

# Submission: Draft Auckland Waste Management and Minimisation Plan 2018 (WMMP)

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Please note: We wish to make an oral presentation to this submission

Business North Harbour Incorporated

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Local Board Representation: Upper Harbour Local Board



Signature:

Introduction

Business North Harbour is a significant commercial/industrial Business Improvement District (BID), representing over 4,500 commercial property owners and businesses within the North Harbour area. Collectively our business owners employ over 35,000 Auckland residents and ratepayers.

Our businesses comprise of a mix of sole traders, Small and Medium-sized Enterprises (SMEs), multinational organisations representing sectors such as ICT, business services, specialist manufacturing, and light to medium warehousing. In addition to the businesses, we have key educational institutions, all within a commercial and industrial estate which is on average less than 20 years old.

Upper Harbour Local Board area is expected to be the fastest growing area in the country over the next ten years, in both absolute and percentage population terms<sup>1</sup>, which brings both challenges and opportunities to the North Harbour Business district.

## Our primary interests are those decisions within the Draft Auckland Waste Management and Minimisation Plan 2018 which:

- Impact on the cost of business across a short to medium timeframe
- Impact on economic development and the ability to leverage value from location
- Support or restrict business growth opportunities
- Impact on R&D and investment waste minimisation sector development and capability
- Provide the scope to protect and enhance Auckland's reputation as a clean, green city of choice.

The Auckland Waste Management and Minimisation Plan 2018 sets out the Council's priorities and how Council proposes to fund these. You are seeking feedback on several key proposals.

Our response is set out below and will focus on:

- (1) Prioritisation of Auckland Council's stated outcomes
- (2) Expansion of services to include business and commercial activities
- (3) Council's commercial waste priorities
- (4) Development of the Community Recycling Centre network
- (5) Central Government stewardship schemes
- (7) Additional comments about the draft Waste Management and Minimisation Plan

We have no interest in question 6 of Auckland Council's online submission form as this is outside of our Business Improvement District.

<sup>&</sup>lt;sup>1</sup> Auckland Council 10-year Budget 2018-28, Supporting Information, Section 6: Local Board Information, 6.17 UHLB

#### Background

Business North Harbour (formerly North Harbour Business Association) has been actively involved in the minimisation of landfill across our 4,500 commercial property and business owner members since 2015. We were successful on two occasions with funding applications approved through the Waste Minimisation and Innovation Fund grant process. \$12,000 has been granted to date, which is fully expended.

Over the past three years, Business North Harbour has facilitated an inorganic collection programme across our Business Improvement District, linking both commercial and community sectors to reduce the amount of predominately office and commercial hard goods from becoming landfill. Over 158 business organisations have committed to the inorganic collection since inception. This equates to over six percent of our total membership. Whilst small numbers, the context must be considered as these collections are held during specific times of the year which can be limiting if the need arises for inorganic disposal outside of the March and September collection dates.

Despite the infrequency of formal collections, we are delighted with the overall results. In total 403 cubic metres have been collected. Over 388 cubic metres of inorganic matter has been collected by community groups and charities for reuse across their network or deconstructed by our recycling partner – Abilities Group. Over the entire 205 collections from individual businesses, only 15 cubic metres, has ended up in landfill. The success of this limited but effective programme, is the basis of our **support** for council to increase their participation within the business and commercial sectors.

March 2018, Business North Harbour launched a new service, aimed at minimisation of food waste within our commercial premises. We are partnering with *We Compost* and *Reclaim*, both experts in this field, as the collection agents for this service. Business North Harbour is committed to this new service and will report back to Auckland Council Waste Minimisation Infrastructure and Environmental Services as to the traction and support this new service gains. However early indications (15 companies have signed up as of the date of this submission) shows the potential for a food waste collection across commercial and industrial premises, outside of the traditional hospitality sectors. Business North Harbour will seek funding to expand this service to a wider membership base in the 2018/19 period.

## **Question One**

In your consultation document you highlight Council's responsibility for the managing and minimising waste across the region.

