes of tyres per annum, and will incorporate Detyre's proprietary de-vulcanisation technology to produce an output rubber suitable for replacing virgin material in a variety of applications.
- 40 The prototype cutter would form a key component of Detyre's tyre recycling process. The total cost of this phase of the project is in the order of \$100,000.
- 41 It is recommended that Detyre is invited to develop its EOI into a full proposal for funding under Category 4B.

#### Financial Considerations

- 42 All applicants have provided a bank account number. This enables them to purchase goods directly. All applicants would be required to have made their purchases within six months of receiving the grant and submit proof of purchase. Unspent funds would be returned to the Council.
- 43 The recommendations for Category 3 result in a grand total of **\$12,252.66**. Waste Levy funds can be carried over between financial years. There is no impact on rates funding.

#### Legal Considerations

- 44 There are no legal considerations for the Council. The applicants themselves are responsible for ensuring their activities comply with all relevant laws and regulations. The allocation and use of the funding will be subject to audit by the Ministry for the Environment.

#### Delegation

- 45 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

- 46 The applications and EOIs have been assessed against the criteria in the Waste Levy Allocation Policy 2011.

## Publicity Considerations

- 47 The funded projects will be publicised by the Council through media releases, the Council's sustainability newsletter 'On To It,' and other communication avenues such as the Sustainable Home and Garden Show.

## RECOMMENDATIONS

- 48 That the Grants Allocation Subcommittee approves the list of funding as set out in paragraphs 16 to 29 of report IS-13-1006, and summarised in the following table:

Group	For	Amount Applied For (excl. GST)
Te Ra Waldorf School	Organic waste reduction demonstration facility and community waste behaviour survey	\$1,654.35
Waikanae Playcentre	Worm farm, worms, bedding	\$ 445.00
Te Kohanga Reo o Tararua ki Paraparaumu	Worm farm, 2x compost bins	\$ 685.00
The Kaitawa Community Sustainability Group	4x worm farms, 4x biodigesters	\$ 1,030.89
Ames Street Green Street Team	7x 3-bay compost bins (materials), 5x rat traps, 7x worm farms, worms, 1x bokashi bin and start-up mix, 12x biodigesters (materials) for community workshop	\$ 5,379.98
Kāpiti College	3x worm farms and worms	\$ 900.00
Paraparaumu Playcentre	Subsidise 70x Nude Food lunchboxes	\$ 632.44
Take Care Business Services c/o Waikanae Country Lodge	Organic waste recycling system	\$ 1,525.00
<b>TOTAL</b>		<b>\$ 12,252.66</b>

- 49 That the Grants Allocation Subcommittee approves Take Care's application for \$2,745 under Category 4B as set out in paragraphs 35 to 38 of report IS-13-1006.

- 50 That the Grants Allocation Subcommittee invites Detyre NZ to develop its Expression of Interest into a full proposal for funding under Category 4B.

**Report prepared by:**

**Approved for submission by:**

Simon Calcinai

**WASTE MINIMISATION & SERVICES  
OFFICER**

Nienke Itjeshorst

**SOLID WASTE SERVICES MANAGER**

**ATTACHMENTS:**

Appendix A – Waste Levy Allocation Policy 2011

Appendix B – Te Ra Waldorf School Grant Application

Appendix C – Waikanae Playcentre Grant Application

Appendix D – Te Kohanga Reo o Tararua ki Paraparaumu Grant Application

Appendix E – The Kaitawa Community Sustainability Group Grant Application

Appendix F – Ames Street Green Street Team Grant Application

Appendix G – Kāpiti College Grant Application

Appendix H – Paraparaumu Playcentre Grant Application

Appendix I – Take Care Business Services Grant Application (Category 3)

Appendix J – Silaca Glass Crushers EOI

Appendix K – Take Care Business Services Grant Application (Category 4)

Appendix L – Detyre NZ EOI

Appendix M – Report back from successful 2012/13 Category 3 Applicants

Appendix N – Update on Carbon Partnership's household anaerobic digester trial

Appendix O – Update on Silaca Glass Crushers' 'Plasglass' recycled building material project