

**QLDC Council
30 May 2019**

Report for Agenda Item: 2

Department: Property & Infrastructure

Proposed waste fees and charges 2019/20

Purpose

The purpose of this report is to agree the waste fees and charges for the 2019/20 year.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Accept** the proposed increases to the waste fees and charges for the 2019/20 year.

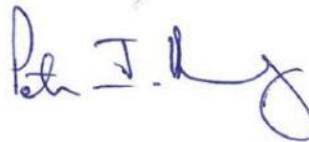
Prepared by:



Name: Laura Gledhill
Title: Contract Manager

13/05/2019

Reviewed and Authorised by:



Name: Peter Hansby
GM Property and
Infrastructure

16/05/2019

Background

- 1 Our waste fees and charges were last reviewed for the 2018/19 year, with the previous review occurring in 2017/18.
- 2 As part of last year's review, modelling was undertaken to ensure appropriate cost recovery would be achieved for waste, in line with expected costs outlined in the ten year plan.

Comment

- 3 There are two key drivers for the need to review the fees and changes

a. Increase in costs associated with the Emissions Trading Scheme

From 1/1/2019 onwards - 100% Obligation (1 unit for each 1 tonne of emissions)

The cost of carbon credits for the 2018 year was \$25.38 per unit.

b. New Solid Waste Services Contract commencing 1 July 2019

Replacement of the council pre-paid blue bag service with a rates funded 3 bin service

4 Attachment A outlines the proposed changes to the waste fees and charges.

Options

5 Option 1 Reject the proposal to increase the waste fees and charges and retain existing

Advantages:

6 No increase in current user charges for the community

Disadvantages:

7 Costs of collection and disposal not fully recovered

8 Additional funding required to cover funding shortfall

9 Option 2 Accept the proposed increase in waste fees and charges for the 2019/20 year

Advantages:

10 Costs of collection and disposal recovered

Disadvantages:

11 Increase in user charges for the community

12 This report recommends **Option 2** for addressing the matter because user charges will offset costs of collection and disposal.

Significance and Engagement

13 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.

Risk

14 This matter relates to the operational risk RISK00020 (Unexpected change in costs) as documented in the Council's risk register. The risk is classed as moderate. This matter relates to this risk because meeting the needs of the community in relation to waste collection and disposal, as well as legislative requirements requires the setting of appropriate user charges.

15 The recommended option considered above mitigates the risk by:

Treating the risk - putting measures in place which directly impact the risk.

Financial Implications

16 The Council's 10-Year plan provides budget to proceed with the recommendations contained within this report

Council Policies, Strategies and Bylaws

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

- Waste Management and Minimisation Plan
- 10-Year Plan 2018-28

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

19 This matter is included in the 10-Year Plan/Annual Plan

- Included in operational costings

Local Government Act 2002 Purpose Provisions

20 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 10-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.

Consultation: Community Views and Preferences

21 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.

22 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.

Attachments

A Proposed waste fees and charges for 2019/20

Attachment A

Proposed waste fees and charges for 2019/20

	Current	Proposed 1 July 2019	Difference
Cost to dispose of rubbish at the Transfer Station			
Single refuse bags	\$4.50	\$5.00	\$ 0.50
Cars / small loads (lighter than 100kg)	\$18.50	\$20.00	\$ 1.50
Van / Ute / Trailer / Large Vehicle (lighter than 200kg)	\$40.00	\$42.00	\$ 2.00
Per Tonne	\$235.00	\$245.00	\$ 10.00
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	\$70.00	\$80.00	\$ 10.00
Scrap metal per tonne	no charge	no charge	\$ -
These charges are inclusive of GST			

	Current	Proposed 1 July 2019	Difference
Cost to dispose of permitted waste at the Landfill			
At the gate charge per tonne	\$74.00	This rate is not set until Certificate of Cost Auditor presented to QLDC, usually in June	
Waste disposal levy	\$10.00	\$10.00	\$ -
Set by MfE			
Employers levy	\$41.80	\$41.80	\$ -
ETS obligation levy	\$21.57	\$29.75	\$ 8.18
Landfill gas levy	\$6.17	\$6.17	\$ -
All other landfill charges are set by Scope Resources after the Certificate of Cost Auditor is released			
These charges are exclusive of GST			