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**REPORT 6**  
(1215/52/IM)

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## **KERBSIDE RECYCLING: SUPPLEMENTARY REPORT**

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### **1. Purpose of Report**

To provide additional information as requested by the Strategy and Policy Committee on 12 February 2009.

### **2. Executive Summary**

The Committee moved to leave the report '*Kerbside Recycling*' on the table on 12 February 2009 pending the provision of additional information on:

- collection options for consideration for public consultation
- funding options for consideration for public consultation
- other specific information requested.

This report asks the Committee to:

- receive the 12 February report and note the information provided
- agree to consult the public on potential changes to the collection containers and funding provision for kerbside recycling collection services in Wellington City. The recommended options would see:
  - partial cost-recovery being met by users of the recycling service
  - improvements to operational safety and street litter as a result of the use of prepaid recycling bags, rather than the current green bins
  - a focus on advocacy and facilitation at regional and national levels, and targeted consumer education.

It is intended that the report's recommendations be incorporated into the Long Term Council Community Plan 2009/19 consultation process. It is proposed that consultation would seek public views on the relative merits of:

- pre-paid bags or wheelie-bins as alternatives to the current green bins
- funding recycling services through
  - rates
  - the recycling levy
  - other waste activities
  - user-pays.

### **3. Recommendations**

It is recommended that the Committee:

1. *Receive the information.*

2. *Note that recyclable material collected through Wellington's kerbside collection services makes up a small proportion of the total waste volume managed by the Council, currently costs \$2.6m annually and earns \$165,000 in revenue.*
3. *Note that the merits of kerbside recycling are reduced landfilling, conservation of resources and positive public perception; rather than income from the sale of materials.*
4. *Note that a shortfall of \$1.1m in 2007/08 for recycling services was funded from other waste activities and that this shortfall is expected to increase as landfill waste volume and therefore levy revenue reduce, and the volume and cost for recyclables increase.*
5. *Note that the green bins are no longer considered suitable collection containers for divertible materials in Wellington City because of the rates of injury to workers, and note that changing from bins to pre-paid bags would be expected to provide partial cost-recovery, and operational, safety and environmental benefits, as well as additional flexibility for responding to externalities.*
6. *Note that as market opportunities and new initiatives emerge, the relative merits of collection for some types of material may change.*
7. *Agree to consult on the following container options for the provision of kerbside recycling collection:*
  - a. *Use of recycling bags, and the sorting of recyclables into different plastic bags by residents. **This is the recommended option.***
  - b. *No recycling service provision.*
  - c. *Drop-off facilities.*
  - d. *Continued use of the existing green bins, and requiring residents to identify their bins and to tie or bag the recyclables.*
  - e. *Use of wheelie bins.*
  - f. *Pre-paid stickers on containers.*
8. *Agree to consult on the following funding options for the provision of kerbside recycling collection:*
  - a. *Alignment (reduction) of service levels to match available landfill levy funding.*
  - b. *100% rates funding, with consequent reduction of landfill levy charges.*
  - c. *Raising the landfill levy to fully cover the cost of recycling services.*
  - d. *100% user pays, costing participating households approximately \$60 annually, with consequent impact on landfill levy charges.*
  - e. *Continued landfill levy funding, supplemented by partial user pays through the purchase of recycling bags (currently estimated at 50%,*

or \$30 annually) to fill the shortfall. **This is the recommended option.**

- f. *Continued funding through the recycling levy and other waste activities as at present.*
- g. *A combination of the levy, rates and user pays.*
9. *Note that funding options which propose a reallocation of existing charges from waste disposers to the users of recycling services will be perceived by some ratepayers as introducing a new user charge.*
10. *Agree to consult on the provision of a base service (either ongoing or for an introductory period only) funded through either the landfill levy or rates.*
11. *Note that this review of kerbside recycling is being undertaken as part of a wider programme of work required by 2012 under the Waste Minimisation Act 2008 and that officers will report to committee by the end of 2009 on progress.*
12. *Agree to lobby central government for early implementation of the Waste Minimisation Act 2008 so national solutions can take effect.*

#### **4. Background**

The Committee moved to leave the report 'Kerbside Recycling' on the table on 12 February 2009 until 19 February 2009 pending the provision of additional information on:

- specific information requested
- collection options for consideration for public consultation
- funding options for consideration for public consultation.

