



Kaupapataka Agenda

NOTICE OF AN ORDINARY MEETING FOR THE STRATEGY, POLICY & FINANCE COMMITTEE

Date: Thursday, 14 April 2022

Time: 9.30am

Venue: Council Chamber

MEMBERSHIP

| | |
|----------------|--|
| Chair | Cr Raukawa-Tait |
| Deputy Chair | Cr Kai Fong |
| Members | Mayor Chadwick |
| | Cr Bentley |
| | Cr Donaldson |
| | Cr Kumar |
| | Cr Maxwell |
| | Cr Tapsell |
| | Cr Wang |
| | Cr Yates |
| | Mr Thomass (Lakes Community Board member) |
| | Mrs Trumper (Rural Community Board member) |
| | Mr Biasiny-Tule (Te Tatau o Te Arawa Board Member) |
| | Dr Morgan (Te Tatau o Te Arawa Board Member) |

Quorum 7

STRATEGY, POLICY & FINANCE COMMITTEE DELEGATIONS

| | |
|-------------------------------|---|
| Type of Committee | Committee |
| Subordinate to | Council |
| Subordinate Committees | n/a |
| Legislative Basis | Schedule 7, clause 30 (1) (a), Local Government Act 2002. |
| Purpose | The purpose of the Strategy, Policy and Finance Committee is to have oversight and make recommendations to the Council on the adoption and development of all Council's strategic, policy, planning and regulatory frameworks. |
| Reference | 01-15-228 |
| Membership | <p>Councillor Raukawa-Tait (Chair) Councillor Kai Fong(Deputy Chair)</p> <p>Mayor Chadwick and councillors Bentley, Donaldson, Kumar, Maxwell, Tapsell, Wang and Yates</p> <p>Te Tatau o Te Arawa members - Mr Biasiny-Tule and Dr Morgan</p> <p>Lakes Community Board member – Mr Thomass</p> <p>Rural Community Board member – Mrs Trumper</p> <p>Full voting rights for all members</p> |
| Quorum | 7 |
| Meeting frequency | Monthly |
| Delegations | <p>The Committee's function is recommendatory only.¹ It is authorised to take actions precedent to the exercise by the Council of its statutory responsibilities, duties and powers, by:</p> <ul style="list-style-type: none"> • Receiving, considering, hearing submissions and making recommendations on draft plans (except the District Plan), strategies and policies (such as the Long-term Plan, Annual Plan; funding and financial policies; reserves management plans and asset management plans); • Considering and making recommendations on the development of the Council's rating policy; financial strategy and budgets; • Considering and making recommendations on the development of Council bylaws, including hearing submissions in relation to making, amending and revoking bylaws; • Considering and making recommendations on Council's strategic direction to ensure efficient and effective delivery of Council's objectives and District Vision; • Receiving and considering reports from working/strategy groups; • Considering and making recommendations on the development of guidelines for decision making to assist Council in achieving its strategic outcomes; • Considering and making recommendations on the establishment of levels of service across Council services to ensure alignment with strategic goals and priorities; • Considering and making recommendations on the development of Treasury and funding functions; |

¹ Council is authorised to delegate anything precedent to the exercise of Council's powers, duties and functions - Schedule 7, clause 32, Local Government Act 2002

| | |
|------------------------------|---|
| | <ul style="list-style-type: none"> • Considering and making recommendations on proposals for the establishment of Council controlled organisations (including the appointment and remuneration of Directors, formation of constitutions and shareholder agreements); • Considering and making recommendations on proposals for the sale and purchase of land; • Considering and making recommendations on issues relating to Council leases; • Considering and making recommendations on draft Council submissions/responses in relation to: <ul style="list-style-type: none"> ○ Central government policies, plans and proposed legislative reform; ○ Proposals by other organisations/authorities (Local and Regional). • Performing such other functions as the Council may direct from time to time.² |
| Relevant Statutes | All the duties and responsibilities listed above must be carried out in accordance with the relevant legislation. |
| Limits to Delegations | <p>The Committee does not have the delegated authority to make decisions for and on behalf of the Council. All matters requiring a decision of Council must be referred, by way of recommendation, to the Council for final consideration and determination.</p> <p>In the event that the Council resolves not to approve or adopt a Committee recommendation, the item shall be returned to the Committee via the Chief Executive for review and subsequent referral to the Council for further consideration and determination.</p> |

² A committee is subject in all things to the control of the local authority, and must carry out all general and special directions of the Council given in relation to the committee - see Schedule 7, clause 30(3), Local Government Act 2002.

Order of Business

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1 Opening Karakia - Karakia Whakapuaki

HE KARAKIA MŌ TE KAUNIHERA O NGĀ ROTO O ROTORUA

E te Atua kaha rawa, ko koe te tohu Rangatira, te tohu mātauranga.
Manaakitia mai mātau, wāu pononga i tēnei wā, e mahi nei i a mātau mahi, mō te painga o ngā tāngata, o Te Kaunihera o ngā Roto o Rotorua.
Takua mai kia tau te rangimārie ki runga i a mātau i ngā wā katoa.
Ko Ihu Karaiti hoki tō mātau Ariki
Āmine

TŪTAWA MAI

Tūtawa mai i runga
Tūtawa mai i raro
Tūtawa mai i roto
Tūtawa mai i waho
Kia tau ai te mauri tū
Te mauri ora, ki te katoa
Hāumi e. Hui e. Tāiki e!

