

**Mayor and Councillors**  
COUNCIL

6 JUNE 2013

Meeting Status: **Public**

Purpose of Report: For Decision

## **CONSIDERATION OF SUBMISSIONS TO THE PROPOSED 2013 AMENDMENT TO THE 2012 LONG TERM PLAN**

### **PURPOSE OF REPORT**

- 1 To allow the Council to consider how it wishes to respond to submissions made to the Proposed 2013 Amendment to the 2012 Long Term Plan (LTP).

### **SIGNIFICANCE OF DECISION**

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

### **BACKGROUND**

- 3 The Proposed 2013 Amendment to the 2012 Long Term Plan proposed an amendment to the Solid Waste Section of the 2012 Revenue and Financing Policy and changes to the Solid Waste Levels of Service 2013/14 Performance Measures of the 2012 Long Term Plan.
- 4 The proposed 2013 Amendment to the 2012 Long Term Plan was adopted for public consultation on 21 March 2013 (SP-13-848 refers).
- 5 A total of seven submissions were received on the proposed amendment during the period of public consultation. Submissions have been recorded on a database with each issue raised by a submitter being given an issue number and code. Three of the seven submitters presented their submissions in person over two days 21 and 22 May 2013. Appendix 1 summarises the issues raised by submitters.

### **CONSIDERATIONS**

#### Issues

- 6 An analysis of the submissions received shows that there are four common issues expressed by the submitters. These four themes are commented on a total 13 times across the seven submissions. There were also four unique comments.

	<b>Common Themes</b>	<b>Number of comments/ theme</b>
1	Increase in recyclables sent to landfill – <i>and 'hidden cost of surge in volume to landfill – at odds with Council zero waste policy</i>	5
2	Concern over continued use of green bins, including administration costs, and stealing tickets off recycle bins	3
3	Waste management is core <i>business – more important than second hydroslides</i>	3
4	Concerns about cost rises over time, monopolies, asks Council to influence price setting	2
5	No incentive for Council/Government to force firms to reduce packaging	1
6	Will Council pick up dumped rubbish	1
7	How efficient are four trucks in one area.	1
8	Supports the amendment.	1

7 The most common concern expressed was that the changes remove any incentives for recycling due to cost or convenience, and that the resulting surge in recyclable materials going to landfill will be “at odds with Councils zero waste policy”. However, the assumption that there will no longer be an incentive to recycle is incorrect.

- The collectors have to provide their customers with the option to kerbside recycle under their collector’s license.
- It is known that the cost of recycling is less than the cost of disposal to landfill. Landfill costs are projected to continue to rise both through increased waste levy charges and stricter monitoring and compliance costs, recycling will continue to be the better alternative for both residents and collectors to reduce their disposal costs.
- In addition, Residents that use wheeliebins already pay for their recycling service in their bin rate and this is not likely to change.
- Providers of rubbish bags must provide recycling services and a system that enables customers to continue to receive the service as and when required.
- All operators within the District are committed to continuing to provide recycling and to reduce waste to landfill

8 A number of submitters expressed concern that any ticketing system for recycling would be administratively difficult, costly, and the potential for theft of tickets was high:

- The use of any ticket system is only one option, operators will need to provide a system that works for both them in the collection of revenue and for their customers. Customers can choose to use an operator who provides the simplest and most effective option.
- 9 The belief that waste management was a core function of local government and therefore Council cannot step back from this service.
- The Local Government Act requires Council to - when performing its role – have regard to the contribution that solid waste services make to its community. It does not require Council to deliver the services itself. The Waste Minimisation Act also states that these services can be delivered by providers other than council.
  - The overall management of solid waste services will continue as a core activity. This includes continuing to operate as a registered Zero Waste Council, licensing waste collectors and operators, provision of recycling drop-off sites, transfer stations and the Otaihangā landfill operation (closure and aftercare). It will also continue to provide waste minimisation education and be responsible for resource consent management, and strategic development on a regional level.
- 10 The issue of cost creep was the fourth main area of concern. The main points are:
- How can Council ensure prices remain affordable?  
Council cannot influence price setting due to the Commerce Act. The price of disposal of waste to landfill is driven by landfill operators and by Central Government legislation like the Emission Trading Scheme (which applies to the Waste Sector from January 2013) and the Waste Minimisation Act which imposes a levy to landfill operators of \$10 for every tonne disposed off at their landfill. None of these drivers is under Council's control.  
However Council has notified operators that it will continue to monitor costs and that the option of re-entering the market remains if prices were to escalate beyond what would be considered genuine escalation costs.
  - What happens if some providers drop out and other providers become virtual monopolies.  
This would be monitored and again if there was a lack of service provision or exorbitant rates for service Council has the option of re-entering the market.
- 11 The following issues were also raised:
- Will the Council continue to pick up any rubbish dumped at roadsides?  
Council's approach will be to continue to fine illegal dumpers under the Litter Act and remove illegally dumped waste from the public area. Council is not in a position to remove waste from private properties. There has been an increase in the compliance budget for 2013/14 in anticipation of some increased illegal dumping.
  - How can four trucks servicing one area be efficient? Submitter suggests that a tender process for access to each area would reduce duplication, and provide for a range of providers that could step in if another provider defaults on their obligations.

