

## Councillor Questions and Answers

### Pūroro Waihanga | Infrastructure Committee meeting of 27 April 2022

The following questions were received from Councillors regarding items on the agenda of the Pūroro Waihanga | Infrastructure Committee meeting of 27 April 2022.

#### Item 3.2 Priority Investment Quarterly Report

**The wording of the report on HUP2 gives the impression that while some DSAs are progressing well, others are not? Can we get some further information about how many DSAs are not progressing well (if any) and what the process would be to “reassign remaining seismic works to preferred suppliers”?**

**Can we get a more detailed explanation about why required engagement/landowner approval has led to a 9-month delay in presenting the FKP plan to Councillors?**

**Will the interim budget for the Sludge Project be exceeded because more work will be completed prior to Financial Close, or because the same amount of work is expected to cost more?**

*The interim budget is simply the cashflow that WCC provides to commence the Project. That interim budget will be refunded under the IFF financing agreement so has zero net effect to WCC.*

*Depending on the continued evolution of the programme reflecting the early stage of the project, and in particular the potential need to order long lead items or commence early enabling works in advance of Financial Close, there may need for WCC to cashflow more than the initially forecast budget. In the event this is necessary that will be brought back to the Council in advance of that extra cashflow being committed to.*

*WCC and CIP are working on finding a suitable solution that minimises the need for WCC to cashflow more of the project.*

**How was the risk identified that the Moa Point WWTP may not have sufficient long-term capacity? When will the independent report be completed? What would be the effects on the Project budget and timeline if this insufficient capacity is found to be an issue?**

*As part of the early design process for the Sludge Minimisation Facility (SMF), the design team prepared a process model of the wider Moa Point Waste Water Treatment Plant (Moa Pt WWTP).*

*While not within the scope of the SMF Project, the model identified that the Moa Pt WWTP may not have sufficient long term capacity without upgrade.*

*The independent report is being completed by Stantec and is due in August 2022.*

*The Moa Point WWTP capacity issue does not directly impact the SMF as that issue relates to a downstream system.*

**What were the drivers for the Miramar Ave cycleway and intersection improvements being more than 30% over budget? Are there lessons learned from this for future projects?**

### Item 3.4 Wellington Water Limited Statement of Intent

**What are the various KPIs for WWL? For which KPIs does WCC have a different performance target than other shareholding councils? Can we change these KPIs or their targets through the SOI process?**

*The tables for the KPIs and SOI Measures of Success are provided below. DIA has mandatory KPIs which must be reported annually to DIA and through Council committees. The timeframes (targets) can be varied by Council when consulting on Levels of Service in the 2024 Long Term Plan.*

*Compared to other council performance targets, WCC has a different performance targets for 16 out of 25 Mandatory DIA measures, and has 4 non-mandatory measures that no other councils report on. See below.*

#### **WWL Various KPIs Summary**

- *DIA Mandatory Measures are reported to WCC quarterly and in in the Council Annual Report*
- *WCC's four Non-Mandatory measures are reported to WCC quarterly and in the Council Annual Report*
- *SOI Measures (of Success) are reported to WWL Board and Water Committee via the Half-year Report and Annual Report*

*There are:*

- *25 DIA mandatory measures (table 1) – these are reported quarterly to INFRACOM, Council annual report, WC (via half year & annual report – not quarterly). Each council sets their own targets.*
- *4 non-mandatory measures (table 2) – only WCC report these. These are reported quarterly to the INFRACOM & council annual report*
- *15 recommended SOI success measures \*(Table 3) (these are not agreed by the Water Committee) - reported to WWL Board, WC (via half year & annual report - not quarterly)*

*Table 1 – DIA Mandatory KPIS*

## Department of Internal Affairs (DIA) Rules

The DIA has the power to make rules specifying non-financial performance measures (the Rules) for local authorities. These Rules are consistent across the country, and therefore across all of our councils. Each council is responsible for setting targets for each Rule, and then Wellington Water report against the targets throughout the year. The below table sets out the Rules and the targets for the year ahead:

