



Christchurch City Council

CANTERBURY WASTE SUBCOMMITTEE AGENDA

MONDAY 12 SEPTEMBER 2005

AT 10AM

IN THE NO 3 COMMITTEE ROOM, CIVIC OFFICES

Subcommittee: Councillor Sally Buck (Christchurch City Council) (Chairman)
Councillor Robbie Brine (Waimakariri District Council)
Councillor James Gibson (Waimate District Council)
Mayor Kevin Heays (Kaikoura District Council)
Mayor Garry Jackson (Hurunui District Council)
Councillor Pat Mulvey (Timaru District Council)
Mayor Bob Parker (Banks Peninsula District Council)
Councillor Lindsay Philips (Selwyn District Council)
Councillor Dave Pullen (Mackenzie District Council)
Councillor Bob Shearing (Christchurch City Council)
Councillor Bev Tasker (Ashburton District Council)
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1. APOLOGIES

2. MINUTES OF MEETING - 11 JULY 2005

Attached.

3. CORRESPONDENCE

Attached for the information of members is a copy of correspondence from Transwaste Canterbury Ltd regarding a review of its obligations under clause 5.3 of the Memorandum of Understanding concerning the requirement for an Aftercare Fund, and obligations under clause 5.5 concerning the requirement for a Risk Fund relating to the Kate Valley Landfill.

4. DRAFT NEW CONSTITUTING AGREEMENT AND PROPOSED MEMBERSHIP OF CANTERBURY REGIONAL COUNCIL

General Manager responsible:	General Manager City Environment
Officer responsible:	City Water and Waste Manager
Author:	Zefanja Potgieter, DDI 941- 8271

PURPOSE OF REPORT

1. The purpose of this report is to present a new draft *Constituting Agreement* for the Canterbury Joint Standing Committee (CJSC), and to further consider the issue of the proposed membership of the Canterbury Regional Council (Environment Canterbury/ECan).

EXECUTIVE SUMMARY

2. On 11 July 2005 the Canterbury Waste Subcommittee resolved that "*Christchurch City Council staff develop a formal proposal on Environment Canterbury becoming a member of the Canterbury Joint Standing Committee for consideration by the Subcommittee*".
3. As set out in the attached report, due to changes in the Local Government Act 2002, the CJSC's *Constituting Agreement* (the Agreement) needs to be revised in any event and the concurrent proposal for ECan to be invited to join the CJSC would add further reason to revise the Agreement. A draft new Agreement (Attachment A) has therefore been drafted for consideration, to become effective on 1 July 2006. The draft new agreement when adopted will result in replacing the existing dual structure of CJSC and CWSC (Canterbury Waste Subcommittee), as required by the Local Government Act 1974, with a single committee called the Canterbury Waste Joint Committee (CWJC). The new Committee will continue as before to:
 - (a) Advance regional waste minimisation initiatives in all 10 territorial authority areas of Canterbury. However, the proposal is to invite ECan to become a participating council for regional waste minimisation purposes, and
 - (b) Be the conduit by which only the six territorial authorities that are shareholders in Transwaste Canterbury Ltd for disposal at Kate Valley landfill (Christchurch City and the District Councils for Banks Peninsula, Ashburton, Selwyn, Waimakariri and Hurunui) operate together on landfill issues.
4. However, in response to ECan's letter (see Attachment B discussed in paragraph 11 below) a second alternative version of the draft Constituting Agreement is also attached for consideration as Attachments C and D. These allow for two separate committees, one dealing only with regional waste minimisation with all 10 territorial authorities, and the other only with Kate Valley landfill with the six shareholder councils as members. In practice there would be little difference with this alternative as the committees would meet consecutively. Nevertheless the separation would provide transparency with respect to the separate activities.

LEGAL CONSIDERATIONS

5. Buddle Findlay advised on the previous Agreement, and were therefore requested to assist in the revision process, and John Buchan will attend the 12 September meeting.

