



## **Waste Minimisation Fund Policy 2010**

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## **1.0 Introduction**

This policy sets out to provide guidance to the Waste Minimisation Working Party and Council around the application for and subsequent allocation of Waste Minimisation Funding. The basis of that advice is that all aspects of external funding should align with the Wanganui District Council's (Council) strategic direction, in particular the Waste Management and Minimisation Plan 2010 and Waste Minimisation Act 2008 (WMA).

It is intended that this policy and subsequent process will align with Council's Impact Fund guidelines and process in an effort to provide a fair and transparent method of allocating waste minimisation funding to the Wanganui community.

## **2.0 Background**

The introduction of the Waste Minimisation Act 2010 (WMA) has assisted communities and businesses to derive income to help address waste issues. The WMA has mandated that a levy be put on waste disposed at landfill. As a result, from 1 July 2009 operators of waste disposal facilities were required to pay a levy to the NZ Waste Authority of \$10 per tonne on waste landfilled.

Levy monies are being distributed by the Waste Authority, with 50% of the levy allocated to councils on a pro rata capita basis. The remaining 50% is set aside within an annually contestable national fund. All levy money is for the purpose of encouraging additional waste minimisation activities and projects.

Payment of Council's portion of the levy started in January 2010 and is made quarterly. Wanganui District Council's expected income from the levy will be approximately \$60,000 this financial year and \$120,000 annually after that.

All councils need to have adopted a Waste Management and Minimisation Plan under the WMA in order to receive the guaranteed levy funding. Within their Waste Management and Minimisation Plan, councils need to state how the levy revenue will be allocated within their district. Future funding eligibility is reliant on intended waste minimisation initiatives being specifically identified within individual Waste Management and Minimisation Plans. Councils are also required to report every six months to the Waste Minimisation Authority on how the levy money was spent in accordance with their Plan.

The main target of Wanganui District Council's Waste Management and Minimisation Plan 2010 is to reduce waste to landfill by 60%. Two of its stated goals to help achieve this are:

- **Council supports and incentivises waste reduction, reuse and recycling.**
- **Individuals and businesses are supported and encouraged to take greater responsibility for waste minimisation.**

The Plan also lists amongst its actions to achieve these goals:

- **Considering submission of appropriate applications, or offering support to the applications of others where appropriate, to the contestable waste levy fund to bolster waste minimisation efforts in this district.**
- **Working with our recycling partners and other service providers to initiate and provide greater waste minimisation services and infrastructure in Wanganui.**
- **Advocacy for waste minimisation initiatives that support and encourage business or industry towards more environmentally friendly practice e.g. waste audits and recycling programmes.**

This is a new fund for Council to administer and it is widely expected that some of the levy money will be administered to applicants who wish to enhance waste minimisation initiatives locally. There need to be clear policy guidelines to ensure this is done effectively.

### **3.0 Purpose**

The purpose of the Waste Minimisation Fund (WMF) is:

- *To provide financial assistance, by way of grant, seeding finance or loan, to applicants for waste minimisation initiatives that further Wanganui's waste minimisation goal.*

The WMF has been set up to boost Wanganui's performance in waste minimisation by increasing resource reuse, recovery, recycling and decrease waste to landfill.

Only projects that promote or achieve waste minimisation are eligible for funding.

The WMF operates an annual funding round, in which Council calls for applications for funding. Funding from the WMF is allocated to select projects following consideration of applications received during the funding round.

## **4.0 Eligibility and assessment criteria**

### **4.1 Eligibility for funding**

- Only waste minimisation projects are eligible for funding. Projects must promote or achieve waste minimisation. Waste minimisation covers the reduction of waste and the reuse, recycling and recovery of waste and diverted material.
- Projects must result in new waste minimisation activity, either by implementing new initiatives or a significant expansion in the scope or coverage of existing activities.
- Funding is not for the ongoing financial support of existing activities, nor is it for the running costs of the existing activities of organisations, individuals, councils or firms.
- Projects should be for a discrete timeframe after which the project objectives will have been achieved and, where appropriate, the initiative will become self-funding.
- Funding can be for operational or capital expenditure required to undertake a project.
- For projects where alternative, more suitable, Government funding streams are available (such as the Waste Minimisation Fund, Sustainable Management Fund, the Contaminated Sites Remediation Fund, or research funding from the Foundation for Research, Science and Technology), applicants should apply to these funding sources before applying to Council's Waste Minimisation Fund.
- The fund will not cover the entire cost of the project. Applicants will need part funding from other sources.
- The amount available within the WMF annually is \$60,000 or as resolved by Council resolution.

### **4.2 Assessment criteria**

- Preference will be given to projects that collectively give the largest net benefit over time. The assessment of the effectiveness of projects will include the extent to which the projects can demonstrate:
  - likelihood of success;
  - reduction of harm to the environment;
  - reduction in the volume of waste disposed of;
  - economic, environmental, social or cultural benefits;
  - longer term benefits after the completion of the project.

- Projects will be assessed for their strategic value in achieving the purpose of the fund. Strategic value means the likely ability of projects to act as catalysts that enhance and extend the uptake of waste minimisation.
- The degree of partnership and cross-sectoral collaboration will be taken into account in assessing the strategic value of proposals.
- The level of funding from other sources will be taken into account. Shared funding is preferred.

### **4.3 Project delivery**

The applicant must demonstrate:

- ability to deliver the project;
- how the project will achieve its goals;
- how the effectiveness of the project will be monitored, evaluated and reported;
- if and how the project will be used to promote waste minimisation to the wider public;
- if and how the project will continue after funding ends and become self sustaining, particularly if the funding is for the establishment phase of a longer term project.

## **5.0 Assessing the application**

### **5.1 Who makes the decisions?**

To ensure a robust consideration process, there needs to be a strict assessment of the applications against the funding criteria. Interviews with the applicants and site visits, where appropriate, need to be carried out by Council officers and the Waste Minimisation Sub-Committee. The Waste Minimisation Sub-Committee should consist of a minimum of 3 councillors, with advice provided by Council Officers.

The final decision on applications will be made by Council after receiving recommendations from the Waste Minimisation Sub-Committee.

### **5.2 How we measure projects against assessment criteria**

The Waste Minimisation Sub-Committee will review and score applications that meet WMF eligibility criteria. Not all projects that meet the funding eligibility criteria will receive funding. Projects may also be recommended for funding, but for less than the requested amount.

The panel may recommend not allocating the entire amount of funding for the round if there are not enough projects of sufficient quality.

## **6.0 Funding rounds**

It is proposed to have two funding rounds a year to coincide with and complement the Impact Fund process.

The major funding round would be held in July, followed by a second in October. Should funds remain, a further funding round may be held in February.

## **7.0 Accountability**

Wanganui District Council needs to ensure that it can accurately assess its return on investment via the Waste Minimisation Fund and ensure allocated funds are spent in the agreed fashion.

As a minimum, organisations will be required to report against the application presented and report on targets met. In addition payments will only be made to organisations on receipt of an approved invoice for the amount approved.

In all cases, applicants will be required to present full financial details including budget for the proposal applied for. Full details of internal expenditure and income will be required.

**Date Policy was approved:                    22 June 2010**

**Date Policy is due for review:                June 2012**