The most important decision outcomes for our members are:

- Delivering value for money for ratepayers and Aucklanders
- Reducing waste to landfill and carbon emissions
- Reliability of collection services

These answers reflect drivers which are important to business, return on investment and reliability of service while balancing the need to be responsible and environmentally aware.

However, when this feedback is extended to employees of business members, there was a heavier weighting of opinion towards reduction of environmental and marine pollution, and tidy public places.

Based on this wider view, we believe it is appropriate that all ratepayers across the Auckland region, share the costs of Council's waste programme. We support the continuation of commercial properties' waste management base fee being kept in-line with residential ratepayers, and only subject, if any, to increases in-line with the general rate movement.

We **support** Council's intent to change residential ratepayer's behaviour through financial incentives and an overall user pay model.

## **Question Two**

In your Consultation Documentation in which you refer to your 2012 plan, you highlighted that your focus to date has been largely on services to households - which handle around 20 percent of the waste that goes to landfill. Now you want to expand Auckland's waste minimisation efforts to include the 80 percent of waste that comes from businesses and commercial activities.

We **support** this approach.

We agree that this increased focus on commercial and demolition, organic, plastic waste activities across commercial and business operations will lead to reduced landfill.

The success of significant engagement from those responsible for the creation of landfill, is dependent on the level of consistent and extensive education through industry bodies, business associations and recycling experts. It be noted that with the roll out of kerbside residential collections expected across the North Shore by 2020, that this may have a positive impact on uptake and changed behaviour within the workplace. The same applies, vice versa, with any industry led training. It could impact positively on the residential behaviour. The success of significant engagement is also dependent on an **adequate**, regional Resource Recovery Network being developed across Auckland for the diversion of landfill, as discussed in A Wasted Opportunity model <sup>2</sup>.

<sup>&</sup>lt;sup>2</sup> A Wasted Opportunity: Using the Waste Disposal Levy to Create Economic and Environmental Advantage for Aotearoa New Zealand. Eunomia, June 2017

#### **Question Three**

As identified, the largest activities generating landfill across business and the commercial sectors are: construction and demolition, organic, and plastic waste. Of interest to our members is the construction and demolition activity, as the Upper Harbour Local Board area is expected to be the fastest growing area across New Zealand in the next ten years. <sup>3</sup>

We support the timelines expressed in the Council Consultation Documentation for research and trialing of the new initiatives commencing in 2018-2020.

As identified in the Local Government Waste Management Manifesto<sup>4</sup>, New Zealand lacks comprehensive, reliable waste data. We strongly require, Auckland Council to contribute towards the National Waste Data Framework, to ensure there is accurate data on which the scale of the proposed Resource Recovery Network is developed. It is a concern that as of 2015, 15.5million tonnes of material is discarded annually of which approximately 4.25 million tonnes (28%) is recovered, and 3.2 million tonnes (21%) goes to levied (Class 1) disposal facilities. Over half of all waste generated currently goes to sites that are not levied<sup>5</sup>.

In your Draft Auckland Waste Management and Minimisation Plan 2018, on page 71, you reference a discussion headed 9.3.1 Advocate for an increased Waste Levy. In principal, we see value for in this discussion. We understand Council's intent to change the commercial and industrial sector's behaviour through financial incentives and an overall user pay model. However, our support for this continued conversation is given with caution as we acknowledge the impact of changes to the Waste Levy from \$10 per tonne to the proposed \$140 per tonne for active waste, \$15 per tonne for inert waste, incineration rate of \$40 per tonne, would have on the cost of business within Auckland, and nationally. The regional impact of this levy would need to be carefully considered to avoid increased illegal dumping and other unintended practices.

Any changes to the Waste Levy should be signaled well in advance and an escalator applied to progressively increase the levy rate over time. This will enable industry to plan and make appropriate investment decisions.

We accept that Council's would have to share the initial investment and operation of the recycling infrastructure, with the network being developed in a timely manner, to create the opportunity for those most effected to mitigate increased costs should the Waste Levy significantly increase. However, on a positive note, Council's investment appears to have a solid outcome, with the economic gross value-added modelling and the potential 9,000 (nationally) jobs created, expected to show a positive return<sup>6</sup>.

