

Chairperson and Committee Members
AUDIT AND RISK SUBCOMMITTEE

27 FEBRUARY 2014

Meeting Status: **Public**

Purpose of Report: For Information

WASTE LEVY EXPENDITURE AUDIT REPORT

PURPOSE OF REPORT

- 1 This report tables the Waste Levy Expenditure Audit Report of Kāpiti Coast District Council.

SIGNIFICANCE OF DECISION

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

BACKGROUND

- 3 The Waste Levy Expenditure Audit Report relates to Council's compliance with section 32 of the Waste Minimisation Act 2008 (as noted below) and was a high level assessment of Council's records, systems, processes and controls to assess the spending of waste levy money in accordance with Council's Waste Management and Minimisation Plan, the Act and Council's voluntary reporting to the Ministry for the Environment. The audit was undertaken by the Ministry for the Environment on 6 November 2013.

Waste Minimisation Act 2008

Section 32: Spending of levy money by territorial authorities

- (1) *A territorial authority may spend the levy money it receives under section 31 only—*
 - (a) *on matters to promote or achieve waste minimisation; and*
 - (b) *in accordance with its waste management and minimisation plan.*
- (2) *When making a decision in relation to funding any matter to which subsection (1) applies, the territorial authority must consider the effects that the decision may have on any existing waste minimisation services, facilities, and activities (whether provided by the territorial authority or otherwise).*

CONSIDERATIONS

Issues

- 4 The audit concluded that the Council is complying with section 32 of the Waste Minimisation Act 2008. The Audit Report makes seven recommendations (listed below). The primary focus of the recommendations is on increased reporting and tracking of expenditure which can be incorporated into the current Corporate Business Committee quarterly reporting and the Council's Annual Report.

Recommendations:

- *Any new waste minimisation projects that will be funded by the waste levy in future would have a cost benefit analysis undertaken first and would be closely aligned with the 'Councils of the Wellington Region Waste Management and Minimisation Plan 2011 – 2017.*
- *Any new waste minimisation projects must be formally approved in each case by an appropriate resolution of the Kāpiti Coast District Council or a delegated committee.*
- *These decisions should be recorded in the Kāpiti Coast District Council Minutes and the funds authorised would be released through the appropriate channels.*
- *Smaller projects that are within Waste Staff funding delegation powers, should have a clear authorisation process; for example a memo to the solid Waste Service Manager, authorisation to the Group Manger of Infrastructure Services and a record of approval to spend waste levy funds.*
- *New waste minimisation projects should be reported to the Kāpiti Coast District Council in a council report or as part of a monthly/quarterly reporting regime.*
- *An analysis should be undertaken of waste minimisation projects annually (including current projects) to show the tangible outcomes of the waste levy spend.*
- *Any accrued waste levy money should be specifically tracked, including interest earned.*

Financial Considerations

- 5 There are no financial considerations.

Legal Considerations

- 6 There are no legal considerations.

Delegation

- 7 The Audit & Risk Subcommittee has delegation authority to consider this report under the following delegation in the Governance Structure, Section C.4.

- 6 Without limiting the generality of this delegation of the Subcommittee has the following functions, duties and powers:

External Audit

6.13 receive the external audit reports and review action to be taken by management on significant issues and audit recommendations raised within.

Consultation

- 8 No consultation was required in relation to this report.

Policy Implications

- 9 There are no policy implications.

Tāngata Whenua Considerations

10 Are there are no tāngata whenua considerations.

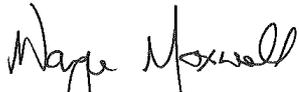
Publicity Considerations

11 There are no publicity considerations.

RECOMMENDATIONS

12 That the Audit & Risk Subcommittee notes the content of the Waste Levy Expenditure Audit Report as per Appendix 1 to this report Corp-14-1058.

Report prepared by:



Wayne Maxwell
Group Manager Corporate Services

Sean Mallon
Group Manager Infrastructure Services

Appendix 1 – Waste Levy Expenditure Audit Report