COUNCIL PRAYER

Almighty God, who alone is the leader of all mankind and the fountain of all knowledge.
Send thy blessing upon us your servants this day as we strive to do all things good for the betterment of the people of the Rotorua district.
May we be tolerant in ourselves at all times.

Through Jesus Christ our Lord
Amen

TŪTAWA MAI

I summon from above
I summon from below
I summon from within
I summon the surrounding environment
The universal vitality and energy to infuse
and enrich all present
Enriched, unified and blessed

2 Apologies - Ngā Whakapāha

The Chair invites notice from members of:

1. Leave of absence for future meetings of the Rotorua Lakes Council; or
2. Apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

3 Declarations of Interest - Whakapuakitanga Whaipānga

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Urgent items not on the agenda - Ngā Take Whawhati tata kāore i te Rārangi Take

Items of business not on the agenda which cannot be delayed

The Chair will give notice of items not on the agenda as follows:

Matters Requiring Urgent Attention as Determined by Resolution of Rotorua Lakes Council

The Chairperson shall state to the meeting.

1. The reason why the item is not on the agenda; and
2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

The item may be allowed onto the agenda by resolution of the Rotorua Lakes Council.

s.46A (7), LGOIMA

Discussion of minor matters not on the agenda.

Minor Matters relating to the General Business of the Rotorua Lakes Council.

The Chair shall state to the meeting that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Rotorua Lakes Council for further discussion

s.46A (7), LGOIMA

5 Confirmation of Minutes – Te Whakaū i ngā Meneti

5.1 Strategy, Policy & Finance Committee Meeting Minutes (draft) 10 March 2022

01-15-228
RDC-1237757

Minutes

**Strategy, Policy & Finance Committee meeting
held Thursday, 10 March 2022 at 9.30am
Council Chamber, Rotorua Lakes Council**

| | |
|-----------------------------------|--|
| MEMBERS PRESENT: | Cr Raukawa-Tait (Chair) Mayor Chadwick, Cr Bentley, Cr Donaldson, Cr Kumar, Cr Maxwell, Cr Wang, Mr Thomass (Lakes Community Board) and Mrs Trumper (Rural Community Board). |
| MEMBERS PRESENT VIA AUDIO VISUAL: | Cr Yates, Cr Tapsell, Cr Kai Fong and Dr Morgan. |
| APOLOGIES: | Mr Biasiny-Tule |
| IN ATTENDANCE: | J McRae, Chair, Rotorua Economic Development Ltd; A Wilson, Chief Executive, Rotorua Economic Development Ltd. |
| STAFF PRESENT: | G Williams, Chief Executive; T Collé, Deputy Chief Executive, Organisational Enablement; J-P Gaston, Deputy Chief Executive, District Development; O Hopkins, Deputy Chief Executive, District Leadership & Democracy; S Michael, Deputy Chief Executive, Infrastructure & Environmental Solutions; A Pewhairangi, Deputy Chief Executive, Community Wellbeing; G Rangi, Deputy Chief Executive, Te Arawa Partnership; C Tiriana, Deputy Chief Executive, Chief Executive's Group; I Tiriana, Manager Council Communications; G Kieck, Manager, Corporate Strategy & Planning; R Dunn, Governance Lead; G Konara, Governance Support Advisor. |

The meeting opened at 9.30am

The Chair welcomed elected members, media, staff and members of the public.

1. KARAKIA WHAKAPUAKI OPENING KARAKIA

Mrs Trumper opened the meeting with a Karakia.

2. NGĀ WHAKAPĀHA APOLOGIES

Resolved:

That the apologies from Mr Biasiny-Tule be accepted.

Moved: Cr Donaldson

Seconded: Cr Raukawa-Tait

CARRIED

3. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

None

4. NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

Mayor Chadwick informed that Sudima Hotel would be the only Managed Isolation and Quarantine (MIQ) facility that will be in operation in Rotorua.

5. TE WHAKAŪ I NGĀ MENETI CONFIRMATION OF MINUTES

5.1 MINUTES OF THE STRATEGY, POLICY & FINANCE COMMITTEE MEETING 10 FEBRUARY 2022

RDC-1226934

Resolved:

That the minutes of the Strategy, Policy & Finance Committee meeting held 10 February 2022 be confirmed as a true and correct record

Moved: Mrs Trumper

Seconded: Cr Wang

CARRIED

Attendance - Cr Kumar joined the meeting at 9.35 am.

6. NGĀ TĀPAETANGA PRESENTATIONS

6.1 LONG TERM PLAN – YEAR 2 DELIVERY 2022 - 2023

Thomas Collé and Oonagh Hopkins spoke to a Powerpoint presentation titled “Long-term Plan Year 2 Delivery 2022 - 2023” (Attachment 1).

7. PŪRONGO KAIMAHI STAFF REPORTS

7.1 LAND SWAP AT ŌTAUTŪ BAY, LAKE ROTOEHU

RDC-1229046

Resolved:

1. That the report titled “Land swap at Ōtautū Bay, Lake Rotoehu” be received.

Moved: Cr Donaldson

Seconded: Mrs Trumper

CARRIED

Stavros Michael overviewed the report.

