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Corporate Plan Output: Solid Waste Resource Recovery	

The purpose of this report is to present the 1998/99 Compost Business Plan to the Council.

**BACKGROUND**

A business plan for the Council composting facility at Metro Place was first written for the 1996/97 financial year. The 1998/99 plan (see attachment), is the second plan produced. In the period between the two plans, the Council entered into a strategic partnership agreement with the Living Earth Company to manufacture and market Living Earth Compost products (in addition to Envy products).

The new plan reviews progress on the key strategies, and progress towards meeting the Performance Measures detailed in the previous plan. It then sets out the proposed marketing plan for the forthcoming year, with particular emphasis on the approach to sale of the Living Earth product range. Key strategies are then reviewed and updated, as are the Performance Measures.

A draft copy of the new plan has recently been sent to all City Services Committee members and comments subsequently received have been incorporated in the final version attached.

For information, the key strategies from the plan are reproduced below.

**KEY STRATEGIES**

Strategy:

Performance Measure:

1. Increase Greenwaste Intake by:
  - Maintaining advertising
  - Promote separation of greenwaste by bin operators through meetings, newsletters.
  - Increase differential price between greenwaste and refuse.
  - Continue to target food processors.

5% increase in tonnage of greenwaste

2. Maintain Yield of Plant at targets (m<sup>3</sup> of product per tonne of greenwaste)

Yield maintained at:  
 - 0.63 m<sup>3</sup>/t soil conditioner  
 - 0.2 m<sup>3</sup>/t mulch

Research best future strategy for shredding, and arrange to implement strategy when current shredding contract is completed in June 1999.

Strategy complete and documents for new/extended contract prepared

## 11 Cont'd

### Strategy:

3. Continue to explore options for composting alternative product such as biosolids, animal waste, foodwaste etc., and pursue the feasibility of the Hazaka composting project.
4. In conjunction with Living Earth, implement the strategies detailed in their Marketing Plan for the introduction of Living Earth in Christchurch
5. For both Envy and Living Earth products, review sales at not more than monthly intervals and take corrective action as required.
6. Regularly review Quality Assurance Manual
7. Regularly review Health and Safety Plan
8. Carry out SWOT analysis of compost facility operation. Report findings to City Services Committee

### Performance Measure:

- Report to City Services Committee
- 5000 m<sup>3</sup> compost sold under Living Earth brand
  - Sold at average price of \$62/m<sup>3</sup> or more
- Gross sales revenue target met
- Review carried out?
- Review carried out?
- SWOT analysis carried out and reported

### **SUMMARY**

The 1996/97 Compost Facility Business Plan has been reviewed and updated, incorporating any changes resulting from the strategic partnership entered into with the Living Earth Company. Key strategies are as detailed above.

**Recommendation:** That the 1998/99 Compost Facility Business Plan be adopted.