



## **Fact sheet: Compliance Reviews of territorial authorities Waste levy expenditure**

### **Background**

The purpose of the Waste Minimisation Act 2008 (the Act) is to encourage waste minimisation and decrease waste disposal to protect the environment, and provide environmental, social, economic and cultural benefits. The Ministry for the Environment is tasked with administering the operational aspects of the Act including the collection of levies associated with waste.

Section 42 of the Act requires territorial authorities to promote effective and efficient waste management and minimisation within its district. Part 3 of the Act establishes a levy on waste disposed of at disposal facilities. Half of the levy is allocated to territorial authorities on a population basis. Section 32 of the Act requires that all waste levy money received by a territorial authority must be spent on matters to promote or achieve waste minimisation according to both the Act and its Waste Management and Minimisation Plan (WMMP).

### **Compliance reviews under the Act**

The Act (section 76) allows the Secretary for the Environment to appoint enforcement officers for the purpose of monitoring compliance with regulations made under the Act.

Ministry for the Environment staff in the Waste and Resources team are warranted enforcement officers under the Act and will conduct the compliance reviews.

### **What is a compliance review?**

An compliance review assesses current information, processes and systems for their appropriateness in ensuring that a disposal facility operator is meeting their obligations under the Act and the Regulations by paying the correct waste disposal levy and maintaining the required records.

### **Why do we conduct compliance reviews?**

The reviews are undertaken to provide assurance to the Secretary for the Environment that territorial authorities are spending their waste levy money in accordance with the Act. The specific objectives of a compliance review could include assessing whether:

- Waste levy money is spent appropriately and in accordance with the WMMP and the Act to achieve or promote waste minimisation
- Waste levy money is being used as described in levy spend reporting to the Ministry
- the territorial authority keeps records of levy income and expenditure and that records are being kept in accordance with good record keeping practices

Any findings from the review are reported back to the territorial authority and available to the Secretary for the Environment.

Compliance reviews will be carried out for a proportion of territorial authorities each year. The Ministry aims to review each territorial authority at least once during a three year period.

### **How long does a compliance review take?**

The review is designed to cause as little disruption as possible and will take less than one day on site, with some initial planning discussions before the visit and follow up after the site visit. How long it takes will depend on the quantity and diversity of the expenditure of waste levy money; the availability of appropriate staff; access to records and information; and the adequacy of systems and processes in place to capture information on the use of waste levy money.

## **Preparing for the compliance review**

The Ministry will notify you two to four weeks before the scheduled review to allow you enough time to prepare. A detailed guide on the review process will be provided to you at this time to assist your preparations.

## **How are compliance reviews carried out?**

A number of procedures will be undertaken by staff carrying out the compliance review. These may include:

- interviews with relevant staff
- examining information and records (both physical and electronic)
- examining policies, processes and systems.

## **Potential outcomes of a compliance review**

The review may identify where waste levy has not been appropriately spent. If moderate or significant issues are identified, the Ministry may conduct a formal audit of the territorial authority.

The Ministry will also discuss any process or system improvement findings identified as part of the review. The Ministry will meet with the territorial authority to discuss and address the changes needed.

## **Confidentiality**

Any information or records you give to an enforcement officer will remain confidential and be kept secure. The Ministry has controls in place to ensure information remains confidential.

## **Further information**

If you require further information, contact the Waste and Resources team

Waste and Resources team, Operations Directorate  
Ministry for the Environment  
Phone: 04 439 7400