Further resolved:

2. That the Committee recommends to Council to approve the disposal of surplus road reserve at Part of Pongakawa Valley Road, Rotoehu, as shown on the attached plan (Attachment 2), to the adjacent property in exchange for land required for a proposed pumping station.

Moved: Cr Wang

Seconded: Mr Thomass

CARRIED

Dr Morgan requested his vote against be recorded.

8. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI
RESOLUTION TO GO INTO PUBLIC EXCLUDED**Resolved:****That the committee move into public excluded session.**

Moved: Mr Thomass

Seconded: Cr Donaldson

CARRIED

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987, for the passing of this resolution are as follows:

| General subject of each matter to be considered | Reason for passing this resolution in relation to each matter | Ground(s) under Section 48(1) for passing of this resolution |
|--|--|--|
| Confidential minutes of previous meeting held 10 February 2022 | Please refer to the relevant clause/s in the open meeting minutes. | Good reason for withholding exists under Section 48(1)(a). |

| General subject of each matter to be considered | Reason for passing this resolution in relation to each matter | Ground(s) under Section 48(1) for passing of this resolution |
|--|---|--|
| Rates Remission Policy | Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. | Section 48(1)(a) Section 7(2)(b)(ii) |
| Phase 3 and Extension of Contract - Bulk Stormwater Enabling Works | Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. | Section 48(1)(a) Section 7(2)(b)(ii) |
| Verbal update on Provincial Growth Fund Projects | Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). | Section 48(1)(a) Section 7(2)(i) |
| Inner City Development | Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). | Section 48(1)(a) Section 7(2)(b)(ii) Section 48(1)(a) Section 7(2)(i) |

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Sections 6 or 7 of the Act or Sections 6, 7 or 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above (in brackets) with respect to each item.”

OPEN SESSION

Meeting closed at 1.02pm

To be confirmed at the Strategy, Policy & Finance Committee meeting on 14 April 2022.

.....
Chair

Note 1: Rotorua Lakes Council is the operating name of Rotorua District Council

Note 2: Attachments to these minutes are available on request or on [Council's website](#)

6 Presentations – Ngā Tāpaetanga

6.1 Housing Development Wellbeing Compass and Te Arawa Model for Housing

Presentation by Te Tatau o Te Arawa

7 Staff Reports – Pūrongo Kaimahi

27-15-071
RDC-1244562

ROTORUA LAKES COUNCIL

Mayor
Chair and Members
STRATEGY, POLICY & FINANCE COMMITTEE

7.1 Waste Management & Minimisation Plan 2022-28

Report prepared by: Prashant Praveen, Manager – Waste & Climate Change

Report reviewed by: Stavros Michael, Deputy Chief Executive – Infrastructure & Environmental Solutions

Report approved by: Geoff Williams, Chief Executive

1. TE PŪTAKE PURPOSE

The purpose of this report is to inform Strategy, Policy and Finance Committee on the outcome of the public consultation on WMMP 2022-28, and seek agreement to refer the WMMP to Council for final adoption as required under the Waste Minimisation Act 2008.

2. TE TUHINGA WHAKARĀPOPOTOTANGA EXECUTIVE SUMMARY

The WMMP is a guiding document, which outlines the vision, goals and targets for waste minimisation within a district, as well as, the action plan to achieve the desirable outcomes. Under the Waste Minimisation Act 2008, councils are required to prepare and adopt a WMMP at least every six years.

In 2016, Rotorua Lakes Council (RLC) adopted its first WMMP, which was aimed at empowering Rotorua residents to maximise waste diversion from landfills, as well as, improving Rotorua's environmental footprint by upgrading waste services and facilities. RLC has made excellent progress against the goals and targets of the WMMP 2016-22.

WMMP 2022-28 builds on the progress made under the current WMMP and aims to address new challenges in waste management and minimisation in Rotorua. The Council developed a "draft" WMMP in late 2021, which was followed by meaningful community engagement and consultation in February 2022. Council received over 40 submissions and most endorsed the draft WMMP. The feedback from the community also identified minor issues that required resolution and improvement.

The overall vision of WMMP 2022-28 is to empower Rotorua communities to minimise waste generation, and maximise waste diversion and resource recovery, by offering convenient, effective and innovative waste services. It identifies the goals, objectives, targets and lists activities that to realise the vision. The adoption of WMMP 2022-28 by Council is the final step of the review process.

3. HE TŪTOHUNGA RECOMMENDATION

- 1. That the report “Waste Management & Minimisation Plan 2022-28” be received.**
- 2. That the Committee recommends to Council to adopt the Waste Management & Minimisation Plan 2022-28.**

4. TE TĀHUHU BACKGROUND

Under the Waste Minimisation Act 2008, councils are required to develop a WMMP. The WMMP contains a summary of the council’s objectives, policies, methods and funding to achieve effective and efficient waste management and minimisation within its district. Councils are required to review their existing WMMP every six years.

The first step in developing a WMMP is to draft a Waste Assessment. The purpose of the Waste Assessment is to review progress against the current WMMP and provide foundation for the development of a new WMMP. RLCs Waste Assessment 2021 was approved by Council in April 2021.

