



# AGENDA

## Infrastructure Committee Meeting Tuesday, 28 January 2020

**Date** Tuesday, 28 January 2020

**Time** Following the Environmental Services Committee

**Location** Council Chamber  
Timaru District Council Building  
2 King George Place  
Timaru

**File Reference** 1310017

## **Timaru District Council**

**Notice is hereby given that a meeting of the Infrastructure Committee will be held in the Council Chamber, Timaru District Council Building, 2 King George Place, Timaru, on Tuesday 28 January 2020, at the conclusion of the Environmental Services Committee meeting.**

### **Infrastructure Committee Members**

Clrs Sally Parker (Chairperson), Paddy O'Reilly (Deputy Chairperson), Allan Booth, Peter Burt, Barbara Gilchrist, Richard Lyon, Gavin Oliver, Stu Piddington, Steve Wills and Nigel Bowen

Quorum – no less than 6 members

### **Local Authorities (Members' Interests) Act 1968**

Committee members are reminded that if you have a pecuniary interest in any item on the agenda, then you must declare this interest and refrain from discussing or voting on this item, and are advised to withdraw from the meeting table.

Ashley Harper  
**Senior Project Delivery Manager**

**Order Of Business**

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- 1 Apologies**
- 2 Identification of Items of Urgent Business**
- 3 Identification of Matters of a Minor Nature**
- 4 Declaration of Conflicts of Interest**
- 5 Chairperson's Report**

## **6 Confirmation of Minutes**

### **6.1 Minutes of the Infrastructure Committee Meeting held on 26 November 2019**

**Author:** Kate Walkinshaw, Executive Assistant, Infrastructure

#### **Recommendation**

That the Minutes of the Infrastructure Committee Meeting held on 26 November 2019 be confirmed as a true and correct record of that meeting.

#### **Attachments**

- 1. Minutes of the Infrastructure Committee Meeting held on 26 November 2019**



# MINUTES

## Infrastructure Committee Meeting Tuesday, 26 November 2019

Ref: 1310017

**Minutes of Timaru District Council  
Infrastructure Committee Meeting  
Held in the Council Chamber, Timaru District Council Building, 2 King George Place, Timaru  
on Tuesday, 26 November 2019 Following the Environmental Services Committee**

**Present:** Cr Sally Parker (Chairperson), Cr Paddy O'Reilly (Deputy Chairperson), Cr Allan Booth, Cr Peter Burt, Cr Barbara Gilchrist, Cr Richard Lyon, Cr Gavin Oliver, Cr Stu Piddington, Cr Steve Wills, Mayor Nigel Bowen

**In Attendance:** **Community Board Representatives**  
Temuka Community Board - Gaye Broker  
Point Community Board - John McDonald  
Geraldine Community Board - Wayne O'Donnell

**Council Officers**  
Group Manager Infrastructure (Ashley Harper), Governance Advisor (Jo Doyle)

**1 Apologies**

There were no apologies.

**2 Identification of Items of Urgent Business**

There were no urgent business items identified.

**3 Identification of Matters of a Minor Nature**

There were no minor nature matters identified.

**4 Declaration of Conflicts of Interest**

There were no conflicts of interest identified.

**5 Chairperson's Report**

The Chairperson reported on activities she had carried out since being appointed Chairperson at the Inaugural meeting on 31 October, including attending the District Bus Tour, meetings with the Group Manager Infrastructure and senior staff, and meetings with ECan in regards to On Demand Transport, attending the Christian Leaders lunch and visiting the Fire Station on Latter Street.

**Committee Resolution 2019/15**

Moved: Mayor Nigel Bowen

Seconded: Cr Peter Burt

That the Chairperson's report be noted.

**Carried**



## **6 Reports**

### **6.1 Canterbury Waste Joint Committee Programme Update**

The Committee considered a report by the Waste Minimisation Manager on the work of the Canterbury Waste Joint Committee. The work of the Waste Minimisation team was commended as the Timaru District Council has a leadership role in this field and will contribute significantly to the community, society and the future of our environment.

Council is represented on the Canterbury Waste Joint Committee by Clr Paddy O'Reilly.

#### **Committee Resolution 2019/16**

Moved: Cr Steve Wills

Seconded: Cr Barbara Gilchrist

That the Infrastructure Committee receives and notes the report.

**Carried**

### **6.2 Waste Minimisation Long Term Contract**

The Group Manager Infrastructure provided an update on the renewal of the Waste Minimisation contract.

Workshops were held earlier this year and good progress has been made with Waimate and Mackenzie District Councils collectively and it was noted that all parties are meeting their own costs for this work.

Initial phase of procurement has been completed and there are 7 registrations.

The current contract term is 15 years, this has been reviewed and contractors advised this was right at time it was set and have strongly recommended we remain with 15 years with the ability to commit resources to that term.

This contract is for a significant value, currently \$6m a year, however this will change with different options and lease arrangements that will transfer from lease cost to direct cost.

There was some discussion around the effect on the life of the Timaru landfill of Waimate and Mackenzie District Councils waste being disposed of at the Timaru facility.

However it was agreed that as a larger Council TDC needs to take the environmental lead and continue to support our neighbouring councils, but at the same time it is important that they also look at further recycling to reduce waste overall.

The Group Manager Infrastructure advised that he recently attended a Strategic contract meeting and major changes are happening in the recycling area and that over the next few months there will be further information to share. Glass appeared to be the most difficult recycled product to process, the colour differences and contamination issues may require separate glass collection in the future.

In regard to plastic recycling, the only market for these products is for the Type 1 and 2 plastic marked products, 3-7's are being placed in red bins in other Councils. Clr Gilchrist shared that there is a plant in the North Island that can deal with these products and there is interest in creating a plant in the South Island.

The possibility of using crushed glass for road building was discussed, Group Manager Infrastructure advised that it is still feasible to an extent, it needs to be crushed with aggregate and will not be suitable for all roads as it is very costly.

**Committee Resolution 2019/17**

Moved: Cr Peter Burt

Seconded: Cr Barbara Gilchrist

1. That the Infrastructure Committee receives and notes this report.
2. That Timaru District Council continues with the joint procurement process with Waimate District Council and Mackenzie District Council.
3. That regional processing of waste materials is approved in order that Waimate and Mackenzie District councils are able to :
  - (a) send their recyclables to the Timaru District Council Materials Recycling Facility
  - (b) send their green waste to the Timaru District Council Composting Facility
  - (c) dispose of their residual waste at the Timaru District Council Redruth landfill
  - (d) approval of (a), (b) & (c) are conditional on each council meeting the relevant waste acceptance criteria as outlined in the Timaru District Council Consolidated Bylaw 2018 Waste Minimisation chapter 14.
4. That the Timaru District Council approves the continuation of the procurement process for a waste minimisation services contract to be entered into for a term of 15 years with a maximum 5-year extension.

**Carried**

**5 Consideration of Urgent Business Items**

There were no urgent business items to consider.

**6 Consideration of Minor Nature Matters**

There were no minor nature items to consider.

**The Meeting closed at 11.42am.**

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**Chairperson**

**6.2 Minutes of the Downlands Water Supply Committee Meeting held on 2 December 2019**

**Author: Kate Walkinshaw, Executive Assistant, Infrastructure**

**Recommendation**

That the draft Minutes of the Downlands Water Supply Committee Meeting held on 2 December 2019 be received.

**Attachments**

**Nil**

# **MINUTES**

## **Downlands Joint Standing Committee Meeting**

**Monday, 2 December 2019**

**Minutes of Timaru District Council  
Downlands Joint Standing Committee Meeting  
Held in the Meeting Room 1, District Council Building, King George Place, Timaru  
on Monday, 2 December 2019 at 9am**

**Present:** Cr Richard Lyon, Mr John McDonald, Cr Sally Parker, Mayor Nigel Bowen, Cr Paddy O'Reilly, Cr Sandy McAlwee, Cr Stuart Barwood, Cr Bill Wright

**In Attendance:** Drainage and Water Manager (Grant Hall), Group Manager Infrastructure (Ashley Harper), Downlands Secretary (Kate Walkinshaw)

**1 Apologies**

Nil

**2 Identification of Items of Urgent Business**

The committee agreed to discuss the questions that have arisen out of the audit as a matter of urgent business.

**3 Identification of Matters of a Minor Nature**

The committee agreed to discuss a progress report on the Downlands Scheme, submission to Environment Canterbury's Plan Change 7 and the new government water regulations as matters of a minor nature.

**4 Declaration of Conflicts of Interest**

There were no conflicts of interest.