#### **5. Discussion**

An overview of factors for consideration in evaluating any options for kerbside recycling is provided at Annex 1. The following sections provide information, additional to that provided to the Committee on 12 February 2009, to further inform consideration of options for consultation.

##### **5.1 Officer responses to issues raised and information requested**

###### **5.1.1 Potential impact of user-pays on participation rates**

Impact modelling undertaken previously suggests that a drop in uptake of up to 20% could be expected in the short term in response to the application of a direct user-pays approach. User response may include increased use of yellow waste bags or increased adoption of commercial services.

### **5.1.2 Funding through a targeted rate**

Funding through rates, whether partial or full, could be from the general residential rate or through a targeted rate. Using a targeted rate would assist ratepayers in identifying their contribution to funding recycling in Wellington City.

### **5.1.3 Con-joint consideration of waste and recycling services**

Waste disposal and recycling services are inextricably linked. For instance, one of the explicit aims of recycling is to reduce waste disposal. The scope of the current review focuses on recycling services as this is where the immediate issues are. Options which enable future adjustments to and alignment of provision and fees for both recycling and waste services are those which optimise flexibility and avoid significant capital expenditure. The status quo and the adoption of recycling bags would meet this requirement.

The collection of kitchen waste for centralised composting could be considered for addition to the materials collected in the future. Such waste would need to be separated at source to avoid contamination of other materials. Collection in bags could provide for kitchen waste. A dedicated wheelie bin for such waste, as is already provided by some commercial collectors, would also allow the inclusion of green waste, which tends to include sharp sticks. Green waste is already collected by private firms in wheelie bins. Home composting, worm farms or Bokashi are seen as preferable to collection of this material.

### **5.1.4 Multiple trucks servicing streets**

Waste collection currently includes services directly provided by Council, by commercial operators on contract to the Council, and commercial operators providing independent services. All household waste managed by the Council is collected in the official yellow bags. The greenhouse gas emissions and overall costs are of concern but only partially within the Council's control. In this operating environment, where the Council has limited influence, residents in any given street could potentially observe the movement of:

- trucks just passing through
- Council or Council-contract trucks collecting waste
- Council trucks collecting recycling. The nature of the materials, containers and processes, such as separation, required means different trucks are needed. Because recycling collection is provided for through the landfill recycling levy, all recycling collection is managed by the Council
- independent commercial trucks collecting bags on contract to individual households or businesses. The Council does not collect waste from businesses
- independent commercial trucks collecting wheelie bins
- independent commercial trucks collecting or delivering skips
- 'clean-up' trucks returning to deal with spillage or missed bags
- maintenance trucks, clearing sumps blocked by litter for instance.

#### 5.1.4 Information provision for the public

Significant information is provided on the Council website and through the services of the Council's Waste Awareness and Waste Minimisation officers. The 12 February 2009 *Kerbside Recycling* report identified public awareness as a key issue. The report proposed:

- a survey, based on a representative sample of 5%, or 3,500 households. Comments and informal polls in various media can also provide useful information, but the survey is expected to provide a more balanced cross-section of views and quantitative data needed to assist the Council in its deliberations.
- development of an information package to assist the public in understanding the current operation of the Council's kerbside recycling services and the recycling environment in which it operates
- inclusion of any proposed changes in the draft 2009/19 LTCCP for full public consultation.

#### 5.1.5 Worker Safety

The reported injuries by CitiOperations recycling collectors over the last three years are shown in Table 1. Research was carried out in 2008 across the industry, and the industry statistics are broadly consistent with our own.