The WMMP 2022-28 has been prepared using Waste Assessment 2021 as the precursor. Its key components are:

- The overarching strategy – an outline of the waste situation, along with the goals, objectives and targets
- The action plan – a list of activities which will be undertaken to achieve the objectives and targets
- The appendices – supporting information for the proposed objectives and actions (i.e., Waste Assessment 2021, WMMP 2016-22)

The vision, goals, objectives and targets for the WMMP 2022-28 are aimed at minimising waste generation and maximising resource recovery in Rotorua, to reduce waste and carbon footprint and improve environmental outcome. The targets for 2022-28 WMMP are:

- 30% reduction in municipal waste to landfill
- Reduction in recycling contamination from 22% to 12%
- Contamination-free glass collection
- 60% reduction in kerbside food waste to landfill
- 60% reduction in kerbside green waste to landfill

These targets are linked to the goals and priorities of waste services outlined in the LTP 2021, Climate Action Plan 2020 and Te Arawa Climate Strategy. A detailed action plan outlines the steps that will be undertaken to achieve the goals and the targets.

5. TE MATAPAKI ME NGĀ KŌWHIRINGA DISCUSSION AND OPTIONS

The adoption of the WMMP 2022-28, following public consultation, is a statutory requirement and a required prerequisite for Council to be entitled to receive quarterly waste levy payments from the Ministry for the Environment.

Waste levy fund is dispersed through a formula based on relative population distribution of Districts. The disbursement for Rotorua is between \$250,000 – 280,000 per annum.

6. TE TINO AROMATAWAI ASSESSMENT OF SIGNIFICANCE

The decisions or matters of this report are not considered significant in accordance with Council's Significance and Engagement Policy.

7. NGĀ KŌRERO O TE HAPORI ME TE WHAKATAIRANGA COMMUNITY INPUT/ENGAGEMENT AND PUBLICITY

Public consultation on the draft WMMP 2022-28 was undertaken in February 2022. A summary of the engagement (Have your say – online tool) is presented below:

| Tool status | Number | Agree with proposed plan | Feedback on proposed plan |
|----------------|--------|--------------------------|---------------------------|
| Total visitors | 71 | - | - |
| Contributors | 35 | 25 | 10 |
| Email | 6 | 6 | - |

Most of the feedback was focussed on improving recycling services, including organics, e-waste and plastics. Residents also wants to see enforcement actions to reduce the instances of recycling contamination and illegal dumping. The action plan in the WMMP includes specific tasks to address these concerns. Overall, the feedback from the community was positive and required only minor changes in the WMMP.

8. HE WHAIWHAKAARO CONSIDERATIONS

8.1 Mahere Pūtea Financial/budget considerations

No actions required at this stage.

8.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications

The goals and targets proposed in the WMMP are consistent with the vision of LTP 2021-31, as well as two major goals of Rotorua's Vision 2030: a resilient community, and; enhanced environment. These are also aligned with the Climate Action Plan 2020.

8.3 Tūraru Risks

The only major risk pertains to a delay in adopting the WMMP 2022-28, which will result in the loss of waste levy payments from the Ministry for the Environment.

8.4 Te Whaimana Authority

Deputy Chief Executive – Infrastructure & Environmental Solutions has the authority to make decisions to implement the action plan outlines in the WMMP.

**9. TE WHAKAKAPINGA
CONCLUSION**

The adoption of “Waste Management & Minimisation Plan 2022-28” following public consultation is a statutory requirement. The WMMP must be adopted by April 2022 to ensure that the levy payments from the Ministry for the Environment is not discontinued.

**10. TĀPIRINGA
ATTACHMENT**

Attachment 1: Waste Management & Minimisation Plan 2022-28
(RDC-1244864 - distributed separately)

ROTORUA LAKES COUNCIL

Mayor
Chair and Members
STRATEGY, POLICY & FINANCE COMMITTEE

7.2 Organic Waste Collection – Commence Consultation

Report prepared by: Prashant Praveen, Manager – Waste & Climate Change

Report reviewed by: Stavros Michael, Deputy Chief Executive – Infrastructure & Environmental Solutions

Report approved by: Oonagh Hopkins, Deputy Chief Executive - District Leadership & Democracy

1. TE PŪTAKE PURPOSE

The purpose of this report is to seek the agreement of the Strategy, Policy and Finance Committee to recommend to Council to commence public consultation on introduction of a kerbside organic waste collection in Rotorua.

2. TE TUHINGA WHAKARĀPOPOTOTANGA EXECUTIVE SUMMARY

Organic waste collection is identified as a priority in Council's Waste Management and Minimisation Plan (WMMP) 2016-22 and Climate Action Plan 2020. The roll-out of an organic waste collection service was indicated in LTP 2021-2031 and the upcoming Waste Minimisation Plan (2022-28) relies primarily on organic diversion to meet the waste minimisation goals and targets. Besides, central government's ongoing "Transforming Recycling" consultation includes mandating food scrap collections by Councils to reduce New Zealand's waste and carbon footprint.

Council is considering four different options that can be used for kerbside organic collection in Rotorua. Each of these options have been assessed for their waste diversion efficiency, potential benefits and challenges. The costs associated with these options have been estimated using a comprehensive cost model. Various scenarios have been considered and volume/cost sensitivities to different factors have been determined.