**5 Reports**

**5.1 Election of Chairperson**

The Group Manager Infrastructure opened the meeting and called for nominations for the Chairperson of the Downlands Joint Standing Committee. Mr John McDonald nominated Cr Richard Lyon as Chairperson, seconded Cr Sally Parker.

Mayor Nigel Bowen nominated Cr Sally Parker as Deputy Chairperson and seconded by John McDonald.

**Committee Resolution 2019/1**

Moved: Mr John McDonald

Seconded: Cr Sally Parker

That Cr Richard Lyon be elected as the Chairperson of the Downlands Joint Standing Committee.

**Carried**

**Committee Resolution 2019/2**

Moved: Mayor Nigel Bowen

Seconded: Mr John McDonald

That Cr Sally Parker be elected as the Deputy Chairperson of the Downlands Joint Standing Committee.

**Carried**

**5.2 Proposed Meeting Dates 2020**

This is the last meeting for 2019. The 2020 Downlands Joint Standing Committee meetings are proposed for –

- 17 February, including a tour of the scheme
- 15 June
- 30 November

It was agreed that Monday was still the preferable day to have meetings. It was agreed that the meetings would begin in the afternoon starting with lunch at 12:30pm.

The Tour of the scheme was confirmed to start at 9:00am on 17 February 2020 and to endeavour to do the full tour in one day.

**Committee Resolution 2019/3**

Moved: Cr Sally Parker

Seconded: Cr Stuart Barwood

That the proposed Downlands Joint Standing Committee meeting dates be approved.

**Carried**

**6 Consideration of Urgent Business Items**

Auditors approached the Group Manager Infrastructure in regards to the Downlands account which are run separately to Timaru District Council accounts. Auditors raised the question 'do TDC own 82% of the whole scheme or 100% of the 82% that is within the Timaru District Council boundary?'. The committee discussed the matter and resolved that it is a Council constitutional issue and each Council will need to address and answer the audit questions.

The committee discussed the matter and resolved that it is a Council constitutional issue and each Council will need to address and answer the audit questions.

The Downlands Joint Standing Committee acknowledge that they have been informed of the questions raised from the auditors and recommend that Council address the questions arising from the audit.

**Committee Resolution 2019/4**

Moved: Cr Stuart Barwood

Seconded: Cr Sally Parker

That the Downlands Joint Standing Committee acknowledge that they have been informed of the questions raised from the auditors and recommend that the individual Councils address the questions arising from the audit.

**Carried**

**7 Consideration of Minor Nature Matters****Scheme update report**

The Committee was provided with an update of the Downlands scheme report.

**Te Ana Wai Pipeline upgrade (Davison Road to Cave)**

Methodology for Contract 2338 – Te Ana Wai Pipeline upgrade (Davison Road to Cave) is discussed. The pipe runs at 25 bar, the highest pressure in the district. The contract works plan to install the trunk main in 5 sections with works beginning in February 2020. The technology is a first for New Zealand and a site visit will be held when works are underway so the committee can see how it works.

**Raw Water Storage Ponds**

The land purchase has been confirmed for the raw water storage ponds. Construction documents are currently being drafted and will go up for Tender before Christmas.

The raw water ponds will allow water to be turned off if the quality levels drop and will hold 10 days storage. There will also be a treated reservoir on site which has not been sized yet.

**Intake**

The design of the intake is well advanced. The raw water storage ponds will be completed first so they can be filled and potentially used while upgrading the intake in case of a decline in water quality.

**Treatment plant**

The consultants design was peer reviewed as requested and the recommendation was to proceed with the design which is to use raw water storage as a buffer which then allows Timaru District Council to just UV and chlorinate for 80 – 90% of the time. At other times the membrane filtration plant would be used. A report on the procurement process/strategy will be going to Tenders and Procurement committee on 10 December 2019.

**Plan Change 7**

It was noted that the previous Downlands Joint Standing Committee made submissions on Environment Canterbury Plan Change 7 to the Canterbury Land and Water Regional Plan through Timaru District Council as opposed to separate submission from Downlands.

**Government proposal on water**

The Government is proposing to have a single focused drinking water regulator based in Wellington overseeing 150 staff including 70 Drinking Water Assessors. It would be a single purpose entity.

The Government has also said after that it will review the style of the provision of water – whether council should still control or if a more regional approach would be beneficial.

The newly formed Aoraki Waters Collaboration have met and will have further consultation around the water issues.

**Management Support**

The Group Manager Infrastructure - Ashley Harper, explained his role and history within the Council and as adviser to the committee and his transition into a new role with Council in 2020. The Chair acknowledged and thanked Ashley for his contribution to the committee over the last 30 years.

**The Meeting closed at 10:31am.**

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**Chairperson**



**6.3 Minutes of the Extraordinary Infrastructure Committee Meeting held on 17 December 2019**

**Author:** Kate Walkinshaw, Executive Assistant, Infrastructure

**Recommendation**

That the Minutes of the Extraordinary Infrastructure Committee Meeting held on 17 December 2019 be confirmed as a true and correct record of that meeting.

**Attachments**

- 1. Minutes of the Extraordinary Infrastructure Committee Meeting held on 17 December 2019**



# MINUTES

## Extraordinary Infrastructure Committee Meeting Tuesday, 17 December 2019

Ref: 1310017

**Minutes of Timaru District Council  
Extraordinary Infrastructure Committee Meeting  
Held in the Council Chamber, Timaru District Council Building, 2 King George Place, Timaru  
on Tuesday, 17 December 2019 12.00pm**

**Present:** Cr Sally Parker (Chairperson), Cr Paddy O'Reilly (Deputy Chairperson), Cr Allan Booth, Cr Peter Burt, Cr Barbara Gilchrist, Cr Richard Lyon, Cr Stu Piddington, Cr Steve Wills, Mayor Nigel Bowen

**In Attendance:** Land Transport Manager (Andrew Dixon), Group Manager Infrastructure (Ashley Harper), Geraldine Community Board Chairperson (Wayne O'Donnell)

## **1 Apologies**

### **Committee Resolution 2019/18**

Moved: Cr Sally Parker

Seconded: Cr Peter Burt

That the apology from Cr Gavin Oliver be accepted.

**Carried**

## **2 Reports**

### **Arundel Belfield Road Seal Extension**

Discussions were held regarding the possible seal extension of an unsealed section of Arundel Belfield Road.

The Chairperson of Geraldine Community Board asked to speak on behalf of the Geraldine Community. The Board Chairperson and Cr Gavin Oliver have canvassed the local community, and although seal extensions are usually welcomed, there are major concerns that this could adversely affect other seal extensions they consider more important. The Community feel that this is too soon, and would like the focus to be a replacement two lane bridge at Orari. It was also noted that this bridge is on a State Highway which is the responsibility of the NZ Transport Agency.

### **Committee Resolution 2019/19**

Moved: Cr Steve Wills

Seconded: Mayor Nigel Bowen

That the current unsealed section of Arundel Belfield Road is maintained by renewing the gravel surface layer ensuring the road surface is well maintained.

**.Carried**

**The Meeting closed at 12.20pm.**

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**Chairperson**

## 7 Reports

### 7.1 Rangitata Flooding Event - Road Infrastructure Damage Funding

**Author:** Andrew Dixon, Land Transport Manager

**Authoriser:** Ashley Harper, Senior Project Delivery Manager

#### Recommendation

1. That the road infrastructure initial response and recovery local share costs associated with the December 2019 Rangitata River flood event up to a total cost of \$1,900,000 excluding GST, requiring a Council local share of \$817,000 excluding GST to be funded from the Council Disaster Relief fund.

#### Purpose of Report

- 1 To consider options and confirm how the road infrastructure initial response and recovery damage repairs from the December 2019 Rangitata River flood event are to be funded.

#### Assessment of Significance

- 2 This project has medium significance under the Council's Significance and Engagement Policy given the financial impact of the event and the extent of the affected residents.

#### Background

- 3 On 7<sup>th</sup> December 2019 the Rangitata River rose to flood levels that breached the river banks at Arundel and Rangitata with the South Branch of the Rangitata River taking water for the first time in over 20 years.
- 4 The resultant flooding significantly damaged local roads, State Highway 1 and the South Island Main Trunk Railway line. Also damaged were power transmission infrastructure and fibre optic communication cables.
- 5 The flooding and resultant road damage prevented all land transport access across the Rangitata River. Restoration priority was given to Route 72 and the Arundel Bridge that was re-opened at 12 noon on Monday 9<sup>th</sup> December 2019. This road became the SH1 bypass until Wednesday evening.