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
Part 2: Sub-part 1 - Water supply	<b>(1) Performance measure 1 (safety of drinking water)</b> The extent to which the local authority's drinking water supply complies with: (a) part 4 of the drinking-water standards (bacteria compliance criteria),	Compliant	Compliant*	Compliant	Compliant*	Compliant	Compliant*
Part 2: Sub-part 1 - Water supply	<b>(1) Performance measure 1 (safety of drinking water)</b> The extent to which the local authority's drinking water supply complies with: (b) part 5 of the drinking-water standards (protozoal compliance criteria).	Compliant	Compliant	Compliant	Compliant*	Compliant	Compliant*
Part 2: Sub-part 1 - Water supply	<b>(2) Performance measure 2 (maintenance of the reticulation network)</b> The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this). <sup>1</sup> Calculated as a regional mean value	+/- 0.25%	< 20% <sup>1</sup>	< 20% <sup>1</sup>	< 30%	< 17% <sup>1</sup>	< 20% <sup>1</sup>
Part 2: Sub-part 1 -	<b>(3) Performance measure 3 (fault response times)</b>	≤ 90 min	≤ 90 min	≤ 60 min	< 75% attendance in < 1 hour	≤ 60 min	≤ 90 min

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
Water supply	Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured  (a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site,						
Part 2: Sub-part 1 - Water supply	<b>(3) Performance measure 3 (fault response times)</b> Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured  (b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	≤ 8 hours	≤ 8 hours	≤ 4 hours	< 90% resolution in 8 hours	4 hours	8 hours
Part 2: Sub-part 1 - Water supply	<b>(3) Performance measure 3 (fault response times)</b> Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured  (c) attendance for non-urgent call-outs: from the time that the local authority	≤ 72 hours	≤ 20 days	≤ 36 hours	≥ 75% attendance in < 2 working days	≤ 36 hours	≤ 72 hours

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
	receives notification to the time that service personnel reach the site						
Part 2: Sub-part 1 - Water supply	<p><b>(3) Performance measure 3 (fault response times)</b></p> <p>Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured</p> <p>(d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption</p>	≤ 20 days	≤ 20 days	≤ 15 days	≥ 75% resolved in < 5 working days	5 days	20 working days
Part 2: Sub-part 1 - Water supply	<p><b>(4) Performance measure 4 (customer satisfaction)</b></p> <p>The total number of complaints received by the local authority about any of the following:</p> <p>(a) drinking water clarity (a) drinking water taste (b) drinking water odour (c) drinking water pressure or flow (d) continuity of supply, and (e) the local authority's response to any of these issues</p>	< 20 complaints per 1000 connections	< 20 complaints per 1000 connections	< 20 complaints per 1000 connections (Except (e))	< 75 per 1000 connections (Except (e))	< 20 complaints per 1000 connections	< 20 complaints per 1000 connections

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
	expressed per 1000 connections to the local authority's networked reticulation system						
Part 2: Sub-part 1 - Water supply	<p><b>(5) Performance measure 5 (demand management)</b></p> <p>The average consumption of drinking water per day per resident within the territorial authority district</p>	375L	320L	415L	400L	365L	385L
Sub-part 2 – Sewerage and the treatment and disposal of sewage	<p><b>(1) Performance measure 1 (system and adequacy)</b></p> <p>The number of dry weather sewerage overflows from the territorial authority's sewerage system expressed per 1000 sewerage connections to that sewerage system.</p>	N/A	< 20 per 1000 connections	< 20 per 1000 connections	< 10 per 1000 connections	Zero	< 20 per 1000 connections
Sub-part 2 – Sewerage and the treatment and disposal of sewage	<p><b>(2) Performance measure 2 (discharge compliance)</b></p> <p>Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of:</p> <p>(a) abatement notices received by the territorial authority in relation to those resource consents</p>	N/A	Nil	Nil	< 2	Nil	Nil
Sub-part 2 – Sewerage and the treatment	<p><b>(2) Performance measure 2 (discharge compliance)</b></p> <p>Compliance with the territorial authority's resource consents for discharge from its</p>	N/A	Nil	Nil	Nil	Nil	Nil