**Table 1: Recycling collector injuries 2006/08**

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>WCC %</b>	<b>Industry %</b>
Back/shoulder	4	3	11	41	19
Arm/hand	3	4	6	22	34
Leg/foot	3	9	8	30	27
Other	2	2	2	7	20
<b>Total</b>	<b>12</b>	<b>18</b>	<b>27</b>		
Bruises	1	2	5	14	9
Cuts	2	5	2	16	32
Strains/sprains	7	9	19	63	53
Other	2	2	1	7	6
<b>Total</b>	<b>12</b>	<b>18</b>	<b>27</b>		

Currently three staff members are off work waiting for surgery on shoulders or knees. The nature and frequency of these injuries is commensurate with the advancing average age of our workforce, which is around 40 years. Many

councils in Australia and New Zealand are moving away from collection methodologies that involve manual handling. The collection methodology with the least injuries, as shown in Table 2, is the most automated - wheelie bins.

**Table 2: Injury rates by collection method**

<b>Collection method</b>	<b>Estimated injury rates per million hours worked</b>
Automated bin collection	41
Bag collection	368
Non-automated bin collection	251
Loose collection	2602

### **5.1.6 Factors influencing behaviour change**

Individual users respond differently to a range of incentives and disincentives. To encourage waste reduction and recycling uptake, the Council could (some of these are seemingly contradictory, but reflect the potential individual responses of users):

- charge for waste collection, but not for recycling, as at present. Waste per capita has not significantly reduced since the introduction of user pays bags for waste so household waste decisions may not be very price elastic
- charge directly so users value more the service they have paid for
- charge indirectly for recycling and / or waste collection so it feels like ‘it is all taken care of in their rates’
- provide easy access to information so users understand the purpose of the service, and potential environmental effects, and the importance of their role in the process
- charge for both but manipulate the relative pricing
- limit the volume able to be collected
- optimise convenience so it is easy for users to comply with requirements. This could mean collecting only supermarket bags, or not requiring any separation of recyclable materials.

### **5.1.7 Impacts on low-income families**

Impacts on financially struggling households would be minimised by options which provide funding from indirect sources, such as the recycling levy on waste to landfill. Increases to rates would have a delayed impact on tenants through their rental prices.

### **5.1.8 Consultation**

Following Committee consideration of the 12 February report and this report, development of an information package is proposed to assist the public in understanding the current operation of the Council's kerbside recycling services.

The proposed changes will be incorporated into the draft 2009/19 LTCCP for full public consultation.

Limited targeted engagement is also proposed, based on a representative sample of 5%, or 3,500 households. This would provide a balanced cross-section of views and quantitative data to assist the Council in its deliberations.

It is proposed that consultation would seek public views on the relative merits of:

- pre-paid bags or wheelie-bins as alternatives to the current green bins
- funding recycling services through
  - rates
  - the recycling levy
  - other waste activities
  - user-pays.

## **5.2 Collection options**

### **5.2.3 Discontinue recycling collection services**

Ceasing recycling services would save \$2.6m per annum, although some overheads would need to be reallocated to other activities.

Waste volumes would increase as recyclables would be included with the general waste. There would be a consequent increase in the sale of yellow rubbish bags as these would be used to dispose of the recyclable materials. Alternatively, there could be an increase in use of commercial wheelie-bin services.

This option would mean that the recycling levy currently collected at the landfill would need to be either discontinued or reallocated to another related project. Discontinuing the levy would significantly reduce landfill fees, resulting in even greater volumes of waste to our landfill. The cost of yellow bags would also be likely to drop.

Discontinuation of recycling services is not recommended because:

- It would be premature to discontinue kerbside recycling without having given time for the Waste Minimisation Act to take effect. Residents believe they are doing 'the right thing' by recycling and the Act supports this.
- International analysis shows that environmental benefits, including greenhouse gas emission reductions, can result from recycling in preference to landfilling, despite transport costs. However, this analysis

may not apply to the Wellington situation given its distance from overseas processing and its local well-managed landfill.

- The Council has worked for several years to develop the present well-established recycling behaviours and these would be very difficult to re-establish later if they were stopped now.
- Stopping recycling would meet very strong resistance. Kerbside recycling is now perceived as a core Council service, even though the general understanding of what actually happens to our recycling and the real cost of the collection services is often very limited.