STAFF RECOMMENDATIONS

It is recommended that the Subcommittee:

- (a) Adopt the attached draft new Constituting Agreements for two separate joint committees, the Canterbury Waste Joint Committee and the Canterbury Regional Landfill Joint Committee, for consideration by all member councils.
- (b) Extend a formal invitation to Canterbury Regional Council to consider the approved version of the new draft Constituting Agreement as a basis for possible future membership.

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NEW AGREEMENT

6. While most of the proposed amendments to the existing Agreement are consequential to:

- (a) there being no legal reason anymore for a committee plus subcommittee structure, and
- (b) accommodating the proposed ECan membership,

the opportunity exists to review the whole agreement, evaluating which causes are still required or not. The following changes in particular are noted:

- 7. Existing clause 26: This regional waste minimisation clause has not so far been used (no specific delegations from individual councils addressing regional waste minimisation) and the suggestion is to delete it. Clause 26 itself has never been necessary as clause 25 already provides for delegations. Removing clause 26 therefore has no effect other than tidying up the Agreement. The fact that councils have over the years contributed a budget for regional waste minimisation initiatives and will remain doing so carries an implicit delegation to use it only for such purposes. Regional waste minimisation initiatives will therefore not be adversely affected by this proposed deletion.
- 8. Existing clause 33 was intended to operate with delegations under clause 26 and the recommendation is to replace it by a simple process as contained in new clauses 22-24.
- 9. The issue of the size of the annual budget for regional waste minimisation may also be reviewed as for the 2005/06 financial year it is likely that all of the \$75,000 will be spent. With Kate Valley up and running more time and resources could and should be directed towards regional waste minimisation and the increased budget will allow more to be achieved. A future budget of \$150,000 is recommended. This doubling of the budget will enable much more to be achieved and will only increase the annual funding for existing member councils by 50% (eg for Christchurch an increase from the current annual contribution of \$50,000 to \$75,000, and for Hurunui from the current \$1,575 to \$2,363, and so on) if ECan were to become a member on the basis of a 25% share of the future budget (\$37,500), as recommended in new clause 23.
- 10. Assuming that ECan becomes part of the CWJC, the existing Regional Hazardous Waste Working Party would need to become a subcommittee of the new CWJC as provided for in new clause 4(a) to (c). At the first meeting of the new CWJC the new committee would need to delegate to the subcommittee such powers needed to operate as it does at present, including spending its separate budget.
- 11. No clause changes are proposed to Part B of the Agreement dealing with the joint venture regional landfill. However a typographical error needs to be corrected. The percentage split of shares held by the six participating councils in the joint venture project incorrectly reflects Christchurch's share as 75.5%, whereas actual Christchurch shareholding has always been 75.7% (confirmed by Transwaste Canterbury Ltd). This has therefore been corrected in the new Agreement.
- 12. Copies of the draft new Agreement and this report were sent to staff of all members councils and to ECan for initial comments. A copy of a reply received from Mr Mike Freeman, Director Regulation, Environment Canterbury, is attached as Attachment B and needs to be considered at the meeting on 12 September. The letter raises three different issues for consideration:
 - § Having two separate committees (one for regional waste minimisation and one for regional landfill). In response to ECan's letter a second alternative version of the draft Constituting Agreement is attached for consideration as Attachments C and D. These achieve the same outcomes as before, but allow for two separate committees, one dealing only with regional waste minimisation with all 10 territorial authorities, and the other only with Kate Valley landfill with the six shareholder councils as members.

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- § Extending an invitation to Waimate District Council. Note: Waimate District Council was originally invited to join the Subcommittee but declined at the time. Part of Waimate district falls into Canterbury and part in Otago.
- § Inserting a clause into the agreement to clarify the regional waste minimisation function of the committee. Note: This is not strictly necessary. However, it would not present a problem.