<sup>&</sup>lt;sup>3</sup> Auckland Council 10-year Budget 2018-28, Supporting Information, Section 6: Local Board Information, 6.17 UHLB

<sup>&</sup>lt;sup>4</sup> Local Government Waste Management Manifesto, January 2018, page 8

<sup>&</sup>lt;sup>5</sup> A Wasted Opportunity: Using the Waste Disposal Levy to Create Economic and Environmental Advantage for Aotearoa New Zealand. Eunomia, June 2017, page 7

<sup>&</sup>lt;sup>6</sup> A Wasted Opportunity: Using the Waste Disposal Levy to Create Economic and Environmental Advantage for Aotearoa New Zealand. Eunomia, June 2017, page 10

#### **Question Four**

In your Consultation Document, you highlight that you want to make it easy for people to make better choices about how they dispose of unwanted items, so that these items can be reused or recycled.

Five community recycling centres are up and running and Council states their intention to provide seven more by 2024.

We **support** your intent but recommend that the location of these additional sites are carefully considered, and reflect the potential volume generated by commercial and/or industrial business operations. These could be significant when compared to the capacity of a residential family household.

We **support** these being developed from general rates, as opposed to potential increase to the Waste Levy.

## **Question Five**

In your Consultation Document you introduce the role of central government in the introduction of product stewardship schemes.

We would **strongly support** a container deposit scheme (CDS). We accept that there needs to be responsibility placed on the producers and sellers for the management of products at the end of their life. One obvious category is drink containers, and according to the Local Government Waste Management Manifesto, Auckland Council's independent cost-benefit analysis found that the CDS would deliver improvements across recycling rates (up to 79%-82%). Nationally Councils could expect to save between \$12.5m to \$20.9m per annum in kerbside collection costs, with a further \$4.2m to \$8.1m per annum through reduced landfill, disposal and litter clean up costs.

These are compelling arguments and support the importance of placing responsibility at source and incentivizing long-term consumer behaviour change. More research is required, but in principal we are in support of this initiative.

We also support advocation to central government rates, to introduce **mandatory product stewardship** for tyres and e-waste. At the time of purchase, our members would not begrudge a nominal disposal fee at the time of purchase. This is critical with an ever-increasing disposable consumer mindset. We note, in section 10.5, Draft Auckland Waste Management and Minimisation Plan 2018, that this advocation is to be funded from general rates.

#### **Question 6**

We have no interest in question 6 of Auckland Council's online submission form as this is outside of our Business Improvement District.

## **Question 7**

In the 2018 Consultation Documentation, you outline your vision of ZERO Waste by 2040, and the achievements since launching the first Waste Management and Minimisation Plan (WMMP) in 2012.

We **acknowledge** the decrease in household waste by 10% (now 144kg/person), and the positive result of council's administration staff by reducing their waste by 30 percent.

We accept that the growth of the construction sector – and the expected continued growth of this sector for the near foreseeable future, is impacting on the region's total waste to landfill results. But what is of equal concern is the environmental impact of the increased plastic and organic waste going to landfills. These are concerns for our commercial property and business owners.

We support the concept of a circular economy<sup>7</sup>. However, to make sure businesses have the skills to embrace this thinking, we **request support** from Council for North Harbour manufacturers and producers, who seek access to **R&D** to enable them to modify the design of their products or processes to reduce waste.

We **request support** from waste minimisation specialists within Council for North Harbour manufacturers and industrial production companies, who wish to look at ways in which they are to recycle, upcycle, repurpose or re-manufacture materials within their own goods.

Business North Harbour has successfully established an online portal to streamline the distribution of materials and resources through our wooden pallet recycling programme. As reported in our 2016 and 2017 Annual Reports, we have recycled over 4,000 pallets from those with surplus amongst local businesses who have an under supply. We are certain there are other resources which are similarly transferrable, so request access to case-study material and local or central government research to support the expansion of our pallet networks, and for the development of similar programmes across our business district.

Thank you for your time spent reading our submission. We look forward to hearing back regarding the next stage of consultation.

<sup>&</sup>lt;sup>7</sup> McKinsey Center for Business and Environment, October 2016. The Circular Economy: Moving from theory to practice