#### Discussion

- 6 The costs associated with the storm event were related to two phases, the initial response during the event and the recovery repairs after the event.
- 7 The initial first response included ensuring road safety though closing roads that were impassable, road flooding advisory signs, clearing blocked road culverts and drains, roving inspections of the network identifying issues, ensuring a prompt response and reporting including identifying the damage for repair. The cost of this initial response is expected to be approximately \$200,000 excluding GST.

- 8 The recovery involving the repair of road infrastructure damage has been estimated to cost \$1,700,000 excluding GST. Some initial repairs have been completed to get roads open to traffic but many are temporary in nature and further work is required to achieve a longer term solution.
- 9 The extensive damage was generally scouring of roads and bridge abutments from the river breakout flows and damage to roads from significant increase in traffic volumes whilst the local roads were being used as a SH1 bypass. There was also some scouring damage on the Rangitata Gorge Road from high rainfall. The scouring of the roads was significant and up to 3 metres in depth. This requires a complete rebuild of sections of roads that were affected. The road damage locations and photos are detailed in Attachment 1 and 2 respectively.
- 10 There is no insurance cover for road infrastructure assets. However, the NZ Transport Agency (NZTA) will provide financial assistance for the additional unanticipated and unbudgeted costs.
- 11 The Financial Assistance Rate (FAR) is based on the value of the emergency works. Based on the anticipated \$1.9 million emergency works repair cost the FAR would be 57%. This requires a local Council share of \$817,000.
- 12 NZTA representatives have inspected the Council road damage from the flood event and are fully supportive of the repair approaches and the cost. It is highly likely that our request for emergency works funding will be approved.
- 13 The repair/recovery work is being carried out under the road maintenance contract. A significant portion of the work has been completed to provide vehicle access to properties, many of these being dairy farms.
- 14 It should be noted that a section of Ferry Road that used to be a through road from Arundel to Peel Forest is impractical and uneconomic to repair with the Rangitata River channel now aligned where the road used to be. This road had an average daily traffic of only 18 vehicles per day and alternative access is available.
- 15 The repairs are planned to be completed over the next four months with some remaining temporary repairs as some water continues to flow from springs and seepage through river bunds.

### **Options and Preferred Option**

- 16 Three options have been identified to fund the Timaru District Council local share portion of the road infrastructure initial response and the repair work.
- 17 Option 1 is to fund the extraordinary expenditure associated with the Rangitata River flood event from Council Disaster Relief fund. This would allow the normal programmed road maintenance and renewals to continue and maintain the current level of service for the 2019/20 annual plan year. This is the preferred option.
- 18 Option 2 is to fund the extraordinary expenditure from current road maintenance budgets. To manage the cost of the emergency event within existing budgets would require a significant reduction in the maintenance and subsequently the level of service of roads, particularly on low volume rural and urban roads. If this option was chosen there would be no additional financial assistance from NZTA as existing allocations will be used. Given the commitments and expenditure to date the costs of this additional emergency works may not be fully accommodated in current budgets.
- 19 Option 3 is a combination of options 1 and 2.

### Consultation

- 20 Consultation is not considered to be required for this matter given the emergency nature and the roads being generally reinstated to existing levels of service.

### Relevant Legislation, Council Policy and Plans

- 21 Land Transport Management Act 2003. This is the legislation that determines financial assistance from NZTA.
- 22 Timaru District Long Term Plan and Annual Plan that outline current funding budgets and levels of service.
- 23 Local Government Act 1974 – This legislation provides Council the authority to maintain roads.
- 24 Council Disaster Relief fund policy that provides funding “for the replacement of infrastructure assets in the event of a natural disaster.” This fund is maintained by an annual allocation from rates.

### Financial and Funding Implications

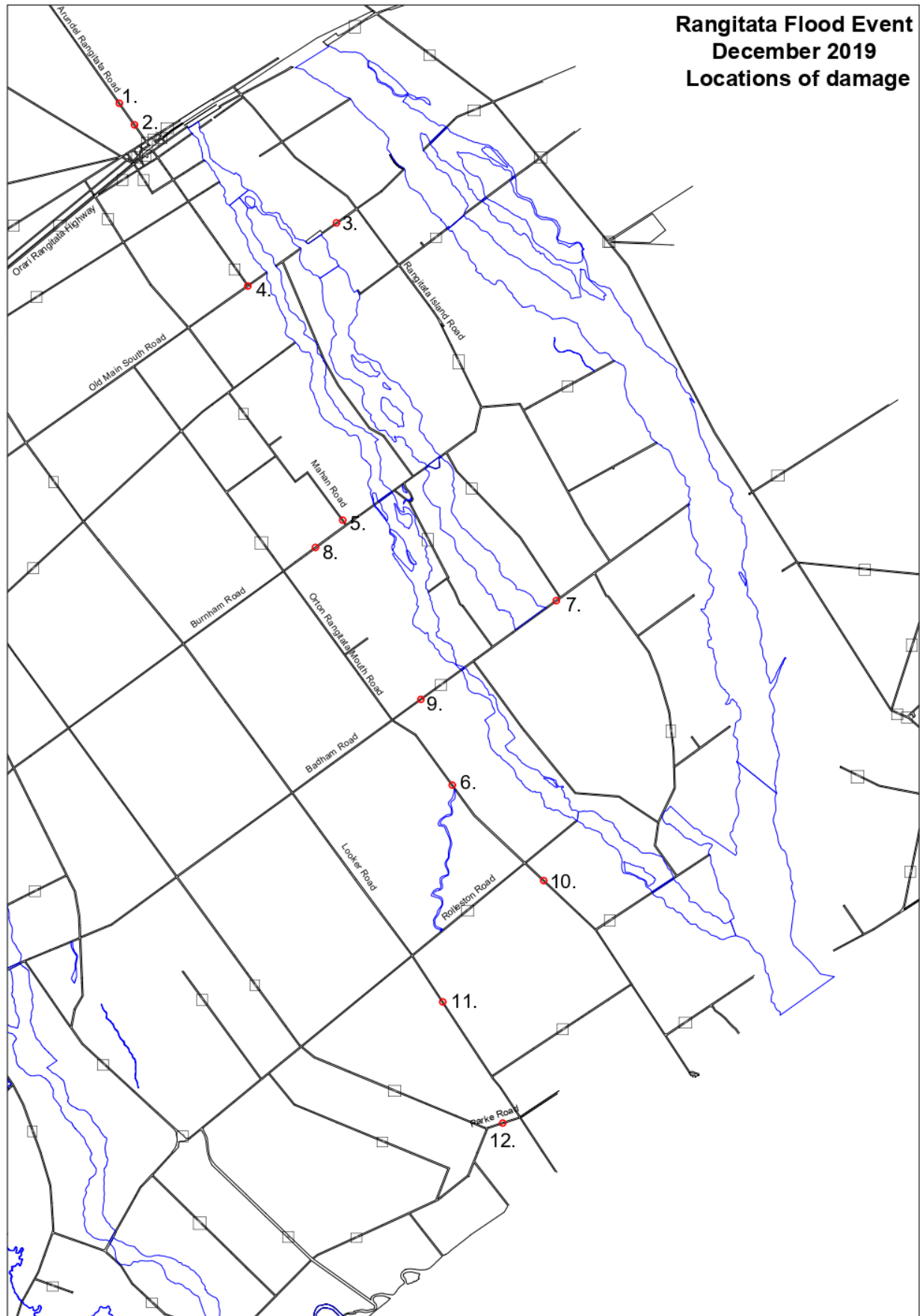
- 25 The financial implications are outlined in this report.
- 26 The Disaster Relief fund currently has a balance of \$2,476,000. This fund is “topped up” by \$200,000 excluding GST annually from rates. The concept of this fund is to ensure there is funding available for when disasters strike. The funding requested from this fund for the road recovery is \$817,000 excluding GST.

### Other Considerations

- 27 With local Timaru District Council roads being used as a SH1 bypass for a short period of time there was a significant increase in traffic volumes. This increased the rate of deterioration of some roads and contributed to the loss of some useful life. The resulting consequence is that some road renewals are now required earlier than previously planned.
- 28 We have discussed this issue with NZTA and additional financial assistance is being sought to assist with the increased renewal work expected. This is separate to the emergency works claim submission.