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
and disposal of sewage	sewerage system measured by the number of: (b) infringement notices received by the territorial authority in relation to those resource consents						
Sub-part 2 – Sewerage and the treatment and disposal of sewage	<b>(2) Performance measure 2 (discharge compliance)</b> Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: (c) enforcement orders received by the territorial authority in relation to those resource consents	N/A	Nil	Nil	Nil	Nil	Nil
Sub-part 2 – Sewerage and the treatment and disposal of sewage	<b>(2) Performance measure 2 (discharge compliance)</b> Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: (d) convictions received by the territorial authority in relation to those resource consents	N/A	Nil	Nil	Nil	Nil	Nil
Sub-part 2 – Sewerage and the treatment	<b>(3) Performance measure 3 (fault response times)</b> Where the territorial authority attends to sewerage overflows resulting from a	N/A	≤ 60 min	≤ 60 min	≥ 70% resolved in < 1 hour	≤ 1 hour	≤ 90 min

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
and disposal of sewage	blockage or other fault in the territorial authority's sewerage system, the following median response times measured: (a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site						
Sub-part 2 – Sewerage and the treatment and disposal of sewage	<b>(3) Performance measure 3 (fault response times)</b> Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: (b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.	N/A	≤ 6 hours	≤ 6 hours	≥ 75% resolved in < 4 hours	≤ 6 hours	8 hours
Sub-part 2 – Sewerage and the treatment and disposal of sewage	<b>(4) Performance measure 4 (customer satisfaction)</b> The total number of complaints received by the territorial authority about any of the following: (a) sewage odour (b) sewerage system faults (c) sewerage system blockages, and (d) the territorial authority's response to issues with its sewerage system,	N/A	< 30 total	< 30 complaints per 1000 connections	< 60 per 1000 connections	< 30 complaints per 1000 connections	< 30 complaints per 1000 connections

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
	expressed per 1000 connections to the territorial authority's sewerage system						
Sub-part 3 – Stormwater drainage	<p><b>(1) Performance measure 1 (system adequacy)</b></p> <p>(a) The number of flooding events that occur in a territorial authority district</p> <p>*SWDC does not have a stormwater system as defined in the DIA Rules</p>	N/A	2	Zero	0*	2	2
Sub-part 3 – Stormwater drainage	<p><b>(1) Performance measure 1 (system adequacy)</b></p> <p>(b) For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.)</p> <p>The regional consistency for habitable floors affected in a flooding event is 10 per event, however as the DIA measure is per 1000 properties connected, we have calculated this based on connections in 2020/21.</p> <p>*SWDC does not have a stormwater system as defined in the DIA Rules</p>	N/A	0.57	Zero	0*	0.13	0.24
Sub-part 3 – Stormwater drainage	<p><b>(2) Performance measure 2 (discharge compliance)</b></p> <p>Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:</p> <p>(a) abatement notices</p>	N/A	Nil	Nil	Nil	Nil	Nil*

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
	received by the territorial authority in relation to those resource consents						
Sub-part 3 – Stormwater drainage	<p><b>(2) Performance measure 2 (discharge compliance)</b></p> <p>Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:</p> <p>(b) infringement notices received by the territorial authority in relation to those resource consents</p>	N/A	Nil	Nil	Nil	Nil	Nil*
Sub-part 3 – Stormwater drainage	<p><b>(2) Performance measure 2 (discharge compliance)</b></p> <p>Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:</p> <p>(c) enforcement orders received by the territorial authority in relation to those resource consents</p>	N/A	Nil	Nil	Nil	Nil	Nil*
Sub-part 3 – Stormwater drainage	<p><b>(2) Performance measure 2 (discharge compliance)</b></p> <p>Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:</p> <p>(d) convictions</p>	N/A	Nil	Nil	Nil	Nil	Nil*

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
	received by the territorial authority in relation to those resource consents						
Sub-part 3 – Stormwater drainage	<p><b>(3) Performance measure 3 (response times)</b></p> <p>The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.</p> <p>*SWDC does not have a stormwater system as defined in the DIA Rules</p>	N/A	≤ 8 Hours	≤ 60 minutes	95% within 5 hours	≤ 60 minutes	8 hours
Sub-part 3 – Stormwater drainage	<p><b>(4) Performance measure 4 (customer satisfaction)</b></p> <p>The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.</p>	N/A	< 20 per 1000 connections	< 20 per 1000 connections	Zero**	< 20 per 1000 connections	< 20 per 1000 connections

\*These targets are worded significantly differently in the councils' LTP, but are measuring substantially the same issue

