

**Chairperson and Committee Members**

ENVIRONMENT AND COMMUNITY DEVELOPMENT COMMITTEE

1 SEPTEMBER 2011

Meeting Status: **Public**

Purpose of Report: For Decision

**REVIEW OF THE WASTE LEVY ALLOCATION POLICY 2010**

**SIGNIFICANCE OF DECISION**

- 1 This report does not trigger the Council Significance Policy.

**BACKGROUND**

- 2 On 22 July 2010 Council adopted the Waste Levy Allocation Policy (the Policy). The Policy sets a transparent framework for distributing the waste levy income that Council receives from the Ministry for the Environment. The first funding round started in October 2010 and ended on 30 June 2011 with the approval to fund two projects in the Innovation and Business category, one of the two contestable categories under the Policy.
- 3 As discussed in the report to the Waste Levy Grant Allocation Sub Committee, during the levy allocation process it became clear that under the Innovation and Business category (category 4) more flexibility was needed with regard to some of the requirements. Especially when projects are innovative trials or intend to market new end products, some of the requirements can not be met at the start of the project. As a result, the two project in this category were approved under conditions that would allow time to provide Council with the required proof during the project time frame and/or minimise risk to Council if a project was not successful.
- 4 It was agreed that a proposal to amend the requirements of category 4 of the Policy would go to the Environment and Community Development Committee before the start of the new funding round at the end of September 2011.
- 5 The requirements of the other contestable category of the Policy: Community Education and Projects, have not been amended.

**CONSIDERATIONS**

- 6 A copy of the proposed amended 2011 Policy is attached to this report as Appendix 1.
- 7 Amendments have been made to the *Process* paragraph to reflect the current situation:
  - References to ‘or any other future equivalent environmental policy making committee’ have been deleted

- the ‘Waste Levy Allocation Sub Committee’ has been named and
  - ‘two other councillors’ has been replaced by ‘two Community Board members’, reflecting the current sub committee members.
- 8 Amendments to Category 4 A and B are shown in *italics* at Appendix 1 and have been made to allow for more flexibility as to what is required by Council as ‘proof’ or ‘evidence’ on a case by case basis
- 9 For Category 4 A, New technology proposals, the amendments are:
- Added ‘a proposal that includes’
  - Full concept and proof has been amended to ‘description and/or proof’
  - Added a third bullet point to clarify the requirement for business development and added ‘a programme for business development of the end product/results of the project/trail’
- 10 For Category 4B, Businesses using proven existing technologies and processes , the amendments are:
- evidence of a contract has been amended to ‘evidence that access to necessary waste streams is secured’;
  - the ‘review and independent sign off of assumptions around waste stream costs, end-use market and projected revenue, current and projected operating costs’ requirement has been split into:
    - The requirement to provide those assumptions; and
    - The option for Council to require review and (independent) sign off of these assumptions;
  - The ‘review and independent sign off provision for contingencies and structured response to rising waste resource costs and/or end-use market failure’ has been split into:
    - The requirement to make provisions for contingencies (...) and
    - The option for Council to require ‘review and (independent) sign off on these provisions.
- 11 The amendments have been made because it may be unreasonable to require the applicant to provide a review and independent sign off and also may pose too high a threshold for applying because of associated costs. Council can now assess on a case by case basis whether it is a priority to receive a review and sign off and whether that needs to be done by an independent third party, depending on the size of the proposed project, the type of project, risks to Council and the amount of funding that is being applied for.

### Financial Considerations

- 12 There are no financial considerations as the Levy Grants process is fully funded from Waste Levy income received from the Ministry for the Environment.

### Legal Considerations

- 13 The Waste Minimisation Act 2008 requires that waste levy money is spent on 'matters to promote or achieve waste minimisation and in accordance with the Waste Management and Minimisation Plan (Section 32 WMA)'. The Policy provides for this.

### Delegation

- 14 The Committee may make a decision under the following delegation:

Part B.1.7.

*'authority to develop (within any wider existing strategic framework) policies and work programmes that support the social, economic, environmental and cultural wellbeing of the community'.*

### Consultation

- 15 No public consultation has been carried out as this is a relatively minor change to the policy process rather than to the overall intent of the Policy.

### Publicity Considerations

- 16 The latest version of the Policy will be published on the Council website under Solid Waste Services and Recycling information.

## RECOMMENDATIONS

- 17 That the Environment and Community Development Committee approves the amendments to the Waste Levy Allocation Policy 2010 as detailed in Report IS-11-312 and Appendix 2 to that report.

**Report prepared by:**

**Approved for submission by:**

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**ATTACHMENTS:**

1. Appendix 1: Waste Levy Allocation Policy September 2011