### Attachments

1. **Attachment 1 - Road Damage Locations Map**  
2. **Attachment 2 - Road Damage Photos**  



**Rangitata Flood Event December 2019 - photographs of damaged locations**

1. Arundel Rangitata Road looking West



2. Arundel Rangitata Road looking East



3. Old Main South Road looking South



4. Old Main South Road looking North



5. Mahan Road/Burnham Road intersection



6. Orton Rangitata Mouth Road looking East



7. Badham Road looking South



8. Burnham Road looking North



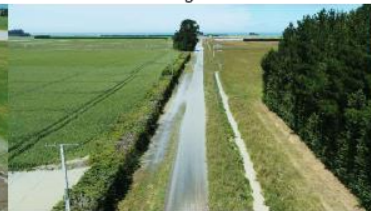
9. Badham Road looking North



10. Orton Rangitata Mouth Road looking East



11. Looker Road looking East



12. Parke Road looking West





## 7.2 Reducing Waste: A More Effective Landfill Levy Consultation Submission

**Author:** Fabia Fox, Policy Analyst  
Ruth Clarke, Waste Minimisation Manager

**Authoriser:** Ashley Harper, Group Manager Infrastructure

### Recommendation

That the Infrastructure Committee provides feedback for inclusion in the draft submission to the Reducing Waste: A More Effective Landfill Levy consultation, and provisionally approves the submission.

### Purpose of Report

- 1 To present the Infrastructure Committee with the draft submission to the Reducing Waste: A More Effective Landfill Levy consultation for feedback and provisional approval. The draft submission is attached.

### Assessment of Significance

- 2 Council's submission to the landfill levy consultation is assessed as having low significance. If, following the consultation process, the government implements the proposed changes to the landfill levy, this is estimated to be of low to medium significance for households and businesses in the Timaru District with increased waste management costs. The impacts of any changes to the landfill levy will be appropriately communicated with the community and may be offset by increased opportunities for minimising/diverting waste.

### Background

- 3 New Zealand has one of the highest rates of per capita waste production in the developed world. Further, the capacity to process this waste onshore is very limited. It is recognised that more funding to develop infrastructure within New Zealand as well as financial incentives are needed to reduce the amount of waste being sent to landfill and to process recyclable materials onshore as international markets diminish.
- 4 On behalf of the sector, Local Government New Zealand (LGNZ) has been strongly lobbying the government to increase efforts to reduce New Zealand's waste. Recommendations for priority work to be undertaken by the government include:
  - Adopting a New Zealand-wide strategic approach to the collection, and processing of recyclable materials;
  - Establishing a container deposit scheme in consultation with local government in order to lift recycling rates;
  - Declaring tyres, agricultural chemicals and plastics as priority products under the Waste Minimisation Act 2008;
  - Expanding the Waste Disposal Levy and progressively raising the levy rate in order to reduce total waste to landfills; and

- Implementing a comprehensive and mandatory product stewardship programme for tyres; electronic products; agrichemicals; refrigerants; farm plastics and packaging.
- 5 This work was undertaken following the presentation of a remit to the 2018 LGNZ Annual General Meeting calling for the increase and expansion of the landfill levy. The remit was passed with the support of 76% of member councils. The Timaru District Council supported the remit.
- 6 Since 2018 the government has advanced many of these proposals. In August 2019 the government consulted on a proposed priority products and mandatory stewardship scheme. In September 2019 it was announced that work had begun to develop a beverage container deposit scheme to incentivise higher recycling rates.
- 7 It is recognised that these proposals will help to ensure that the responsibility for effective material and waste management sits with product manufacturers, importers, retailers and users, rather than on communities, councils and the environment.
- 8 In November 2019, the Ministry for the Environment announced a proposal to introduce a more effective landfill levy. The summary consultation document is attached. The key proposals include:
- Encouraging more reuse and recycling by progressively increasing the levy rate for landfills that take household waste from the current \$10 per tonne (set in 2009) to \$50 or \$60 per tonne by mid-2023.
  - Evening the playing field by expanding the landfill levy to cover all landfill types including industrial, and construction and demolition fills at a proposed rate of \$10 or \$20 per tonne depending on the type of landfill.
  - Improving the way waste is managed across the country by collecting better data about the waste being created, and how it is being disposed of. This includes establishing a central record of landfills, cleanfills and transfer stations; collecting data on materials disposed of at landfills, cleanfills and transfer stations; including overall waste quantities, the amount of material diverted away from landfill, and the activity and geographic source of materials landfilled and diverted.
  - Requiring local authorities to report how they spend levy revenue received and their performance in achieving waste minimisation.
  - Investing the additional landfill levy revenue in solutions that support waste reduction, such as building New Zealand-based recycling and reprocessing infrastructure to recover more materials.
- 9 The landfill levy was introduced in 2009 under the Waste Minimisation Act 2008 (WMA). The levy rate was set at \$10 per tonne, and only applies to municipal landfills that take household waste. The Council-owned Redruth Landfill is a municipal landfill.<sup>1</sup>
- 10 Under the WMA, money raised by the levy is used to fund investment through territorial authorities. Fifty per cent of all the levy raised is apportioned to territorial authorities based on population. Territorial authorities are required to use the levy funding they receive on matters that promote or achieve waste minimisation, and in accordance with their Waste Management and Minimisation Plan (WMMP).

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<sup>1</sup> Of the 427 consented landfills in New Zealand, only 41 are municipal landfills which attract the landfill levy.

- 11 The levy also funds the national contestable Waste Minimisation Fund which supports projects that promote or achieve waste minimisation.

### Discussion

- 12 Council's submission to the proposed changes to the landfill levy has been drafted based Council's support for the remit presented to the LGNZ Annual General Meeting in 2018 and draws on Council's vision for, and strategic approach to, waste management and minimisation in the Timaru District.
- 13 As both the owner of a municipal landfill which pays the landfill levy, and a territorial authority which receives funds for waste minimisation initiatives, these proposals are significant for Council's Waste Minimisation activity and will also have an impact on households and businesses in the district as consumers of waste management services.
- 14 At a strategic level, the proposals' intentions to encourage more reuse and recycling through expanding the waste levy are in line with Council's WMMP, which was adopted in July 2018. Council's vision for waste minimisation is:

"A sustainable community that is able to reuse, recycle and recover discarded resources and minimise residual waste to landfill, while ensuring protection of public health and the environment."
- 15 Expanding the levy to include landfills used for industrial and construction waste also aligns with a guiding principle of Council's WMMP: that waste generators are responsible for paying the true cost of managing their waste.
- 16 The direct cost of the increased levy will be borne by landfill operators. For the 2018/19 year Council paid the Ministry for the Environment approximately \$350,000 in waste levy.<sup>2</sup> If the levy increases to \$20, and the tonnage of waste disposed of at Redruth remains the same, the levy paid by Council would increase to approximately \$700,000 annually. A \$60 per tonne levy would result in approximately \$2 million of charges.
- 17 In line with Council's current approach to funding the Waste Minimisation activity, the increased levy would be passed on to users by way of gate charges at the transfer stations and the targeted Waste Management rate for kerbside collection.
- 18 The impact on households of the increased levy is likely to be at the low end of the scale as the current landfill levy costs represent as little as approximately 2% of the total household waste disposal costs.<sup>3</sup>
- 19 Larger producers of waste will likely be more exposed to cost increases, particularly those using industrial monofills and construction and demolition fills which are not currently levied. However, larger businesses are more likely to be able to use efficiencies of scale to minimise waste. The levy increase would create direct incentives for reducing waste production and potentially increase revenue from reuse or recycling of materials.
- 20 The increase in the levy will result in a direct benefit to Council as there will be a proportional increase in the amount of funding Council receives from the Ministry for the Environment for local waste minimisation priorities. Council received \$181,000 of the levy in 2018/19, more

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<sup>2</sup> The majority of these funds are collected directly as gate fees from the weigh bridge. The rest are funded through the targeted Waste Management rate.

<sup>3</sup> Based on data from the Ministry for the Environment.

than 50% of the total levy paid from the Redruth landfill. This revenue to Council would likely increase as the levy is extended beyond municipal landfills.

- 21 Other benefits of the proposals are dependent on the consumer response to the expanded levy. There are opportunities for increased revenue from resources that are diverted from landfill and savings from avoided costs under both the Emissions Trading Scheme and the Waste Levy implementation.
- 22 Council is reasonably well placed to meet the proposed mandatory reporting requirements for waste quantities, activity source and geographic source of waste, and the performance of waste management and minimisation activities. Some investment will be required to upgrade reporting systems and to resource the increased workload in this area. The improved data will assist with Council's six-yearly waste assessment and the ability to set and meet minimisation targets set in the WMMP.