\*\*SWDC does not have a stormwater system as defined by the DIA

**Table 2 - WCC NON-Mandatory – Targets (historically carried over the from 2018-2021 LTP. WWL recommended they be removed for 2021 LTP, this was declined by councillors. WCC also declined to extend the response timeframes of the KPIs targets – see Table 5)**

Category	Measures	WCC Non-Mandatory Targets					
		GWR C	PCC	UHC C	SWD C	WCC	HCC
Stormwater	<p><b>To maintain and promote appropriate standards of water quality and waterway health in the cities' costal and river environments</b></p> <p>Percentage of days during the bathing season (from 1 November to 31 March) that the monitored beaches are suitable for recreational use</p>	N/A	N/A	N/A	N/A	>90 %	N/A

Stormwater	<p><b>To maintain and promote appropriate standards of water quality and waterway health in the cities' costal and river environments</b></p> <p>Percentage of monitored freshwater sites that have a rolling twelve-month median value for E. coli (dry weather samples) that do not exceed 1000 cfu/100ml</p>	N/A	N/A	N/A	N/A	>90 %	N/A
Stormwater	<p><b>To achieve a high overall level of customer approval of the stormwater service</b></p> <p>Customer satisfaction with stormwater management</p>	N/A	N/A	N/A	N/A	>75 %	N/A
Wastewater	<p><b>Reliability of the network</b></p> <p>Number of wastewater reticulation incidents per km of reticulation pipeline (blockages)</p>	N/A	N/A	N/A	N/A	<=0.8	N/A



**Table 3 - WWL Draft SOI Success Measures:**

How we will measure success

Measure		Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
1	The percentage of customers rating their experience of our performance as 'Satisfied' or higher improves				
2	We will meet the regulatory requirements for safe drinking water				
3	Our wastewater network will operate as expected (We will receive no abatement notices, infringement notices, enforcement notices or convictions for our wastewater resource consents, and dry-weather overflows will be less than 20 per 1000 connections across the network)				
TBC	Measure(s) for WWTP effluent discharge (to replace or complement #3)				

Measure		Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
4	We will complete scheduled improvements to our asset management systems, with the aim of aligning with ISO 55001 by 2024				
5	We will complete scheduled health assessments for our assets by 30 June 2022				
6	We will deliver the three-year planned renewals programme*				

Measure		Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
7	Growth plans will be developed for each council, and updated*				
8	We will input into our council's statutory planning processes related to growth (We will engage in every relevant council District Plan change, Bylaw review and Annual Plan process)				

Measure	Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
9	We will slow the rate of increase in gross water consumption per capita			
10	Te Mārua water treatment plant upgrade will be completed, providing a step-change for drought resilience in the region			

Measure	Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
11	Targeted investigations and potential interventions at select catchments (e.g., drainage investigation teams) will demonstrate improved water quality			

Measure	Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
12	We will baseline our capital emissions, and set targets for reductions in future statements of intent			

Measure	Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
13	We will deliver our capital programme inside our expected range (2021/22: \$145m – \$189m)			
14	We will meet all of the disclosure requirements of Taumata Arowai			
15	Health and safety critical risks are reviewed, and improvements are implemented.			
16	Our people understand the upcoming changes in the water sector and feel well supported by the organisation			

**Some of the SOI Measures of Success seem too vague to be meaningfully measurable. Do officers have any advice about how these could be reframed to make them more useful?**

*These are the draft measures at a 'strategy' level which; once agreed, are then furnished with the detailed targets and reporting criteria.*

**What is the relationship between this SOI process and the work officers are doing to improve WWL quarterly reporting to Pūrora Waihanga | Infrastructure Committee in future?**

*Officers and WWL are collaborating to bring a wider spectrum of information to the quarterly reporting. With KPI reporting at the foundation, the reporting will include financial, Capital Works Programme, Emerging Risks / Issues, customer and wider regulatory matters to the committee.*

### Item 3.5 Para Kai Miramar Food Diversion Trial

**Survey results showed low interest in a user pays community organisation service. What was the survey question?**

There are two relevant survey questions – as shown below:

Q21A. As you may be aware, Council has been trialling a food waste collection and home composting options (using compost bins, worm bins and bokashi systems) and we would like to gauge your interest in all these options, as well as some other possible options. How interested are you in each of these options.....