### **5.2.2 Drop-off facility**

Some cities, such as Rotorua, have developed drop off facilities as an alternative to a kerbside collection service. Drop off facilities offer the Council a cheaper but less convenient way to provide a recycling service. Until around 2004, Wellington City had up to eight recycling drop off facilities. With the exception of the landfill drop off, all these facilities were closed for environmental reasons, mainly associated with illegal and irresponsible dumping. There were several key lessons learned:

- Drop off facilities should not be sited in quiet, dark, out of the way areas.
- Staff should be present when such facilities are open.
- When facilities are closed, they must be secure and monitored.
- Facilities must be large enough to be serviced safely.
- Residents tend to not want these drop-off points in their immediate area.

It is not necessary to have both drop-off facilities and kerbside collection services. If Wellington City was to replace kerbside collection with drop off facilities, the following would need to be considered:

- Consents would most likely be required, and past experience suggests this is unlikely to be a simple matter.
- Sufficient available physical space can be difficult to identify. Most supermarkets and service stations in populated areas do not have spare space, and there is a value associated with car parks and other spaces.

An estimated seven to ten sites would be required across the City. These would need to be adequately designed, staffed and serviced. The operational expenditure for this is estimated at between \$1.45 and \$1.65m per annum. This does not include the set up costs which are likely to be in the order of hundreds of thousands of dollars, depending on consent and space issues.

Officers support revisiting this option, given the growing national profile and understanding of waste management issues, alongside any of the container options considered.

### **5.2.3 Continued use of existing recycling bins**

Hutt City Council has carried out a trial on nets, which proved popular with householders because they prevent most recyclables from blowing or falling out of the bins. Hutt City Council has encouraged its residents to purchase and use



the nets. This could resolve one of the issues that Wellington City Council is seeking to address, but the use of nets:

- do not resolve the issues around safety or funding
- would not achieve their intended outcome unless uniformly imposed
- will slow down the collection process, increasing the costs of the service
- cost \$15 per net, as reported by Hutt City Council, although a discount may be negotiable for a bulk order. This set-up cost could be funded:
  - directly by the users of recycling services. Officers advise that it would be very difficult to implement net use uniformly with this approach
  - through the Southern Landfill recycling levy which would need to increase for one year by \$9.30 per tonne or 50% to recover the cost
  - through rates. City-wide this would cost \$863,303, or approximately \$12.75 per ratepayer for one year (this assumes \$15.00 per net, and one bin per participating household)
  - cost savings from reduced sump blockage.

Requiring residents to tie or bag the recyclables would assist in reducing litter, and requiring that they identify their bins would assist in locating those responsible for loose material.

#### **5.2.4 Wheelie bins**

The environmental, technical and financial implications related to the use of wheelie bins in Wellington City are considered below.

##### **Technical considerations**

A comprehensive investigation was carried out in 2006 to assess the suitability of 120 litre wheelie bins in each suburb using a multi-criteria analysis including:

- Car parking constraints
- Vehicle access, including apartment buildings, road camber, width, vegetation, corners etc.
- Wind exposure
- Street gradient and width
- Footpath nature and width
- Vehicular traffic flow and safety issues
- Private roads and shared driveways currently not accessible to collection trucks.

Based on the above criteria and comprehensive site surveys for each suburb 79.6% of residential addresses were found to be serviceable. A 10% margin of error is allowed for as most of the areas identified as being unserviceable are dispersed within suburbs.

The possible scenarios to address the collection of recyclables, if wheelie bins are to be deployed, present significant operational challenges. The operational issues could be addressed through a dual collection system using wheelie bins where possible and plastic bags elsewhere. Operationally the collection cycle for wheelie bins would be in different timeframe than that for the recycling bags

(for instance, bi-weekly wheelie bin collections and weekly recycling bag collections).

Two vehicle fleets would be required to service the collection areas; new compactor trucks for the areas where wheelie bins can be used, and a combination of the existing or modified small trucks and utility vehicles for all other areas.

The wheelie bin services could be extended in some locations to areas where the topography presents an obstacle by building concrete platforms. Some locations would remain unserviceable due to the other constraints identified.