Public consultation on an organic waste collection service is a critical step in determining the community's views on the proposed roll out of services in Rotorua. The community will be invited to provide feedback on whether to maintain the status quo (no organics diversion) or choose one of the four organic waste collection options as the preferred option. Public consultation in May will give Council adequate time to consider feedback, agree to proceed to a procurement phase and implement an organic waste collection service to commence from 1 July 2024.

3. HE TŪTOHUNGA RECOMMENDATION

1. That the report "Organic Waste Collection – Commence Consultation" be received.

2. That the Committee recommends to Council to commence public consultation on the introduction of an organic waste collection service.

4. TE TĀHUHU BACKGROUND

Under the Waste Minimisation Act, 2008. Territorial Authorities are required to reduce waste to landfill. Recent kerbside waste audits in Rotorua have indicated that up to 55% of municipal waste comprise of food or garden organics, whereas compostable materials make up over 60%. Organics diversion was included as a priority in the Waste Minimisation Plan (WMMP) 2016-22. Council has reiterated its commitment to divert organics waste in Rotorua's Waste Assessment 2021 and the WMMP 2022-28. Considering the potential of organic waste in creating greenhouse gases (GHG), their diversion has also been identified as a priority in Rotorua's Climate Change Action Plan, which was adopted by Council in 2020.

Diversion of organic waste aligns well with Council's Vision 2030 goals: Tiakina to taiao - Enhanced environment and He huarahi hou - Employment choices. The outcomes of organics diversion are also aligned with the aspirations of Te Arawa, outlined within the Te Arawa Climate Change Strategy. The initiative is expected to provide several environmental, financial and economic benefits:

- >50% reduction in municipal waste to landfill (>8,000 tonnes per year)
- 80% reduction in municipal waste carbon footprint (\approx 11,000 tonnes CO₂-e per year)
- new sustainable industry and job creation (up to 7 FTE)
- businesses and events enabled to divert commercial compostable waste

To encourage the diversion of waste from landfills, the New Zealand government announced changes to the landfill levy and emissions trading scheme (ETS) in 2020. These regulatory changes have resulted in an increase in landfill taxes (levy and ETS), from \$35 to \$60 per tonne of waste in July 2021. The taxes are expected to reach \$120 per tonne of waste (about \$1 million increase in landfill disposal costs per year) by 2024. Thus, the diversion of organic waste is a significant step in mitigating the financial risks arising from the regulatory changes on landfills. Government is now considering recycling standardisation in New Zealand, which may make food scraps collection mandatory for Councils.

5. TE MATAPAKI ME NGĀ KŌWHIRINGA DISCUSSION AND OPTIONS

Five different options are being considered:

1. **Business as usual (BAU):** No changes in rubbish and recycling collection and no organics diversion. Council will face full impact of the changes in landfill levy and emissions trading scheme.
2. **Food Organics Green Organics (FOGO) collection:** Weekly kerbside collection of mixed FOGO and fortnightly collection of rubbish.
3. **Food Organics (FO) only:** Weekly kerbside collection of FO and weekly collection of rubbish.
4. **Garden Organics (GO) only:** Fortnightly collection of GO and weekly collection of rubbish.
5. **Food Organics and Green Organics (FO and GO):** Weekly kerbside collection of FO, fortnightly collection of GO and fortnightly collection of rubbish.

Each of these options have their own advantages and limitations, which have been described in Attachment 1.

6. TE TINO AROMATAWAI ASSESSMENT OF SIGNIFICANCE

The decisions or matters of this report are not considered significant in accordance with Council's Significance and Engagement Policy.

7. NGĀ KŌRERO O TE HAPORI ME TE WHAKATAIRANGA COMMUNITY INPUT/ENGAGEMENT AND PUBLICITY

Further consideration around the introduction of an organic waste collection service requires public consultation, which has been scheduled for May 2022. The outcome of public consultation will determine the future course of action.

8. HE WHAIWHAKAARO CONSIDERATIONS

8.1 Mahere Pūtea Financial/budget considerations

No actions required at this stage.

8.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications

Organics diversion has been described a priority action in WMMP 2016-22, WMMP 2022-28 and Climate Action Plan 2020. It has also been indicated in LTP 2021-31.

8.3 Tūraru Risks

There are a number of risks identified at this time. Failure to proceed results in Council not being able to meet its waste minimisation targets. Reputational risk to Council in consulting on a new service when the community is being hit hard by the ongoing impacts of COVID, inflation etc.

Commencement of the service - following a decision to proceed with an organic waste collection service there will be at least a year before the service will start. Expectations on the timing will need to be managed and ongoing awareness/education about the introduction of the service.

Consultation on the targeted rate in 2023/24 – Council will be required to consult on an increase to the targeted rate resulting from the introduction of this service. This will need to be managed so re-litigation on the council decision following consultation on the introduction of the service is not over run by the consultation on the targeted rate.

8.4 Te Whaimana Authority

The Strategy, Policy and Finance Committee has the authority to support this mahi and recommend to Council to proceed to public consultation.

**9. TĀPIRINGA
ATTACHMENT**

Attachment 1: Presentation slides – Organics diversion in Rotorua (RDC-1245091).