### **Options and Preferred Option**

- 23 The Infrastructure Committee provides feedback for inclusion in the draft, and provisionally approves the submission. This is the preferred option.
- 24 The Infrastructure Committee does not wish to make a submission.

### **Consultation**

- 25 No consultation has been carried out, or is planned, for the preparation of this submission.

### **Relevant Legislation, Council Policy and Plans**

- 26 *Waste Minimisation Act 2008*: This Act establishes the waste disposal levy including how, and to which waste facilities the levy is imposed (currently only municipal landfills), the rate of the levy (currently \$10 per tonne), and the distribution of funds raised by the levy. The Act also legislates the responsibilities of territorial authorities in relation to waste management and minimisation, including the requirement to adopt a waste management and minimisation plan.
- 27 *Timaru District Waste Management and Minimisation Plan 2018-28*: This plan provides a framework for the delivery of waste management and minimisation services. The plan also sets goals and objectives to meet Council's vision of a sustainable community that is able to reuse, recycle and recover discarded resources and minimise residual waste to landfill, while ensuring protection of public health and the environment.



### **Financial and Funding Implications**

- 28 The Waste Minimisation budget for the 2020/21 Annual Plan will be prepared in anticipation of an increase in the waste levy to \$20 per tonne from 1 July 2020 (Option A).
- 29 Once the government announces its decision on waste levy, Council officers will include all changes in the Long Term Plan, activity management and budgeting process.

### **Other Considerations**

- 30 The consultation closes on 3 February 2020, with final policy decisions expected to be made by the government by mid-2020. Depending on these decisions, the landfill levy changes will be implemented between July 2020 and July 2023.

**Attachments**

1. **Reducing Waste - A More Effective Landfill Levy - Summary Document** [!\[\]\(86b7331e04fe40a56bcff2e9c065738b\_img.jpg\)](#) 
2. **Timaru District Council Draft Submission to Landfill Levy Consultation** [!\[\]\(497b6684f704c0aa6fbea9f0fd4d56c7\_img.jpg\)](#) 



# Reducing waste: a more effective landfill levy

Summary document



New Zealand Government

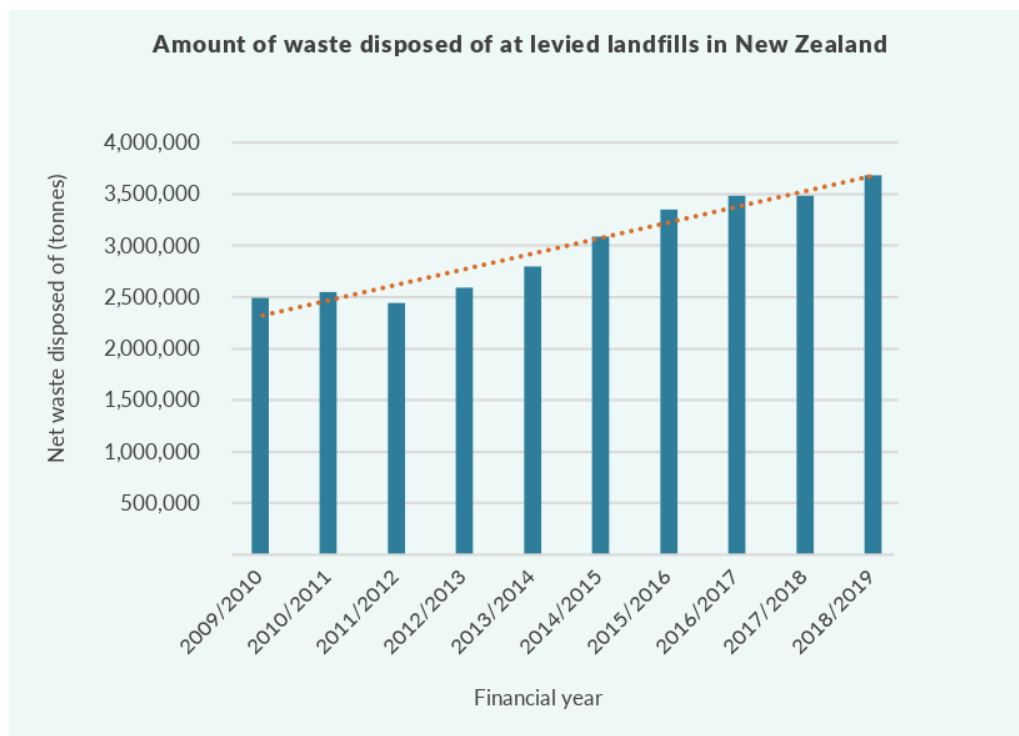
## New Zealand's waste problem

New Zealand has a waste problem. We lag behind other countries in our reuse and recycling rates, and are disposing of more and more waste into landfill. We have one of the highest rates of per capita waste production in the developed world.

We have limited infrastructure (such as recycling facilities) for processing waste materials within New Zealand. We used to send products like plastics and paper overseas for recycling but other countries are increasingly placing restrictions on the waste they will accept.

We have limited data on waste and recycling. This makes it difficult to identify opportunities to reduce waste and measure how well we are doing at reducing waste.

New Zealanders have recognised our waste problem and its effects on the environment, and want to see improvements. Local government has called for change. A 2018 Ministry for the Environment survey showed we rank waste as one of the three most important challenges facing our country in the next 20 years.



Note: This graph shows waste disposed of at landfills subject to the levy (currently class 1 landfills that receive household waste and other waste types). Not all landfills in New Zealand are subject to the levy, with the country's total waste tonnage likely to be more than double than what is shown in the graph.



## The landfill levy

Much more could be done to reduce waste and reverse recent trends. We need to provide the right infrastructure, services and incentives so sending waste to landfill is no longer the cheapest and easiest option.

We have the opportunity to change how we do things and the Waste Disposal Levy ('landfill levy') is an important tool to help us:

- ▶ create an economic disincentive to producing and disposing of waste
- ▶ raise revenue to invest in waste minimisation, including local infrastructure for materials reprocessing
- ▶ make alternatives like reuse and recycling more competitive (as landfilling becomes more expensive).

We already have a landfill levy but it's too low and applies to too few landfills to be working well.

## What is being proposed?

The Government is proposing to increase the landfill levy and apply it to more types of waste.

The levy is currently \$10 per tonne of waste which is low by international standards. The levy is only charged at landfills that take household waste, accounting for around only 40% of total waste sent to landfill.

Strong calls to increase the levy and expand its coverage have come from local government. The Tax Working Group, the Organisation for Economic Co-operation and Development (OECD), and the New Zealand Productivity Commission have also made similar calls.

Increasing the levy will better reflect the full environmental, social and economic costs of waste disposal and encourage materials to be reused and recycled rather than sent to landfill. This will help make our economy more efficient and help create jobs.

The Government is also proposing to collect better data about waste.

Proposed changes to levy rate and coverage	Proposals for improved waste data
<p><b>Increase the levy for landfills that take household waste</b></p> <ul style="list-style-type: none"> <li>▶ We propose increasing the levy rate in stages from the existing \$10 per tonne to \$50 or \$60 per tonne by 2023.</li> </ul> <p><b>Apply the levy to more landfills</b></p> <ul style="list-style-type: none"> <li>▶ We propose applying the levy to all landfills, except cleanfills or farm dumps.</li> <li>▶ This includes landfills taking construction and demolition waste, industrial waste, and those that take largely inert materials like rubble and soils. For these landfill types, the levy would be either \$10 or \$20 per tonne of waste disposed.</li> </ul> <p>The proposed changes would be phased in so businesses, councils and the Government have time to get ready for them. The table opposite shows four options for levy rates and phasing.</p>	<p>Proposals to improve the data collected and provided to government include:</p> <ul style="list-style-type: none"> <li>▶ establishing a central record of landfills, cleanfills and transfer stations</li> <li>▶ collecting data on materials disposed of at landfills, cleanfills and transfer stations; including overall waste quantities, the amount of material diverted away from landfill, and the source of materials landfilled and diverted</li> <li>▶ requiring councils to report how they spend levy revenue they receive, and their performance in achieving waste minimisation.</li> </ul>



Proposed options: levy rate and coverage				
Landfill types	A (Increase then expand)	B (Expand and increase)	C (Expand then increase)	D (Expand then higher increase)
Municipal landfills (class 1)	\$20 1 July 2020 \$30 1 July 2021 \$50 1 July 2022	\$20 1 July 2021 \$30 1 July 2022 \$50 1 July 2023	\$30 1 July 2022 \$50 1 July 2023	\$30 1 July 2022 \$60 1 July 2023
Industrial monofills (class 1) and Construction and demolition fills (class 2)	\$20 1 July 2021	\$20 1 July 2021	\$10 1 July 2021 \$20 1 July 2023	\$10 1 July 2021 \$20 1 July 2022
Contaminated soils and inert materials (managed and controlled fill sites; class 3 and 4)	\$10 1 July 2023	\$10 1 July 2023	\$10 1 July 2023	\$10 1 July 2023

All figures are GST exclusive

## The levy will be invested in achieving a low-waste future for New Zealand

A low-waste future for New Zealand is one where less waste is produced and where significantly more materials are reused and recycled rather than going to landfill. It requires targeted investment, including to develop large-scale resource recovery infrastructure. New Zealand needs to deal with its own waste rather than relying on sending it overseas.