### **Financial considerations**

Both capital and operational expenditure for the phasing of wheelie bins for recycling collection could range significantly due to variables including:

- the uptake rate of wheelie bins by households
- the number of platforms needed within an identified suburb to accommodate wheelie bins and the number of these which successfully meet consent requirements
- maintenance, cleaning costs, security etc.

The following provisional cost assessment is based on the assumption that the Council would do the collection and the recyclable volumes would increase by not more than 10% based on the number of current participants.

In our commercial contracts the capital expenditure and depreciation provisions are structured differently than for the Council's operations as they are presented as a total contract cost.

The dominant determinant of the final costs of wheelie bin collection services would be expected in all cases to be the nature of the mix of wheelie bin and bag collections, and the related collection areas and volumes, rather than whether the collection service is provided by the Council or a contractor.

Costs have been forecasted for two scenarios: working around current access constraints using new compactor trucks (Table 3), or including concrete pads where possible (Table 4). The forecast costs are shown over five years as, if the service is contracted out, it is expected that the contractors would seek recovery of their capital expenditure within that period.

Although the cost for building each wheelie bin platform is estimated on average to be not more than \$15,000, it is not possible yet to project the total number of platforms needed. The related costs of consultation, resource and building consents, maintenance and health and safety considerations are also unknown at this stage. Design and construction supervision costs would be expected to be less than 10% of the overall cost.

The expenditure is based on the use of a single wheelie bin per household. Although Auckland and Christchurch contracts are based on single wheelie bin recycling collection officers have been informed that the current processing

facilities at Seaview would need modification if co-mingled recyclables are delivered to the sorting plant. It is unclear whether recouping that cost, or part of it, would be sought from Council in any future contractual arrangement. The worst case scenario would require deployment of a two-wheelie-bin system.

The model assumes Council ownership of the wheelie bins. Alternative models may not require this.

**Table 3: Cost projections excluding platform construction**

<b>Item</b>	<b>Assumptions</b>	<b>Capital expenditure (\$)</b>	<b>Operational expenditure (\$)</b>	<b>Outyears - Opex and Capex (\$)</b>
Wheelie bins	Take-up by 79.6% of 57,000 = 45,372 households	2,949,180  (1% vandalism)		29,492
Compactor trucks	14 required	3,150,000		-
Other collection vehicles	5 required	200,000		-
Operational costs and maintenance	Staff and vehicles		5,853,508	4% increase annually
<b>Total</b>		<b>12,152,689</b>		

**Table 4: Cost projections with allowance for platform construction**

<b>Item</b>	<b>Assumptions</b>	<b>Capital expenditure (\$)</b>	<b>Operational expenditure (\$)</b>	<b>Outyears Capex and Opex (\$)</b>
Wheelie bins	50% of currently unserviceable households included. Total take-up by 89.6% of 57,000 = 51,072 households	3,319,680		33,196

	1% vandalism			
Compactor trucks	16 required	3,600,000		-
Other collection vehicles	2 required	120,000		-
Platforms	Estimated on average to be not more than \$15k each	Unknown		
Operational costs and maintenance	Staff and vehicles		5,853,508	4% increase annually
<b>Total</b>		<b>12,817,606 + platforms</b>		

### 5.2.5 Pre-paid stickers

This proposal would see residents purchase a sticker every six months or year which would be placed on their bin (or a book of stickers to place on bags) to show that they had pre-paid for the collection service.

Officers do not recommend this approach because of the difficulties for collectors, such as needing to inspect each bin each time before deciding if it was to be emptied or not, and because of the risk of container and sticker theft.

Table 5 provides a brief summary of collection options for easy comparison. Non-recommended options are included for consideration.