*Note: At this point there is no commitment to provide any of these services and we are aware you will likely want future information about each option. For now, we would just like to know your initial level of interest in the general idea.*

	1 Not interested at all	2	3	4	5	6	7	8	9	10 Very interested	Don't know
A food waste collection, <u>collected</u> at your gate by <b>council</b> (paid for by rates)	1	2	3	4	5	6	7	8	9	10	11
A food waste collection, <u>collected</u> at your gate and run by a <b>community organisation</b> (you would pay the provider for this service)	1	2	3	4	5	6	7	8	9	10	11
A food waste service run by a community organisation, with a <u>local drop off</u> point (you drop your food scraps off so would pay less for this service)	1	2	3	4	5	6	7	8	9	10	11
A <b>compost bin</b> is provided by council for households to use at home	1	2	3	4	5	6	7	8	9	10	11
A <b>worm bin</b> is provided by council for households to use at home	1	2	3	4	5	6	7	8	9	10	11
A <b>bokashi system</b> is provided by council for households to use at home	1	2	3	4	5	6	7	8	9	10	11

*If rated a 6, 7, 8, 9,10 for any of the first three statements at Q21A, ask for each:*

Q21B. What is the **maximum** you would be willing to pay for the following services?

	Up to \$100 per household per year (about \$2 a week)	Up to \$200 per household per year (about \$4 a week)	Up to \$300 per household per year (about \$6 a week)	Don't know
<i>(Excluding those who have already been asked at Q18c)</i> A weekly food waste collection, <u>collected</u> at your gate by <b>council</b>	1	2	3	4
A weekly food waste collection, <u>collected</u> at your gate and run by a	1	2	3	4

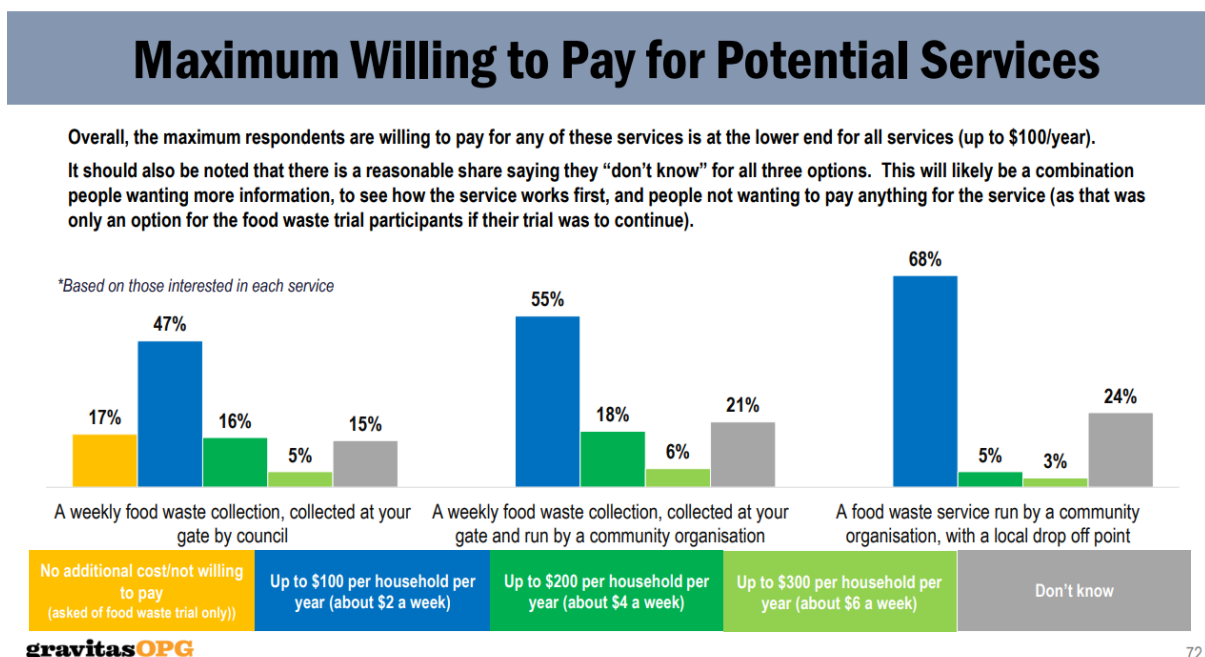
community organisation (you would pay the provider for this service)				
A food waste service run by a community organisation, with a local drop off point (you drop your food scraps off)	1	2	3	4

