

Ratonga kohi pararopi Food organics and green organics collection service

Let's look at how we take the next steps in our kerbside waste collection service for food organics and green organic waste (FOGO).

What's the issue?

In a growing city, we're creating more waste, so we must continue to look at ways to divert resources away from our landfills and reduce our waste overall. The Government's <u>Te Rautaki Para Waste Strategy</u> (2023) aims to reduce the amount of organic waste that ends up in landfills. The strategy includes a target that by 2030, food scrap collections must be available to households in urban areas.

We're committed to waste minimisation, and we're on a waste reduction journey across Lower Hutt through our 'Too Good to Waste' programme. We want to continue our great work in this area by expanding the residential kerbside collection service to include a city-wide food and green organics service. This will also help us meet our objectives of reducing emissions. For more information, check out our Interim Carbon Reduction and Climate Resilience Plan.

In partnership with Porirua City Council and Wellington City Council, we propose to introduce a new weekly service to collect food and green organic waste combined into one bin. This means food and garden waste can be disposed of easily and combined in one 80 litre wheelie bin. The likely start date for this service would be July 2027.

This project wouldn't be possible without collaboration.

By working with other councils we will be able to share costs and get the best value for money for our communities. We are working to obtain central government funding to help establish this service.

Decisions on this initiative would need to be revisited should partners choose not to progress and central government funding does not materialise.

Why does it matter?

Food and green waste typically makes up about 50% of kerbside waste. The diversion of this waste will help extend the life of the landfill, and reduce the need for a weekly rubbish collection service. Moving to a fortnightly rubbish collection service could result in savings of up to 25% compared to the weekly rubbish option.

A processing solution for the food and green waste collected may also provide an opportunity for the commercial sector, such as supermarkets and restaurants, to dispose of their organic waste more sustainably.

What we need your help with

Taking all this into account, we're asking you to tell us your thoughts on a food organics and green organics waste collection service.

Operating costs of the collection service would be funded by a new targeted rate. For residential properties that already have a green waste service (about one-third of homes in Lower Hutt), the changes are expected to broadly be cost-neutral or result in savings.

★ Preferred

Option 1

Set up a food organic and green organic collection service starting 1 July 2027.

- We decrease the need for landfill capacity, and reduce city-wide emissions
- Aligns with other major cities that already have such services (e.g. Christchurch, Auckland, Tauranga)
- Complements existing kerbside service and is relatively easy to set up
- Costs of setting up a processing facility are shared with Porirua and Wellington
- Reduces the need for weekly rubbish collection service, with some associated cost savings
- Can be used to dispose of all food and green organic waste, some of which cannot be managed at home (e.g. via composting)
- While some central government funding may help fund the establishment of the service, the operational cost will need to be covered via a targeted rate (residents who already have a green waste service will likely not see any change in rates)
- **X** People in our community who already compost their food and garden waste at home will pay for something they may not fully utilise

This option would improve the current levels of service over the next ten years.

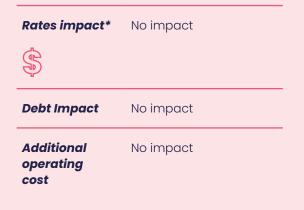
Rates impact*	\$157 per year from 2027–28 progressively increasing to \$218 per year in 2033–34**
Debt Impact^	Additional \$10.8 million
Additional operating cost***	\$45.2 million operating costs over 2027–2034

Option 2

Stay as we are and maintain the current service with opt-in green waste collection.

- No impact on rates (in the short term) X Inconsistent with objective for cities to
- divert food waste from landfill by 2030 X We won't achieve our emission and waste reduction goals
- Valuable resources are unnecessarily landfilled, putting pressure on limited and costly landfill capacity

This option would maintain the current levels of service over the next ten years.



In option 1, the increase in rates revenue in 2027-28 for the new targeted rate equates to an increase of about 2.2% per year.

- Rates figures are included to provide an indicative impact to an average residential property. The calculation of the rates impact includes the estimated capital, debt servicing and known ongoing operational costs for the project.
- There would be further rates increases beyond the 10 year period of the plan as the proposed programme continues beyond this period.
- A The debt impact presented is the net debt requirement after offsetting assumed capital contributions from Central government.
- *** Cost estimates are based on available information for similar services.