THE PROCESS FROM HERE

13. A proposed process for moving forward to a target date of 1 July 2006 for establishing a new structure could be as follows:
 - (a) The 10 member councils of the CWSC adopt a preferred version of a new draft Agreement on 12 September for submission to member councils for consideration and formal approval. The CWSC then forwards an invitation for possible membership as from 1 July 2006 to ECan based on the draft new Agreement. The Agreement therefore also fulfils the function of 'conditions' for ECan membership.
 - (b) Each of the 10 territorial authorities need to formally consider the draft new Agreement at their own council meetings and then inform the CWSC in writing of their approval of the new Agreement. There is a requirement in the existing Constituting Agreement that only with the unanimous support of all 10 territorial authorities could another party join. During this period ECan has the opportunity to formally respond to the proposal.
 - (c) At the December or February meeting (depending on formal feedback received from all councils) the CWSC would then consider the feedback from all members, as well as the response received from ECan. Assuming that all member councils have approved the new Agreement (and therefore ECan membership) and should ECan have resolved to accept the invitation to join, then the member councils would be able to resolve to formally discharge CJSC/CWSC and simultaneously establish the new structure at a date to be determined. The new Constituting Agreement would then be forwarded to member councils for signature.
14. Note that this schedule of required steps is based on the assumption that all member councils will adopt the draft new Agreement without any changes that need to be referred back to the Subcommittee for consideration, and that ECan will proceed with the process. It is recommended that when approving the new draft Agreement, and if no issues for reconsideration by the Subcommittee have been identified, member councils specifically authorise their representative on the subcommittee to approve minor changes that may arise on behalf of their respective councils
15. ECan has identified issues to be discussed with the subcommittee which might result in extending the schedule. Similarly a decision by ECan not to participate in the future CWJC would logically require some amendments to the draft new Agreement.
16. While extending the schedule and therefore the completion date for this process poses no problems, it would have the potential to affect the selected date for the Agreement to become effective – currently targeted for 1 July 2006, being the start of a new financial year for all parties.

5. PRODUCT STEWARDSHIP AND WATER EFFICIENCY LABELLING

General Manager responsible:	General Manager City Environment
Officer responsible:	City Water & Waste Manager
Author:	Diane Shelander, Senior Resource Planner, DDI 941-8304

PURPOSE OF REPORT

1. The purpose of this report is to inform the Subcommittee of the submission from the Christchurch City Council on the Ministry for the Environment's discussion paper on product stewardship and water efficiency labelling.

EXECUTIVE SUMMARY

2. The Ministry for the Environment released a discussion paper, the bulk of which concerned potential approaches to product stewardship as one means towards achieving the waste minimisation objectives of the New Zealand Waste Strategy (2002). The Ministry's preferred approach is a combination of voluntary agreements and regulatory "safety nets". Waste streams under consideration for product stewardship schemes included tyres, used oil, end-of-life vehicles and packaging. The Ministry sought comments on a suite of issues related to product stewardship. The Ministry also sought comment on its proposal for water efficiency labelling. The comment period ended 31 August 2005.

STAFF RECOMMENDATION

It is recommended that the Subcommittee receive the report.

BACKGROUND ON PRODUCT STEWARDSHIP AND WATER EFFICIENCY LABELLING

3. In July 2005, the Ministry for the Environment published for public comment a discussion paper on product stewardship and water efficiency labelling. The Ministry noted that product stewardship is one method by which waste minimisation measures are implemented.
4. In the discussion document, product stewardship is defined as shared responsibility among those involved in a product's life cycle, including producers, importers, brand owners and retailers. The Ministry differentiated product stewardship from extended producer responsibility, the latter of which is more narrowly focused on product manufactures or producers. The Ministry invited comments by 31 August on the discussion paper.
5. At its 25 August 2005 meeting, the Christchurch City Council voted to submit comments on the Ministry's discussion document (see Attachment A).