**Table 5: Summary of collection options**

	<b>Option</b>	<b>Description</b>	<b>Recommendation</b>
	Pre-paid bags	As presented to Committee on 12 February 2009. <b>This is the recommended option.</b>	<b>Recommended</b> as provides <ul style="list-style-type: none"> <li>•partial cost-recovery</li> <li>•operational, safety and environmental benefits</li> <li>•flexibility for responding to change</li> </ul>
1	No recycling service provision by Council		<b>Not recommended</b>
2	Drop-off facilities	Recycling stations at	<b>Recommended for</b>

		convenient locations	future consideration
3	Current bins	With or without nets With or without additional containers (e.g. supermarket bags)	<b>Not recommended</b> due to safety considerations and litter
4	Wheelie bins	Wheelie bins where possible and bags elsewhere	<b>Not recommended</b> due to capital expenditure required and unserviceable areas
5	Pre-paid stickers	Placed on bins, bags, etc.	<b>Not recommended</b> due to risk of abuse

### 5.3 Funding options

The following options are discussed in the 12 February 2009 report, 'Kerbside Recycling'.

1. **Changing service levels**
  - **Match service levels to revenue from the landfill levy**
  - **Align service levels with market changes**
2. **Fully rates funded**
3. **Raising the levy to meet the full cost of recycling collection services**
4. **Fully user pays**
5. **Partial user pays, with the balance funded from the landfill levy. This is the recommended option.**

In addition to the previous information provided for these options, officers advise that Options 2 and 3 could include the annual provision of an allocation of 'free' recycling bags on an ongoing basis. Option 5 could be modified to provide for this also.

Additional options are discussed in the following sections, being:

- **Status quo - continued funding through waste activities as at present**
  - **Levy plus rates plus user pays**
6. **Status quo - continued funding through waste activities as at present**

This is similar to option 3, but rather than raising the levy to meet the full cost of kerbside recycling collection services, option 6 would rely on continuation of the existing use of funding from waste activity sources. Under this option, the

Council would explicitly decide to continue to use funding derived from the sale of rubbish bags and from landfill operations to subsidise kerbside recycling collection. This would require:

- the continued partial funding of kerbside recycling collection services by the commercial sector and other disposers of waste to landfill at the Southern Landfill. Note that the recycling levy is currently not able to be applied to waste disposed to other landfills
- raising of the levy if landfilling of biosolids is dis-continued
- raising of the levy should the volume ratio of waste to recycling drop, as is expected
- raising the cost of waste bags whenever the levy rises.

Overall, the Waste Activity is expected to cover its costs next financial year. The deficit for kerbside recycling is expected to be offset by surpluses in:

- domestic rubbish collection of around \$0.7m
- landfill operations of around \$0.7m; of which \$0.4m is related to landfilling sludge following closure of the compost plant and \$0.3m from general landfill use by commercial and domestic disposers.

Considerations for this option include:

- As waste reduces so will the funding available. The Waste Minimisation Act aims to regulate waste volumes downwards, so this option is at best short term.
- If sludge is not landfilled at some future stage, then this surplus will reduce substantially.
- The trend for yellow rubbish bag sales is static and most likely to be downwards over time, meaning the surplus can't be guaranteed in outyears for funding of recycling.
- If we change from bins to bags, the bags themselves will cost an additional \$0.4m which would be non-recoverable under this option.

## **7. Levy plus rates plus user pays**

This option combines the various approaches. Retaining the levy would continue to provide a disincentive for disposal to landfill and provide funding to subsidise the costs of recycling.

Rates funding would be used to supplement any levy shortfall to ensure a base service allocation could be provided (such as 1 wheelie bin collection per fortnight, or 26 bags). As waste volumes decrease, unless the return on materials increases or collection costs decrease, the rates component would gradually increase.

For those users needing additional servicing, user-pays bags would be available.

Table 6 provides a brief summary of funding options for easy comparison. It is proposed all of the options be included for consideration in the consultation. 'Partial user-pays' is the recommended option.