Attachment 1: Presentation slides – Organics diversion in Rotorua



Why Organic Waste?



1.
New/emerging regulations –
Consulting on mandatory organics collection ongoing



Transforming Recycling - Consultation

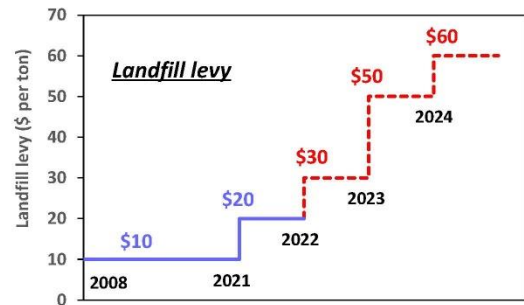


- Mandatory food scraps collection
- Considerations for green waste collection
- Mandatory reporting
- Minimum performance standard
- Businesses to divert organics



Why Organic Waste?

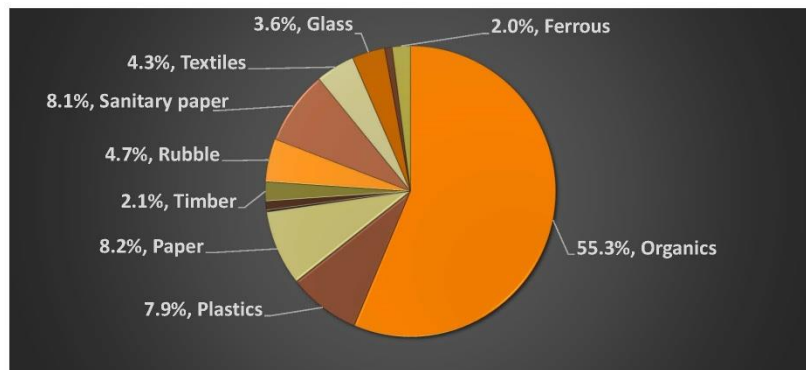
Unprecedented rise in landfilling costs due to landfill levy and emissions trading scheme (ETS) **Landfill costs expected to increase by a million dollars per year by 2024**



Why Organic Waste?



2.
Huge volumes –
Largest component in municipal waste



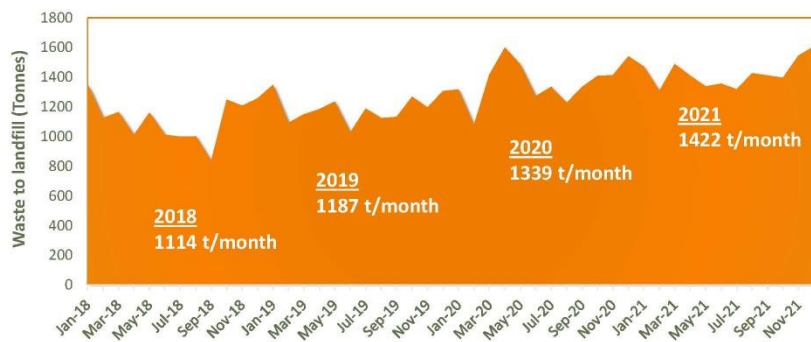
≈55% waste comprised of organic materials **>60% waste comprised of compostable materials**



Rotorua's Waste-to-Landfill



Rotorua's Waste-to-Landfill



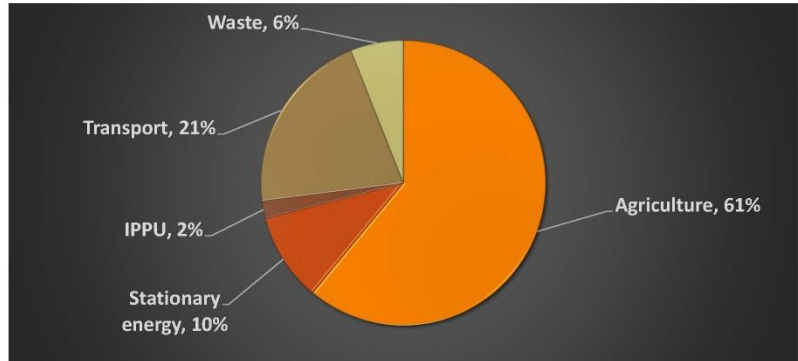
28% increase in average monthly tonnage between 2018 and 2021

New waste minimisation initiatives and/or services needed

Organics diversion crucial to reduce waste-to-landfill

Why Organic Waste?

3.
Climate change mitigation –
Primary sources of landfill methane



Solid waste emission footprint $\approx 76,000$ tCO₂-e **Organics diversion included in Climate Action Plan**

Waste and Climate Change



In 2019, emissions from NZ waste sector was 3,317,000 tCO₂-e **4% of gross GHG emissions**



Waste sector emissions are predominantly methane (>92%) **Indirect emissions from resource use and loss, and transport**

Why Organic Waste?