Council cannot prohibit private operators from offering waste collection services and to do so would likely attract the attention of the commerce commission. The current issue is that private operators are able to provide a cheaper service to residents, the proposed model would only increase Council costs and is not considered viable.

- No incentive for Council/Government to force firms to reduce packaging.

Council is actively involved on a regional level - as per the action plan of the Wellington Regional Waste Management and Minimisation Plan 2010 - in lobbying Central Government on enhancing packaging controls and extended producer responsibility for packaging materials.

- 12 It is recommended that the Council proceeds with the proposed 2013 amendment to the Solid Waste Section of the 2012 Revenue and Financing Policy of the 2012 Long Term Plan (as set in SP-13-848).
- 13 The Council's contract for bag and recycling collections ends on 30 June 2013. The Council proposes that as from 1 July 2013 it exits the provision of a direct rubbish bag collection and recycling collection service. This proposal to exit is because it is no longer financially viable for the Council to provide these services due to the declining sales of Council rubbish bags.
- 14 Council officers will respond to submitters outlining Council's decisions and addressing points raised.

## Financial Considerations

- 15 If approved, the Solid Waste Section of the 2012 Revenue and Financing Policy will be updated to reflect this 2013 amendment.

## Legal Considerations

- 16 The Proposed 2013 Amendment to the 2012 Long Term Plan meets the requirements of the Local Government Act 2002. Council Auditors, Ernst & Young audited the proposed amendment in terms of compliance as required by the Local Government Act 2002.
- 17 Council notes that following this meeting the proposed amendment will go to Audit for their consideration prior to being adopted on 27 June 2013.

## Delegation

### **COUNCIL'S POWERS**

This Framework recognises the provisions of Clause 32, Schedule 7 of the Local Government Act 2002 which states:

*32. Delegations—*

*(1) Unless expressly provided otherwise in this Act, or in any other Act, for the purposes of efficiency and effectiveness in the conduct of a local authority's business, a local authority may delegate to a committee or other subordinate decision-making body, community board, or member or officer of the local authority any of its responsibilities, duties, or powers except—*

*(a) the power to make a rate; or*

*(b) the power to make a bylaw; or*

*(c) the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan; or*

*(d) the power to adopt a long-term plan, annual plan, or annual report; or*

*(e) the power to appoint a chief executive; or*

*(f) the power to adopt policies required to be adopted and consulted on under this Act in association with the long-term plan or developed for the purpose of the local governance statement; or*

*(g) [Repealed]*

*(h) the power to adopt a remuneration and employment policy.*

## Consultation

- 18 The consultation associated with the proposed Amendment was undertaken via a special consultative procedure over the period 28 March to 29 April 2013. The proposed Amendment was delivered to key agencies that have traditionally received Council's draft corporate planning documents and was available from Council on request and via the website. In addition, a summary document of the 2013 Proposed Amendment to the 2012 Long Term Plan appeared in the Kapiti Observer on Monday 28 March 2013.

## Policy Implications

- 19 If approved, the Solid Waste Section of the 2012 Revenue and Financing Policy will be updated to reflect this 2013 amendment.

## Publicity Considerations

- 20 The outcomes of the Council's deliberations will be communicated to submitters and the wider community, and published as a 2013 Amendment to the 2012 Long Term Plan.

## RECOMMENDATIONS

- 21 That the Council, after full consideration of submissions, approves the Proposed 2013 Amendment to the 2012 Long Term Plan, as attached at Appendix 2 of report SP-13-874, and instructs staff to prepare the document for final consideration on 27 June 2013.

**Report prepared by:**

**Approved for submission by:**

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**Sean Mallon**

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Corporate Planning and Reporting**

**Group Manager  
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### ATTACHMENTS:

Appendix 1: Summary of Submissions

Appendix 2: Proposed 2013 Amendment to the 2012 Long Term Plan