Investment is needed at every stage of a product's lifecycle, from more thoughtful product design that considers how products will be disposed of at the end of their lives, to comprehensive and accessible recycling services for a wide range of waste.

Investment might include:

- ▶ increased on-shore processing and manufacturing capacity for plastics, paper and glass
- ▶ investment in improving the quality of our recycling commodities (such as better systems for collecting and sorting materials)
- ▶ investment in new services such as kerbside collection of organic materials like food and green waste.

There is already a broad waste reduction programme underway. This includes the design of a modern Container Return Scheme, the recent ban on single-use plastic shopping bags and developing regulated product stewardship schemes. Work is also in progress to improve New Zealand's resource recovery and recycling sector in response to international restrictions on exporting waste.

Improving the effectiveness of the landfill levy is a major part of this wider work programme.

The Government's proposals to increase the levy and expand its coverage would significantly grow levy revenue from approximately \$30 million currently to around \$220-\$250 million per annum by 2023. We intend to develop an investment plan to ensure this levy revenue is spent where it can be most effective.


## What will this mean for me or my business?

The direct costs of an expanded and increased levy will be borne by landfill operators, who are likely to pass these costs on to customers. Landfill operators are likely to adjust their pricing and practices in different ways.

In general, the impact on individual households or businesses is likely to be at the low end of the scale, while larger producers of waste may be more exposed to any cost increases.


Below are two **examples** of how costs may change under a new levy regime.

**1. Domestic rubbish bag**



**NOW**

at \$10/tonne levy  
1 bag = 6.5 cent levy



**PROPOSED**

at \$60/tonne levy  
1 bag = 39 cent levy

Councils may pass on cost increases by raising the cost of a domestic rubbish bag.

Using the above example, a rubbish bag that currently retails for \$2.50 (GST included) could retail for \$2.83 under the maximum proposed rate of a \$60/tonne levy regime.

This example assumes that the council passes the higher levy cost directly to the purchaser; that the levy rate reaches \$60 per tonne, which is the maximum rate proposed; and that an average-sized rubbish bag weighs 6.5 kg.

**2. Waste from a house build and demolition**



The landfill levy could increase the levy-related costs of disposing waste from the average **house build** from less than \$10 at present to between \$70 and \$75.

Currently, the levy-related cost of disposing waste from a **house demolition** is estimated to be around \$25. This could rise to between \$280 and \$300 under the proposed levy rates (with opportunities to minimise or avoid these costs if more construction materials are recovered).

Assumptions behind these construction and demolition examples are described in the 'Impacts of proposals' section of the consultation document (accessible at [www.mfe.govt.nz/consultations/landfill-levy](http://www.mfe.govt.nz/consultations/landfill-levy)).



## Having your say

The Government is interested in your views about the proposals summarised in this document.

To read about the proposals in more detail, download the consultation document from our website at: [www.mfe.govt.nz/consultations/landfill-levy](http://www.mfe.govt.nz/consultations/landfill-levy).

Submissions close at **5pm on Monday 3 February 2020**.

You can make a submission in two ways:

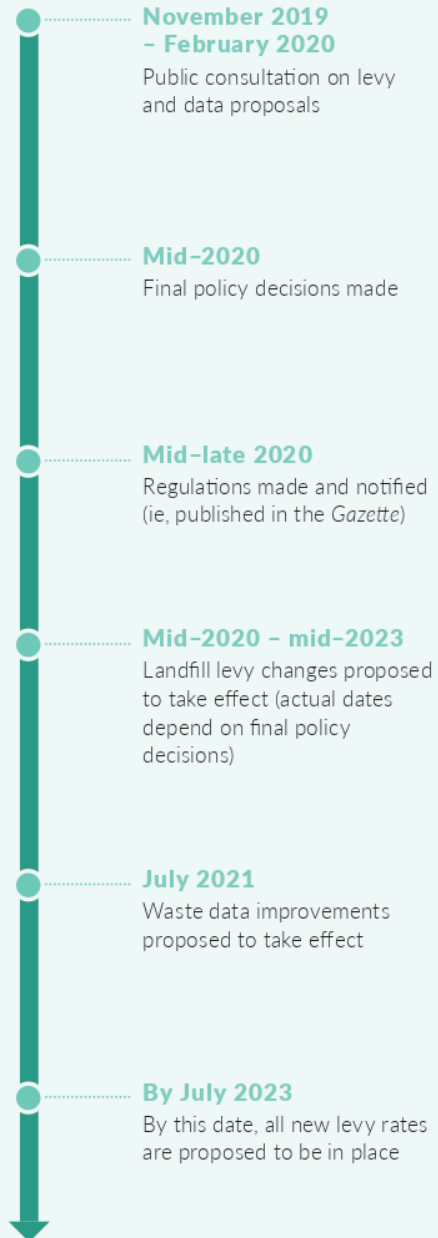
1. Use our online submission tool, available at: [www.mfe.govt.nz/consultations/landfill-levy](http://www.mfe.govt.nz/consultations/landfill-levy). This is our preferred way to receive submissions.
2. Write your own submission by answering the questions in the consultation document.

Post your submission to:  
Landfill Levy Consultation  
Ministry for the Environment  
PO Box 10362  
Wellington 6143.

Email your submission (as a PDF or Word document) to:  
[LandfillLevyConsultation@mfe.govt.nz](mailto:LandfillLevyConsultation@mfe.govt.nz)

Direct any queries to:  
[LandfillLevyConsultation@mfe.govt.nz](mailto:LandfillLevyConsultation@mfe.govt.nz)

## Timeline



Making Aotearoa New Zealand  
the most liveable place in the world  
Aotearoa - he whenua mana hua mō te tangata

Published by the Ministry for the Environment  
November 2019  
INFO 920

# **Timaru District Council**

## **Submission on the Reducing Waste: A More Effective Landfill Levy Consultation**

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### **To the Ministry for the Environment**

#### **Introduction**

1. This submission is made by the Timaru District Council, 2 King George Place, Timaru. The contact person is Ruth Clarke, Waste Minimisation Manager, Timaru District Council. Ruth can be contacted at Timaru District Council, phone (03) 687 7200 or [ruth.clarke@timdc.govt.nz](mailto:ruth.clarke@timdc.govt.nz).
2. The Timaru District Council thanks the Ministry for the Environment for the opportunity to provide feedback to the proposed changes to the landfill levy.
3. Timaru District Council owns and operates Redruth Resource Recovery Park (RRRP), a comprehensive site incorporating Timaru's main transfer station, compost processing facility, Materials Recovery Facility, reuse shop and a municipal landfill. Council also owns and operates three rural transfer stations and receives municipal waste from one other territorial authority; Waimate District Council.
4. All materials received at the RRRP are weighed and declared in accordance with the Waste Minimisation Act 2008 (WMA).
5. Council's vision for waste minimisation, adopted as part of our Waste Management and Minimisation Plan 2018, is "a sustainable community that is able to reuse, recycle and recover discarded resources and minimise residual waste to landfill, while ensuring protection of public health and the environment."
6. The Timaru District Redruth Landfill is the only municipal landfill serving the South Canterbury region and one of the objectives is to prolong the life of the site as much as possible, through implementing waste reduction and resource recovery initiatives. Once the site is full there is no opportunity to extend the landfill at that location.
7. Council has supported Local Government New Zealand's calls for the Government to take more direct action to increase funding for onshore recycling capabilities and to reduce the amount of landfilled waste. We now welcome the Government's plan to increase and expand the landfill levy that helps to fund waste minimisation projects.
8. If well implemented, following full and genuine consultation with local government and other key stakeholders, Council believes that these proposals will encourage more reuse and recycling, and help fund much needed recycling and reprocessing infrastructure in New Zealand.
9. This submission will respond to the consultation questions which address issues directly related to Council's waste minimisation activity and are likely to have a significant impact on our communities.