4. Circular economy –
Resources to recover minerals and energy

≈90 GJ heat per ton

≈850 kWh electricity per ton

≈20 kg nitrogen per ton
≈3.2 kg phosphorus per ton
≈25 dietary minerals

Unrecovered nutrients and minerals create capacity issues at WWTPs

Steps for Organics Diversion



1. Collection
Kerbside collection/drop-off facilities for organic waste

2. Processing
Setup or partner with facilities for resource recovery from organic waste

3. Education
Awareness/training on organic diversion and bin usage

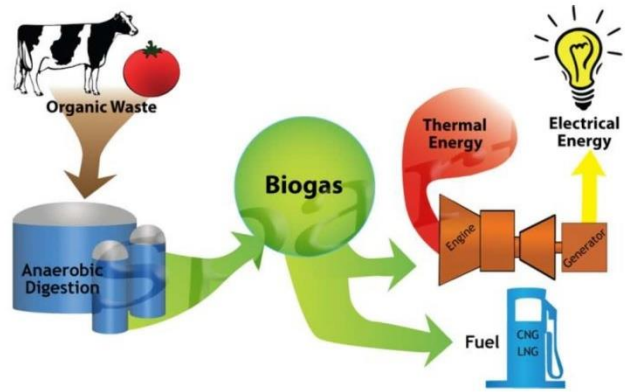
Disposal Options



Anaerobic digestion

Anaerobic biological process widely used to recover resources (e.g., energy, minerals) from food waste

- ✓ Well established proven technology
- ✓ Climate change mitigation potential
- ✓ New plant operational in Reporoa
- x Unsuitable for garden waste



Disposal Options



Composting

Aerobic biological process widely used to recover resources (e.g., soil, minerals) from organic waste

- ✓ Well established proven technology
- ✓ Climate change mitigation potential
- ✓ Several facilities available
- x Composting food waste may be challenging

Advanced composting technologies using controlled condition are often used for food waste.

Collection Options



1. Mixed food and green (FOGO)

- ✓ Weekly collection; rubbish fortnightly
- ✓ Advanced composting
- ✓ High recovery (55%)
- x Compliance concerns

2. Food waste only (FO)

- ✓ Weekly collection
- ✓ Digestion or composting
- x 25% diversion from landfill
- x High collection costs
- x Compliance concerns

3. Green waste only (GO)

- ✓ Fortnightly collection
- ✓ Cheap windrow composting
- x 25% diversion from landfill
- x No change in rubbish collection

4. Separate food (FO) and green (GO)

- ✓ High and efficient recovery (55%)
- ✓ Weekly collection; rubbish fortnightly
- x High collection costs
- x Compliance concerns

Options Analysis



| Option area | BAU | Option 1 FOGO | Option 2 FO | Option 3 GO | Option 4 (2+3) FO+GO (separate) |
|-----------------------|--------|------------------|-----------------|-------------------|------------------------------------|
| Description | - | All organics | Only food waste | Only garden waste | All organics |
| Max diversion | - | 55% | 25% | 25% | 55% |
| Processing technology | - | Composting/AD | Composting/AD | Composting | Composting/AD |
| Organics collection | - | Weekly | Weekly | Fortnightly | Weekly/fortnightly |
| Rubbish collection | Weekly | Fortnightly | Weekly | Weekly | Fortnightly |

Key assumptions (Cost modelling)

| | | | | | |
|----------------------------|---|-----------------------------|-------|------|----------|
| Landfill charges | Current level; levy to increase to \$60 by 2024 | | | | |
| Organics collection | - | \$40 per household per year | | | |
| Processing costs (per ton) | - | \$120 | \$120 | \$60 | \$60/120 |
| Transport costs | - | \$16 per ton | | | |
| Receptacle costs | - | \$120 per household | | | |



Options Analysis – Financials

| Collection + Disposal costs | BAU | Option 1: FOGO | Option 2: FO ONLY | Option 3: GO ONLY | Option 4: FO AND GO |
|--------------------------------|----------------|-------------------|----------------------|----------------------|------------------------|
| | \$000's | \$000's | \$000's | \$000's | \$000's |
| Pick up costs | - | \$10,490 | \$20,980 | \$10,490 | \$20,980 |
| Processing costs (green waste) | - | \$4,323 | \$Nil | \$2,161 | \$2,161 |
| Processing costs (food waste) | - | \$4,323 | \$4,323 | \$Nil | \$4,323 |
| Others | \$4,589 | \$9,817 | \$6,700 | \$6,124 | \$11,578 |
| Total | \$4,589 | \$28,953 | \$32,003 | \$18,775 | \$39,042 |
| Saving on reduced landfill | - | (\$15,918) | (\$7,959) | (\$7,959) | (\$15,918) |
| Net cost over 10 years | \$4,589 | \$13,035 | \$24,044 | \$10,816 | \$23,124 |
| Average rate increase per year | 0.5% | 1% | 2% | 1% | 2% |
| Average targeted rate per year | \$17 | \$50 | \$92 | \$42 | \$88 |