**How could Council understand the community's appetite for a different kind of service? E.g. providing clean buckets (lots of quotes from participants about messy/smelly bins that need cleaning. And if it was rates funded not user-pays?**

*Kerbside servicing waste modelling work is currently underway exploring the options and implications of different kerbside servicing scenarios and funding models. Officers also propose early engagement with residents via the Council's Let's Talk page, in order to better understand: (1) What services users would like to see. (2) Willingness to pay for future services. The outcome of this initial community engagement process, and kerbside service modelling, will be reported back to the Council when a short list of future servicing options is presented for Council consideration.*

**Point 33 c): states the maximum people prepared to pay was \$100 p/a or \$2 p/w. Could we have all the information on this question, please? It would be good to know how many survey respondents were prepared to pay extra and, if so, how much?**

*This is best illustrated in the diagram below:*



**Food waste processing will be looked at as part of the resource recovery network expansion business case. Can the council clarify what thinking has been done around this ie will it include a variety of processing systems and scales, or is Council only looking at large-scale? How are we considering working regionally? Lower Hutt and Porirua are looking into a trial- could we be part of this?**

- **What thinking has been done around this ie will it include a variety of processing systems and scales, or is Council only looking at large-scale?**

*A business case to support the expansion of Wellington City's Resource Recovery Network is currently underway. Once complete, it will be reported to the Council for consideration. As part of this work, opportunities to advance large-scale commercial organic waste processing options will be considered. Other opportunities to support smaller-scale organic waste processing options will be considered as part of the Waste Management and Minimisation Plan co-design process.*

- **How are we considering working regionally? Lower Hutt and Porirua are looking into a trial- could we be part of this?**

*The Council are committed to working regionally with other territorial authorities to explore organic waste processing opportunities. To support this, ongoing discussions are being held with officers at the regional level. Notwithstanding the Council's interest in working regionally to maximise opportunities to enhance organic material resource recovery, officers are also focused on investing resource recovery network expansion opportunities within Wellington City.*

#### **What is Council doing to continue the service at the trial's end?**

*The Para Kai Trial will be finishing on the 24<sup>th</sup> June 2022, and has exceeded the intended 12-month trial duration. While it was never intended to operate the trial for longer than 1-year, the Council has, nevertheless, invited interest from the private sector to explore the potential option of a private operator continuing the service for trial participants. The feedback from commercial providers suggests that this is currently not viable for varying reasons (i.e. lack of processing capacity and concerns with to economic viability due to the limited scale of the trial).*

#### **Has any consideration been given to the opportunity to trial a third model (other than Council-run kerbside and home composting) with a reputable organisation with a good track record that is already supported by Council?**

*The possibility of further trials in order to better understand the operational and behavioural components of food waste management have not been ruled out.*

*There are private operators running food waste collection services within the City (including Kai Cycle, Envirowaste/Kai to Compost and Organic Waste Management). There are also a number of community gardens in operation. All these parties hold valuable knowledge and experience.*

#### [Item 3.6 Transforming Recycling - Submission to Manatū Mō Te Taiao - Ministry for the Environment](#)

**Regarding Q2, Q6 & Q8: Can I get clarification if officers are suggesting the bladders and pouches be excluded? By supporting excluding them from the CRS scheme, wouldn't we want to support that as long as the Government carries on with the scheme to say they cannot be on the market? Would it be better to keep milk containers and pouches and bladders separate from milk containers in the submission and not lump them together so it is clearer?**

*Officers are not suggesting that bladders and pouches should be excluded from the CRS. Our answer to Q2 (a) is in relation to whether we agree with the proposed definition of 'beverage'. We are pointing out that, the current definition 'should' cover bladders and pouches, although they are then proposed to be exempt.*

*In 6(b) we state that there is a strong case for all beverage containers to be included, or not be permitted for sale at all.*

*In question 8 (b) we make an explicit point that pouches, bladders and fresh milk should be considered for eligibility within the CRS scheme.*

*We have drafted a substantive amendment for question 8 that reiterates the points of 6(b) in and separates out fresh milk from bladders and pouches so there is no confusion.*

