

QLDC Council  
4 June 2020

Report for Agenda Item | Rīpoata moto e Rāraki take: 1

Department: Property & Infrastructure

Title | Taitara Proposed waste fees and charges 2020/21

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

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The purpose of this report is to agree the waste fees and charges for the 2020/21 year.

RECOMMENDATION | NGĀ TŪTOHUNGA

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That Council:

1. **Note** the contents of this report;
2. **Adopt** the waste fees and charges for the 2020/21 year.

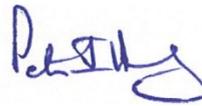
Prepared by:



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Title: Contracts Manager

8/05/2020

Reviewed and Authorised by:



Name: Peter Hansby  
Title: GM Property & Infrastructure

14/05/2020

## CONTEXT | HOROPAKI

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- 1 The Council's waste fees and charges were last reviewed for the 2019/20 year, with the previous review occurring in 2018/19.
- 2 An annual review is required to ensure appropriate cost recovery is achieved for waste, in line with expected costs outlined in the Ten Year plan.

## ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

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- 3 There are three key drivers for the need to review the fees and charges:
  - a. Increase in costs associated with the Emissions Trading Scheme;
  - b. Increase in the landfill gate fee associated with the installation of the landfill gas capture and destruction system;
  - c. Introduction of charges to encourage waste diversion of e-waste (currently charged at the general waste rate).
- 4 In light of COVID-19 impacts and challenging times ahead for the community, increases to fees and charges have been kept to a minimum.
- 5 The Finance Team have already purchased half of the credits for our Emissions Trading Scheme obligation in the 20/21 year at a price of \$26.15 per unit giving us some price certainty in relation to our Emissions Trading Scheme obligations. As such, no adjustment has been made to the fees and charges for 20/21 in relation to any further anticipated Emissions Trading Scheme increases.
- 6 In November 2019, Council resolved not to increase the Transfer Station waste fees and charges from 1 January 2020 when the landfill gate fee increased, as the associated costs were offset by the already collected landfill gas levy. As the landfill gas levy is no longer collected, the costs of the increases to the landfill gate fee need to be recovered for the 20/21 year.
- 7 Since 1 July 2019, the Council has been accepting e-waste for diversion at the Transfer Stations, charged at the general waste rate. To encourage diversion of this waste stream it is proposed to introduce separate charges for e-waste.
- 8 Attachment A outlines the proposed changes to the waste fees and charges.
- 9 Option 1 Reject the proposal to increase the waste fees and charges and retain existing  
*Advantages:*
  - 10 No increase in current user charges for the community.*Disadvantages:*
  - 11 Costs of collection and disposal will not be fully recovered.

- 12 Additional funding required to cover funding shortfall
- 13 Option 2 Accept the proposed increase in waste fees and charges for the 2020/21 year  
*Advantages:*
  - 14 Costs of collection and disposal will be recovered.
  - 15 There is the opportunity to encourage diversion of e-waste from landfill.*Disadvantages:*
  - 16 Increase in user charges for the community.
- 17 This report recommends **Option 2** for addressing the matter because user charges will offset costs for collection and disposal and the introduction of charges for e-waste will encourage diversion of these products.

#### CONSULTATION PROCESS | HĀTEPE MATAPAKI:

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##### > SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

- 18 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because while the change will mean an increase in user charges, the outcome will be positive in that the user charges will offset costs of collection and disposal.
- 19 The persons who are affected by or interested in this matter are residents/ratepayers of the Queenstown Lakes District community, and/or visitors and/or Council contractors.
- 20 The Council will inform its contractors via the Notice to Contractor process. Contractors will then notify their respective customers. The Council will also update our website with the new user charges.

##### > MĀORI CONSULTATION | IWI RŪNANGA

- 21 The Council has considered Māori consultation not to be applicable in this instance

#### RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

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- 22 This matter relates to the Financial risk category. It is associated with RISK00020 Financial (Unexpected change in costs) within the QLDC Risk Register. This risk has been assessed as having a moderate inherent risk rating.
- 23 The approval of the recommended option will support the Council by allowing implementation of additional controls for this risk. This shall be achieved by setting appropriate user charges while taking into consideration the needs of the community in relation to waste collection and disposal, as well as legislative requirements.

**FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA**

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24 The Council’s Ten Year plan provides budget to proceed with the recommendations contained within this report.

**COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA**

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25 The following Council policies, strategies and bylaws were considered:

- Waste Management and Minimisation Plan 2018
- Ten Year Plan

26 The recommended option is consistent with the principles set out in the named policy/policies.

27 This matter is included in the Ten Year Plan/Annual Plan

- Included in operational costings

**LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA**

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28 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by ensuring user charges are fairly set and reflect the costs of waste collection and disposal;
- Can be implemented through current funding under the Ten Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

**ATTACHMENTS | NGĀ TĀPIRIHANGA**

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A	Proposed waste fees and charges for 2020/21
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**Attachment A**

**Proposed waste fees and charges for 2020/21**

	Current	Proposed 1 July 2020	Difference
<b>Cost to dispose of rubbish at the Transfer Station</b>			
Single refuse bags	\$5.00	\$5.50	\$ 0.50
Cars / small loads (lighter than 100kg)	\$20.00	\$23.00	\$ 3.00
Van / Ute / Trailer / Large Vehicle (lighter than 200kg)	\$42.00	\$48.00	\$ 6.00
Per Tonne	\$245.00	\$277.00	\$ 32.00
Green waste/mulch small load	\$7.00	\$7.00	\$ -
Green waste/mulch trailers/vans/utes (under 200kg)	\$14.00	\$14.00	\$ -
Per Tonne of green waste	\$70.00	\$70.00	\$ -
Hazardous Waste - up to 20kg or 20 litres, flat fee	\$10.00	\$10.00	\$ -
Hazardous Waste - greater than 20kg or 20 litres, per kg up to a max 100kg or 100 litres	\$10.00	\$10.00	\$ -
Tyres per tonne	\$438.00	\$438.00	\$ -
Tyres - per std car tyre	\$5.00	\$5.00	\$ -
Tyres - per std truck tyre	\$20.00	\$20.00	\$ -
Cleanfill per tonne	\$80.00	\$80.00	\$ -
Scrap metal per tonne	no charge	no charge	\$ -
E-waste - up to 5kg, per kg		\$3.00	Currently charged at the general waste rate. New rate \$3.00
E-waste - single items greater than 5kg, per kg up to a max 50kg		\$1.50	Currently charged at the general waste rate. New rate \$1.50
These charges are <b>inclusive</b> of GST			
	Current	Proposed 1 July 2020	Difference
<b>Cost to dispose of permitted waste at the Landfill</b>			
At the gate charge per tonne	\$99.00	This rate is not set until Certificate of Cost Auditor presented to QLDC, usually in June	
Waste disposal levy	\$10.00	\$10.00	\$ -
<b>Set by MfE</b>			
Employers levy	\$41.80	\$46.80	\$ 5.00
ETS obligation levy	\$29.75	\$29.75	\$ -
All other landfill charges are set by Scope Resources after the Certificate of Cost Auditor is released			
These charges are <b>exclusive</b> of GST			