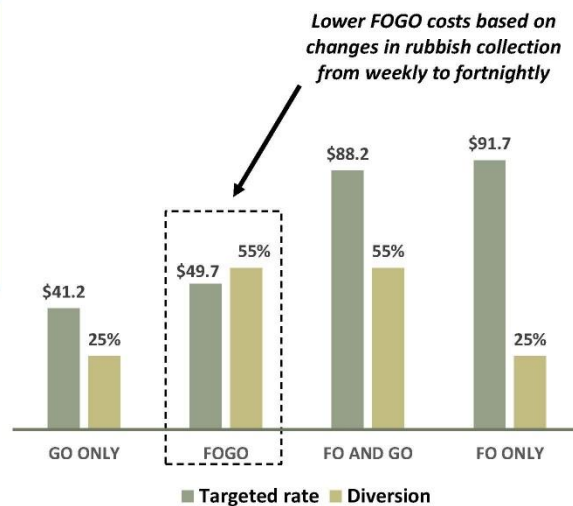
Options Analysis - Outcome



The Preferred Option - FOGO

- ✓ lower costs
- ✓ Higher diversion rate
- ✓ Proven process in NZ/Aus
- ✓ One stage solution
- ✓ Fewer operational issues

Failure to reduce rubbish collection frequency will increase collection costs by a million dollars per year, to targeted rate ≈ \$85





FOGO - The Preferred Option

| Waste stream | Current | Proposed |
|--------------------|---------------|--------------------|
| Glass (blue) | Fortnightly | Fortnightly |
| Recycling (Yellow) | Fortnightly | Fortnightly |
| Rubbish (Red) | Weekly | Fortnightly |
| FOGO (Green) | - | Weekly |

Fortnightly rubbish collection

- to reduce collection costs
- to support FOGO diversion

FOGO Bin

Multiple bin options (at extra costs) to suit different households/requirements

Rubbish Bin

Options for **bigger or multiple rubbish bins** at extra costs

FOGO - Financials



| Scenario | Description | Targeted rate (per household per year) |
|-----------------------|-----------------------------------|--|
| Base case | Base assumptions | \$50 |
| Best case scenario | Conditions generally favorable | \$39 |
| Worse case scenario | Conditions generally unfavorable | \$66 |
| Worst case scenario | Completely unfavorable conditions | \$80 |
| Expected range | <i>Most likely scenario</i> | \$52 ± 6 (\$46-58) |

Current fortnightly kerbside green waste collection services cost >200 per year



Uncontrollable factors – Landfill levy revenue, Emission trading costs, CPI

How to FOGO?



FOGO: Impact



A Circular Economy

Organic diversion to close the loop between food and fertilizer, and facilitate resource recovery



Climate Change Mitigation

Organics responsible for landfill gas emissions and diversion critical to climate change action plan



New Sustainable Industry

Opportunity to create new sustainable industry and jobs in Rotorua

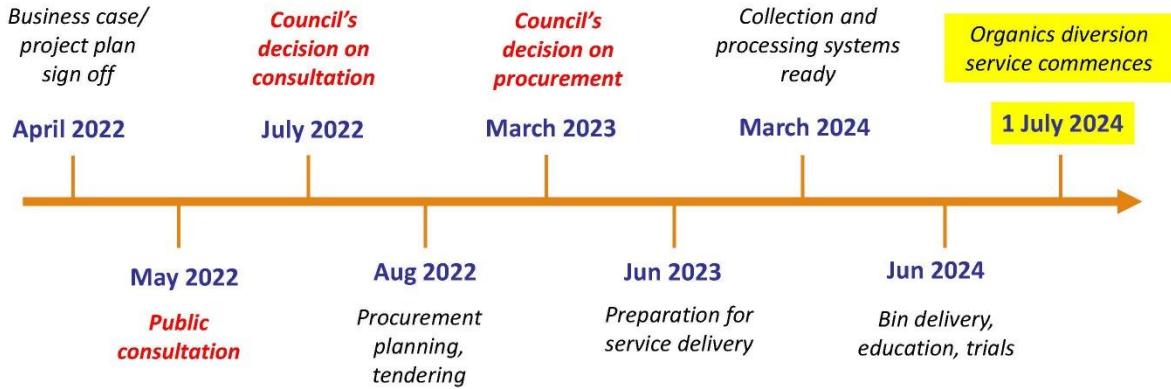


The New Norm

Consistency with the new norm of organics diversion in NZ



Timeline



THANK YOU!



8 Resolution to go into Public Excluded - Ka Matatapu te Whakataunga i te Tūmatanga (to consider and adopt confidential items)

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987, for the passing of this resolution are as follows:

| General subject of each matter to be considered | Reason for passing this resolution in relation to each matter | Ground(s) under Section 48(1) for passing of this resolution |
|---|---|---|
| CONFIDENTIAL MINUTES OF PREVIOUS MEETING HELD 10 MARCH 2022 | Please refer to the relevant clause/s in the open meeting minutes. | Good reason for withholding exists under Section 48(1)(a). |
| SIR HOWARD MORRISON PERFORMING ARTS CENTRE UPDATE | Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). Prevent the disclosure or use of official information for improper gain or improper advantage. | Section 48(1)(a) Section 7(2)(h) Section 48(1)(a) Section 7(2)(i) Section 48(1)(a) Section 7(2)(j) |
| TE WHARE TAONGA O TE ARAWA BUILDING PROJECT UPDATE | Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). Prevent the disclosure or use of official information for improper gain or improper advantage. | Section 48(1)(a) Section 7(2)(h) Section 48(1)(a) Section 7(2)(i) Section 48(1)(a) Section 7(2)(j) |

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Sections 6 or 7 of the Act or Sections 6, 7 or 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above (in brackets) with respect to each item.