**Regarding Q9: Do we mean exemption (not exclusion) able to be on the market but not included in the CRS? Can we change that to exemption?**

*Officers are happy to change this to “exemption”.*

*Suggested substantive amendment has been drafted for Q9 (d).*

**Regarding Q12 Refillable Model Support: Was there a specific reason officers thought that refillable should be an exemption? Have we had any feedback from our Wellington refillable businesses like Brooklyn Creamery, Aunty Jean's Dairy, Hardie Boys Ginger Beer and Eketahuna meats? Do we know if a blanket approach to exceptions will have on their business? Have we considered suggesting a non-blanket approach or something like an opt-in approach for businesses that are based on a refillable model?**

*WCC have not consulted with refillable businesses on this submission. We would welcome Wellington's local businesses to provide feedback on this consultation directly to the Ministry as this would be most helpful for their analysis.*

*Most overseas schemes exempt refillable containers from CRS schemes, and we support the Ministry's reasoning to exclude refillable schemes, at this stage. Including refillable would require different logistical management alongside national/regional collection and sterilisation infrastructure.*

*We are happy that the Ministry are proposing future-proofing provision for refillable containers within any new CRS legislation.*

*Suggested substantive amendment has been drafted for Q12 which states that we would support an approach where refillable can 'opt in' to the NZ CRS. We want to acknowledge the important role that refillable schemes play in the future for our circular economy.*

**Regarding Q24 b: Was there a specific reason for the council suggesting further cost-benefit analysis? What benefit would this bring at this last stage of the scheme? Hasn't there been any cost-benefit analysis for the scheme done already?**

*The Ministry has not yet conducted a full cost-benefit analysis for the scheme and the Ministry have advised this is something they intend to do once consultations are assessed. The scheme is still in the relatively 'early stages' so now seems an appropriate time to suggest a cost-benefit analysis. This will also enable the Ministry to integrate the submissions from this consultation into the full regulatory impact analysis in a New Zealand context. Our main suggestion is that this analysis will consider the impacts of the scheme on specific population groups, such as those living remotely and with limited mobility.*

**Regarding Q25: Not for profit industry-led scheme: Would it be beneficial for the council to be part of governance as councils are part of the interface for this? What knowledge do we have on the way this would work best from models overseas? How can the industry want to achieve the same outcomes as councils and government and communities? Would there be broader opportunities if there was more diversity of governance than from industry only?**

*Most overseas container return schemes are led by the beverage industry. Central government would play a key role in the establishment of this scheme, before appointing an external organisation to oversee the running of the scheme.*

*The structure and function of a scheme's governance is usually prescribed in legislation, which will encourage the same outcomes between government and industry.*

*We agree that this structure will benefit from wider representation, and we have suggested a substantive amendment for Q25.*

**Regarding Q30 e: What is the council officers' reasoning for a trial at this late stage? What would be gained or jeopardised by running a trial? Has there been good evidence already supplied on how these schemes are working overseas?**

*We understand concerns that trials can impose additional delays to the scheme, and we would not want to disrupt timeframes for the scheme. However, as stated above, the scheme is still in the relatively early consultation stages, so now seems an appropriate time to raise the question of a pilot/trial. Our language does not strongly advocate that the Ministry must conduct a trial, but we do pose the question of whether the Ministry have considered running a trial and we advise that this could provide real-life insight into how this scheme would work within a New Zealand context. i.e. how this changes Kiwi's behaviour to recycling, what the 'sweet spot' amount is for the deposit/refund and preferred locations for CRS units.*

*Whilst there is evidence on how these schemes work overseas, each country has nuanced differences to their CRS model (i.e., in Australia the refund amount is 10 cents) which makes it difficult to predict exactly how this proposed package for CRS will work in Aotearoa. The Tasmanian Government are currently rolling this out this scheme in a state-by-state approach.*