**Do you agree the current situation of increasing amounts of waste going to landfill needs to change?**

10. Council acknowledges the need for a step-change in nation-wide efforts to reduce the amount of waste going to landfill. For this to be effective, change is required at national, regional and local levels.

11. In 2006/07 the Timaru District Council implemented the first 3-bin system in New Zealand, diverting significant quantities of municipal waste from landfill via an organics bin and recycling bin. This system has also been supported by 22 additional waste minimisation programmes. Despite our sector-leading approach, the waste-to-landfill figures have remained relatively static, with no discernible decrease in waste between 2014 and 2019, and a slightly increasing trend is predicted for the next few years.

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Waste tonnes	29,536	31,012	17,143	18,224	19,843	26,890	26,638	28,114	26,874	29,141

Note: The low period from 2012-2014 was due to commercial waste leaving the district and is unrelated to the levy.

12. This shows that, despite extensive efforts to reduce waste, other factors, including population growth, consumer behaviour and the lack of manufacturer buy-in to waste reduction, remain stronger drivers of increased waste production than minimisation efforts are a deterrent. Council agrees that in this instance, legislative and regulatory intervention is necessary to offset these drivers of waste production.

**Do you think that the landfill levy needs to be progressively increased to higher rates in the future (beyond 2023)?**

13. Council supports a progressive increase in the levy. In line with the Local Government Waste Manifesto, we believe that increasing and expanding the landfill levy is the most powerful tool available to the Government to drive this necessary change.

14. The current \$10 per tonne levy is too low to be effective at improving waste reduction behaviour for individuals, households, commercial groups and manufacturers. Equally, the funds generated by this levy are too little to pay for the necessary infrastructure and systems to deliver an effective onshore recycling programme.

15. Our current waste charges (detailed below) coupled with our 3-bin system, have, in some cases encouraged diversion. Council has proactively increased waste charges relative to recycling and organics to incentivise separation and diversion of materials. However, in both the public and commercial sectors, this appears to have had minimal effect, with waste that could have been diverted, continuing to be disposed of to landfill. User of the transfer station still choose convenience over cost. Often the materials which could be diverted are at no charge, such as cardboard and scrap metal, or at relatively low charges such as green waste.

16. A significant and progressive increase in the cost of waste disposal at a national scale is required to effectively eliminate unnecessary waste as a viable option.

Type	Public Waste	Commercial Waste direct to Landfill	Public Organics	Commercial Organics direct to Facility	Public Recycling	Commercial Recycling
Charge (per tonne)	\$220	\$184	\$76	\$66	Free	\$51

Timaru District Council Waste Fees 2019/20

17. There is concern that a significant increase in the landfill levy, coupled with the signalled price increase in Emissions Trading Scheme Units, could heighten the potential for fly tipping, with the total cost of waste disposal at Redruth landfill rising.
18. To offset this risk, it is important that waste minimisation initiatives, documented in council's WMMPs, are well designed and ready for implementation in conjunction with the levy increase. The benefits of these levy-funded projects must be visible and accessible to public and commercial users of waste services to help offset potential dissatisfaction with the rising costs.
19. Transparency and accountability of the use of the increased levy funding, at both a national and local level will be essential for maintaining public support for the levy, and ensuring the success of minimisation efforts.
20. International examples of landfill levies provided in the consultation document indicate New Zealand's \$10 per tonne is far lower all Australian states (excepting Tasmania). Council supports increasing the levy to as much as \$60 per tonne in 2023 and believes that in order to meet waste diversion and minimisation aims the levy will need to continue to increase further beyond 2023.
21. Council recommends that the Ministry sets the levy increases for a ten-year period to align with local government ten-year planning cycles. The more certainty that can be provided to territorial authorities with regards to the forecasting of revenue streams like the landfill levy, the higher quality of planning for waste minimisation projects. This will likely result in better outcomes for these projects.

**Do you support expanding the landfill levy to more landfills including industrial monofills; non-hazardous construction, demolition waste; contaminated soils and inert materials?**

22. Council supports the expansion of the levy to include industrial monofills, and construction and demolition fills. Significant diversion and minimisation opportunities exist for these sites. Their exemption from the current levy severely limits the possibilities of meeting the aims of the WMA.
23. The expansion of the levy also aligns with a guiding principle of the Timaru District WMMP: that waste generators are responsible for paying the true cost of managing their waste.
24. More consideration given to the treatment of contaminated soils. Council considers

that an exemption should be made for low-level contaminated soils meeting recreational guidelines that can be beneficially reused.

25. A levy should not apply to soil if the following conditions are met:

- i. Where the soil is used beneficially within a landfill (e.g for cover or capping);
- ii. The soil has a particle size of less than 100mm and it is spreadable using standard construction equipment;
- iii. The moisture content is greater than 20%; and
- iv. The leachability and/or the contaminant total concentration levels are below the waste acceptance criteria either through treatment or naturally.

26. The receipt of soil materials is required for the daily and intermediate cover of many landfills, including Redruth. This covering of waste is critical for landfill environmental performance and to meet consent conditions. Many landfills, including Redruth, are filled from a ground level meaning there is no opportunity to excavate materials at the site and so there is total reliance on imported materials for cover. The levy should not apply to such materials.

27. Timaru District Council also receives material from a local soil remediation company. They work closely with Council to ensure their material is treated and tested to meet waste acceptance criteria for low-level contaminated soil. This provides them with an appropriate disposal location and gives Council a higher degree of assurance in the analysis and reporting of these materials and assures the landfill operator of an ongoing supply of cover material.

28. The following table shows the annual tonnes of waste and cover materials received for use as daily and intermediate cover. Incoming material is utilised as it is received.

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Waste tonnes</b>	29,536	31,012	17,143	18,224	19,843	26,890	26,638	28,114	26,874	29,141
<b>Cover tonnes</b>	11,774	69,434	32,601	15,722	35,848	37,261	33,135	29,956	27,614	24,101

29. The application of the levy to this material could significantly impact on the amount of daily cover coming into municipal landfills like Redruth, particularly if cleanfill sites remain unleveled. Sourcing alternative cover materials would add further cost to municipal landfills.<sup>4</sup>

30. Asbestos-contaminated soils are currently charged at the full waste rate as there is a requirement to bury this material. The levy should continue to apply to this sort of material as it cannot be used beneficially.

**Do you think that some activities, sites, or types of waste should be excluded from**

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<sup>4</sup> Council notes that in the past, a low rate of approximately \$6 per tonne was applied to low-level contaminated soil and this considerably decreased the amount of soil coming to the landfill. This shows that the receipt of suitable material for daily cover of the landfill is price sensitive.

**being classified as disposal facilities subject to the landfill levy, including cleanfills, farm dumps, and any others?**

31. Council acknowledges the limited data currently available on cleanfill sites and farm dumps. Until accurate information can be obtained and an equitable system designed, Council believes that these sites should be excluded from the levy.
32. Council supports WasteMINZ's recommendation that the Ministry for the Environment establish and implement a programme of work to identify and register cleanfills and farm dumps and investigate how they can be monitored to prevent their misuse as a way to avoid the levy.
33. Council supports the development of rural programmes as a priority to reduce rural waste being disposed of in farm dumps. Council has worked closely with the Rural Waste Minimisation Project, led by Environment Canterbury in conjunction with the Ministry for the Environment, who ran two pilot pop-up recycling events at the Geraldine Transfer Station. These events were highly successful and demonstrate the willingness of farmers to improve their waste disposal practices when recycling opportunities and facilities are in place.
34. Cleanfills should not be permitted activities above a certain volume of annual fill and better regulation of existing cleanfills is required to confirm suitable site management plans are in place. These plans should demonstrate that the operator is ensuring negligible environmental discharges and that the site has appropriate acceptance criteria based on the localised background soil acceptance criteria.

**Do you have any views on how sites that are not intended to be subject to a levy should be defined (eg remediation sites, subdivision works?)**

35. Waste material relocated from a closed landfill at risk of rising sea levels or flood waters, for the purposes of environmental protection, should be excluded from the levy. Protection and remedial works on the hundreds of at-risk, closed landfills across the country are likely to be a significant cost to local government, particularly rural councils, in the future.<sup>5</sup>
36. Council believes that applying the levy to closed landfills, like the Peel Forest closed landfill, would be inconsistent with, and not advance the purpose of the landfill levy. There is no opportunity to minimise or reduce this waste; the cost of the levy will be borne by current ratepayers, and not those who created the waste; and applying the levy to landfills created under policies and practices long since abandoned, will not have any effect in changing current waste disposal behaviours.