PRODUCT STEWARDSHIP

6. The Ministry's discussion paper provided a brief overview of product stewardship but left many questions unanswered. The paper listed five products that are designated as wastes with particular management and disposal problems:
 - § Tyres
 - § Used oil
 - § End-of-life vehicles
 - § Electronic wastes
 - § Packaging
7. For each of these products, some form of end of life product management scheme already exists in New Zealand. However, for each product the scheme has notable weaknesses or areas of concern. For example, Tyre Track is a free, voluntary programme that links those with unwanted tyres with those who can collect and reuse, recycle or dispose of them. However, a recent report¹ noted that of the 36 tenders submitted by used tyre suppliers in Canterbury between July 2004 and May 2005 for collection of their used tyres, less than half resulted in a successful transaction.

¹ Future Waste Tyre Recovery and Recycling Options for Canterbury - Scoping Report for the Canterbury Waste Subcommittee, June 2005. Prepared by the Recovered Materials Foundation.

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8. In the discussion document the Ministry has briefly considered:
 - § the concept of product stewardship;
 - § how product stewardship is managed internationally and in New Zealand;
 - § “free riders”, those who may benefit from not complying with requirements of product stewardship schemes; and
 - § programme design and implementation issues.
9. Analysis of product stewardship approaches taken overseas is lacking, and there was little discussion of the strengths and weaknesses of the product stewardship schemes currently in place in New Zealand.
10. Five objectives for product stewardship in New Zealand were identified:
 - § more efficient use of resources and reduced volume of waste
 - § increase recovery of resources
 - § inclusion of the cost of waste management into product prices
 - § improved product design
 - § effective and efficient scheme.
11. Four approaches to product stewardship were listed:
 - § Status quo. Currently there is no consistent approach to product stewardship and no formal national policy. There is no statutory framework to address free riders.
 - § Voluntary industry-led scheme with regulation of free riders.
 - § Mandatory approach
 - § Combination of voluntary and regulatory approach
12. The Ministry’s preferred option for product stewardship is one that combines voluntary and regulatory approaches. Under this approach, voluntary product stewardship agreements would be negotiated between industry and government, and regulation would only be sought if participation in a scheme was poor or if there was a significant waste problem for which there was no voluntary agreement.

WATER EFFICIENCY LABELLING

13. In the discussion paper the Ministry for the Environment suggested a labelling scheme for specified water-using products in New Zealand that would align with a new water efficiency labelling scheme in Australia. The Ministry argued that a water efficiency labelling scheme can benefit areas that can face water restrictions in summer, reduce the need for increasing water supply capacity, reduce energy consumption, reduce outflow from septic systems, and create conformity between Australian-made and New Zealand made products subject to the scheme.
14. The current review of the New Zealand Building Code is already going to include provisions for promoting water efficiency through labelling, so the additional labelling proposed in the discussion paper is essentially directed at whiteware.

SUMMARY

15. The Ministry for the Environment sought comment on approaches to product stewardship and water efficiency labelling. The submission from the Christchurch City Council (Attachment A) made the following recommendations to the Ministry:
 - § The Christchurch City Council recommended that the Ministry consider the following products for product stewardship schemes:
 - Tyres
 - Used oil
 - End-of-life-vehicles
 - Packaging
 - Electronic waste
 - Treated timber
 - Fluorescent tubes and HID lamps
 - Gas cylinders
 - Beverage containers
 - Farm plastics
 - Agricultural chemicals

5 Cont'd

- § The Council recommended the Government undertake, as an initiative independent from any individual product stewardship scheme, the development of enabling legislation to permit the use of a regulatory safety net should any voluntary product stewardship.
- § The Council recommended that all product stewardship agreements include measurable targets and require monitoring of performance towards achieving those targets.
- § The Council recommended that where product stewardship schemes rely on a voluntary approach, product stewardship agreements must serve as a necessary step to define goals, targets, roles and responsibilities.
- § The Council recommended that the Australian Water Efficiency Labelling Scheme be adopted in New Zealand.

6. INFORMATION SHARING

The opportunity will be taken for all members to share any items of concern or interest.