**Regarding Q30: Would officers support an amendment to recommend the Government explore opportunities for Iwi involvement and enterprise development as part of the rollout of the container return scheme? Page 62/62 of the agenda for the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee meeting of 8 February 2022 says, "37. In January 2022, representatives from the Council and Taranaki Whanui iwi had a follow-up meeting to further discuss the scope of the waste management and minimisation work programme currently underway. During this discussion, iwi were advised of the upcoming Annual Plan Committee meeting, which would consider a shortlist of residual waste disposal options for public consultation. While Taranaki Whanui indicated that they did not intend to provide feedback on the options proposal prior to the Committee meeting, they did signal their interest in exploring waste-related opportunities for partnership with the Council going forward. Possible opportunities discussed included: The potential for the joint development of an Environmental Management Plan is associated with any necessary resource consent required to advance the residual waste disposal options work; A partnership approach to support the development of the next Waste Management and Minimisation Plan; Interest in exploring the potential for iwi involvement in future resource recovery opportunities relevant to Wellington City, and the wider region. Ongoing dialogue between both Taranaki Whanui and Ngati Toa iwi and the Council, is anticipated throughout 2022 to further discuss partnership opportunities".**

*Yes. We had not made this point explicitly in our submission as the Ministry had referenced the development of a long-term infrastructure plan to guide and stimulate activity and investment by companies, iwi/Māori and local government within the discussion document.*

*Suggested substantive amendment has been drafted for question 30.*

**Regarding Q41: Would officers support an amendment advocating for good quality compost as an outcome of food scrap collection? WCC has strived for Biogro certification and been ahead of the curve to refuse compostable containers and because of this makes a good product. Is there a benefit in advocating for food collection to create quality compost?**

*Yes. Producing good quality compost is already an outcome stated by the Ministry, but we are happy to make this point more explicit in our WCC submission.*

*Suggested substantive amendment has been drafted for question 41.*

**Regarding Q42: Regarding the Food scrap collection council is also supporting and has funded other ways of doing this? Ie Kai cycle, and workplace worm farms like Why Waste? And the development of community kitchen scrap drop off stations? Would officer support advocating for a nuanced approach rather than a blanket approach so that other systems that we are investing in can be considered rather than a blanket mandatory organics collection?**

*Yes. This is a great suggestion to signpost other viable alternatives for food scrap collections. As you can see, our answer was already opposed to a blanket approach that talks on behalf of all councils.*

*Suggested substantive amendment has been drafted for question 42 and 43.*

**Regarding Q42 & Q43 Once again would officers support WCC creating space for alternatives as long as the diversion outcome is met?**

*Yes. We believe that this point builds on our existing comment (43b): “we believe that all councils should be required to facilitate effective food waste diversion, subject to funding and contextual considerations”. We could emphasise that the achievement of this diversion outcomes is not limited to weekly kerbside collections.*

*Suggested substantive amendment has been drafted for question 42 and 43.*

**Regarding Q51 c: For clarification, is this just referring to bin liners, or including other compostable products?**

*We are referring only to compostable bin liners (which are currently listed in the ‘excluded materials’). We note that compostable bin liners help to mitigate odours and mess for residents.*

### **Item 3.9 Wellington Water 2022/23 & 2023/24 Year Opex Budget Request**

**It is not immediately clear that funding for reactive maintenance and covid related cost escalation fall within the Better Off funding criteria provided by DIA. On what basis do staff believe that this funding may meet the criteria?**

*We are working through the criteria and application process.*

*For clarity, Officers are not necessarily suggesting that the “Better off Funding” will directly fund the activities relating to this budget increase, rather that Officers will work to find activities within the Waters spend that are relevant and within the criteria for the funding which would mitigate the rates impact of increasing budgets. This could include work like the Owhiro Stream Human Health Mitigation Project that has community well-being improvements, which may fall within the criteria.*



**An additional \$3M has been requested for cost escalation due to covid and water reforms. For comparison, how are similar cost pressures being managed in WCC work programmes? Is it standard practice for those cost pressures to be funded in advance, as WWL is proposing?**

*WCC applies an inflationary increase to its budget (including for Waters) annually. Business units are generally expected to manage within this inflation-adjusted budget. In the case where a significant cost pressure cannot be mitigated, or covered within fee increases, these would be escalated through the Annual Plan/Long-term Plan process to Committee. Detailed analysis would be completed prior to this, and explanations provided (e.g., Detailed seismic assessments on WCC properties).*

*Contracts in the road maintenance area, that contribute to WCC operational (opex) spend, largely protect us against significant cost fluctuations. These fluctuations are linked to the NZTA cost fluctuation index which generally falls within the inflation-adjusted budget.*