**Do you support phasing in of changes to the levy, and if so do you prefer – Option A: increase then expand; Option B: expand and increase; Option C: expand then increase; Option D: expand then higher increase; or none of these?**

37. Council prefers Option B, which would see the levy on municipal landfills increase to \$20 per tonne from 1 July 2021, and industrial monofills and construction and demolition fills included in the levy, also at \$20 per tonne. Council supports the increase in the levy for municipal landfills to \$30 in 2022 and \$50 in 2023 but

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<sup>5</sup> A report by Local Government New Zealand has identified 110 closed landfills at risk from sea level rise of 0.5m



questions why this progressive increase is not also applied to industrial monofills and construction and demolition fills. Once the levy is applied to new sites, there is no reason why it should not keep pace with the levy charged to existing sites.

38. While Council recognises the need to progress the increase and expansion of the landfill levy, we recommend that the proposals are not implemented in July 2020 (as proposed in Option A) due to the short timeframe for this option.
39. Council recommends that, to ensure the levy increases (both as expenditure, and revenue) are well planned and integrated into territorial authority waste management and minimisation plans and long term plans, certainty is provided about the levy by mid-2020 and the proposals are implemented effective 1 July 2021. Without this certainty, territorial authorities could face additional costs as a result of having to undertake further consultation to amend their long term plans to include additional significant infrastructure or resourcing (eg installing weighbridges) as a result of the requirements of these proposals.
40. Further, Council is concerned that without reasonable lead-in time, the extension of the levy will result in perverse outcomes by way of levy avoidance behaviour and increased fly tipping. Additional lead-in time for industrial monofills and construction and demolition fills may provide more opportunity for these sectors to develop reuse and recycling systems.
41. Timaru District Council works closely with all sectors in our district to ensure waste minimisation objectives are achieved. With the proposed increase in levy funding, we anticipate we will need to offer greater assistance to the commercial sector.
42. Advanced notification of high-level decisions on the landfill levy for key stakeholders, including territorial authorities and commercial and construction sectors, will enable greater preparation likely improving the outcomes of these proposals.

#### **What do you think about the levy investment plan?**

43. Council supports the development of a levy investment plan and strongly recommends the continuance of the 50/50 division of the levy funds between territorial authorities and the Waste Minimisation Fund (WMF).
44. Council recommends the Government look to territorial authority WMMPs for guidance in developing the levy investment plan. Because of the robust planning requirements of the WMMP and the long term plan (under the Local Government Act), many territorial authorities are well placed to utilise the projected increase in revenue from the landfill levy.
45. The consultation document seeks feedback on whether the prioritisation of discrete funding, primarily for start-up capital costs, rather than ongoing funding, should continue to be the case for the levy revenue. We note that this currently does not apply to the territorial authority share of the levy and recommend that this continue to be the case.
46. Council currently uses a portion of the levy to fund waste minimisation staff, education programmes and workshops to great effect, as well as the implementation of increased public place recycling and a new Resource Recovery Park. With increased funding available from the expansion of the levy, Council envisages that

these valuable minimisation tools could be further expanded to advance our district's Zero Waste Vision.

47. The current reporting requirements, and the proposed increase in data collection for territorial authorities align with the funding principles of transparency and accountability. It is essential that these principles apply equally to the levy investment plan.
48. Council supports the WasteMINZ submission that the Ministry should run a climate change lens over the levy investment plan, prioritising projects and initiatives that have a clear climate change mitigation or adaptation focus in line with the Climate Change Response Act 2002. Further, we recommend that the stated priority of "legacy and ongoing cases of non-compliant waste disposal methods" include consideration for mitigating and minimising the risk of closed landfills at risk of sea level rise or flooding.
49. Council also recommends that consideration be given to allowing the application of the WMF for remedial works on at-risk closed landfills as part of the Ministry's current investigation into these sites. This may help reduce the potential cost of managing these sites in the future, particularly for smaller territorial authorities.

**If the Waste Minimisation Act 2008 were to be reviewed in the future, what are the changes you would like a review to consider?**

50. It is essential that the Waste Minimisation Act 2008 is amended to ensure it aligns with, and enables the desired outcomes of this proposal to extend and increase the landfill levy. The legislation should empower, and not prevent through unnecessary or outdated regulation, waste minimisation efforts.
51. To this end, there needs to be more clarity and guidance on the use of contaminated soils and any alternative materials for daily/intermediate cover, as well as guidance on an appropriate monitoring regime for such materials.
52. Further, the Act should be amended to allow an exemption from the levy waste which is relocated from a historic closed landfill that is uncovered, or at risk of being uncovered, due to sea level rise or flooding.
53. Amendments will also be required to enable an improved data collection framework. This is discussed below.

**Do you agree that waste data needs to be improved?**

54. Council agrees that waste data collected by the Ministry needs to be improved, and a national waste data framework implemented to ensure that data collection is consistent and accurate to enable national aggregation.
55. Improving the scope and quality of waste data will allow territorial authorities, commercial sectors, community groups and the Government to benchmark the performance of minimisation initiatives. This will increase sector guidance and best-practice standards; it will inform more robust planning; and it will ensure greater accountability and transparency for funding.
56. One of the more significant benefits of expanding the landfill levy beyond municipal landfills will be a greater understanding of the true nature and quantity of waste

disposed of in New Zealand.

57. The data collection framework needs to include:

- i. Amending the Waste Minimisation Act to include clear and consistent data reporting requirements for all affected landfill operators, including reporting on recovered materials;
- ii. The establishment of a central reporting platform for all landfill operators to enter and obtain waste data;
- iii. The introduction of a mechanism for the future expansion of reporting agencies (i.e. operators of cleanfills and farm dumps).

**How will the waste data proposals outlined apply to your organisation? What will be the costs incurred to collect, store and report such information? What challenges might you face in complying with the proposed reporting requirements for waste data?**

58. Council is well placed to implement the waste data proposals. There will be an increase in resource required, particularly for the framework development stage. Council estimates this that this could be up to 1 FTE, depending on the extent of the reporting requirements. There will also be a cost for system development and implementation.

59. Timing for increased reporting requirements will be the biggest challenge. To this end, it is important that the Government provide territorial authorities with certainty on reporting requirements by mid-2020 to ensure councils have enough time to plan and budget for increased resource and additional systems in the long term plan.

60. The current Levy Spend Report territorial authorities are required to complete is clunky and blunt, limiting its ability to accurately collect data. The Ministry should assess the failings of this reporting system and ensure any these are not transposed to a new reporting framework.

61. Council supports the wider application of the New Zealand Waste Data Framework but it is essential that any new or amended definitions of waste terms that result from this consultation are included in this framework to ensure consistency across all reporting lines.

**What are the main costs and benefits for you of the proposals to increase the levy rate for municipal landfills, expanding the levy to additional sites and improving waste data?**

62. The primary benefit of these proposals will undoubtedly be the improved waste minimisation outcomes for the Timaru District and New Zealand, and the flow-on effects including environmental protection and enhancement; carbon emissions reductions; and the development of reuse and recycling industries increasing jobs and economic opportunities.

63. The main direct benefit to Council will be the increased revenue as a result of the expanded and increase landfill levy. This would enable Council to continue to implement, and expand waste minimisation programmes in our district without further a cost to ratepayers.

64. Council currently runs a number of resource recovery programmes which are subsidised by rates income. With increased revenue from the landfill levy these programmes may not need any ratepayer funding until such time as product stewardship schemes are implemented.

65. The main costs of the Ministry's proposals would be:

- i. A one-off cost in changing the software coding to match any new reporting requirements;
- ii. Set-up time to align the new data requirements with reporting and with the WMMP;
- iii. Staff resource to implement compliance monitoring at the landfill and manage waste data and reporting.

### **Conclusion**

66. Local government has been calling for the increase and the expansion of the landfill levy for a number of years. Council welcomes the Government's recent action on waste minimisation. We believe that, as key stakeholders providing waste minimisation infrastructure and services, it is essential that the Government continue to work closely with territorial authorities to ensure that any changes to waste legislation and regulation enables rather than restricts council's waste minimisation goals and activity.

67. Council looks forward to continuing to work with the Ministry on improving waste minimisation outcomes across our district and the sector.

**8 Consideration of Urgent Business Items**

**9 Consideration of Minor Nature Matters**