**Table 6: Summary of funding options**

	<b>Option</b>	<b>Description</b>	<b>Container options</b>
1	Align service levels	Match to levy funding or market changes	Any
2	Rates	Fully funded from rates	Any
3	Raise levy	Fully funded from levy	Any
4	Fully user pays	Pay-as-use or pay annually	Bags or wheelie bins or both
5	Partial user-pays <b>This is the recommended option</b>	Pre-paid plus recycling levy to provide 'free' annual allocation or to subsidise costs	Any
6	Status quo	Levy plus other waste activities	Any
7	Levy plus rates plus user pays	Levy to subsidise costs Rates for base allocation User-pays for high users	Bags or wheelie bins or both

#### **5.4 Potential changes in the recycling environment, outside of the Council's direct control**

##### **5.4.1 Waste Minimisation Levy**

The Waste Minimisation Act provides for a levy to be applied to landfilled waste, initially set at \$10 per tonne. The levy will increase the cost of disposal to landfill; recognising that this imposes costs on the environment, society and the economy. The revenue is to be used for promoting and achieving waste minimisation with half being distributed to local authorities and the remaining half being available nationally on a contestable basis. The levy is expected to increase over time, resulting in a larger funding pool for projects and making local recycling more cost effective than landfilling.

Officers will report to the Committee by the end of 2009 with a range of proposals for how the Waste Minimisation Levy revenue could be utilised. Councillors have already expressed interest in the development of local 'cottage' industries. Rather than committing rates funding, it is proposed that the Council looks to access the contestable fund either directly or indirectly to

promote waste minimisation initiatives, including local 'cottage' industry. It could also consider making available land at the Southern Landfill site.

#### **5.4.2 Container Deposit Legislation**

Under the Waste Minimisation Act, the Minister for the Environment is able to regulate for take-back services, fees, and refundable deposits. Council has submitted to government in 2008 supporting this option and it is proposed that the Council continues to advocate for such regulation.

Should such regulation be introduced, the impact on waste and recycling volumes could be significant. In South Australia, and some other parts of the world, beverage and other containers can be returned to recycling depots in exchange for a small refund. This has the effect of creating a market for containers, greatly reducing litter and taking the pressure off kerbside schemes. There are spin-off benefits in fundraising opportunities for community groups. Removal of glass from the recycling collection service in Wellington City could reduce recycling volumes by up to one third.

## **6. Conclusion**

Additional information and options have been provided as requested by the Committee on 12 February 2009.

Contact Officer: *Mike Mendonça, Manager CitiOperations*



## **Supporting Information**

### **1) Strategic Fit / Strategic Outcome**

*The management of municipal waste and divertible materials is consistent with:*

- *Wellington Regional Strategy outcomes of a sustainable natural environment, and of high quality, secure essential services, consistent with sustainable growth*
- *Wellington City Council's LTCCP:*
  - *Community Outcomes: environment protected by well-planned and maintained infrastructure; move towards a zero waste policy; promote sustainable environmental management.*
  - *Council Outcomes:*
    - 4.3 *More actively engaged –collaboration, sharing information, establishing partnerships.*
    - 4.5 *More sustainable –reduce impact, efficient resource use; minimise waste.*
    - 4.6 *Safer –access to safe, reliable waste disposal systems to protect public health/ecosystems*
  - *Council Priorities: promote waste...efficiency...and use of renewables; strengthen partnerships to increase environmental awareness and participation.*

### **2) LTCCP/Annual Plan reference and long term financial impact**

*The project is contained in Annual Plan Project C079. Any proposed changes would be consulted on through the LTCCP process.*

### **3) Treaty of Waitangi considerations**

*No Treaty of Waitangi implication from this report has been identified.*

### **4) Decision-Making**

*This is likely to involve a significant decision. If agreed, the proposal would require changes to the Solid Waste Management Plan 2003 and the funding approach for the Council's recycling services.*

### **5) Consultation**

*Consultation during the drafting of this report has included the waste industry and the Environment Reference Group. Mana whenua were made aware of the report. Market testing will be undertaken and wider consultation will take place through the LTCCP process.*

### **6) Legal Implications**

*Legal advice has not been received for this report.*

### **7) Consistency with existing policy**

*A user-pays funding approach for the Council's recycling services may be seen by some ratepayers as introducing a new user charge. Not collecting glass would be a departure from the principles of the Council's Solid Waste Management Plan 2003. This departure would reflect changes in the glass market, an externality that was not known when the Plan was adopted.*

# **A RANGE OF FACTORS FOR CONSIDERATION**

**ANNEX 1**

