

NORTH LONDON WASTE AUTHORITY

**REPORT TITLE:
LONDON MAYOR'S DRAFT BUSINESS WASTE MANAGEMENT STRATEGY
CONSULTATION RESPONSE**

**REPORT OF:
HEAD OF WASTE STRATEGY AND CONTRACTS**

FOR SUBMISSION TO: AUTHORITY MEETING	DATE: 25th June 2008
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SUMMARY OF REPORT:

This report appraises the London Mayor's draft business waste management strategy, considers the implications for the Authority and recommends a response.

RECOMMENDATION

The Authority is recommended to approve the response attached as Appendix 1.

**Signed by Head of Waste Strategy
and Contracts**

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Date:
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1.0 BACKGROUND

- 1.1 The former London Mayor, Ken Livingstone, published a draft business waste management strategy “Making Waste Work in London” in February 2008, and the new London Mayor, Boris Johnson, has decided that the consultation should continue.
- 1.2 This is not one of the London Mayor’s statutory strategies and therefore has no legal standing. Its significance however is in its attempt to improve the management of London’s non-municipal waste, which according to the Mayor’s document amounted to some 13.8m tonnes per year in 2003, as opposed to the municipal waste stream (for which the Mayor has published a statutory strategy) of some 4.3m tonnes per year.
- 1.3 Authority officers have assessed the consultation as warranting a formal response and have submitted the attached draft letter of response to the London Mayor on time for the consultation deadline of 13 June 2008 with a covering letter saying it is subject to consideration and amendment by Members at this meeting.

2.0 SUMMARY OF MAYOR’S DRAFT BUSINESS WASTE STRATEGY

- 2.1 The draft strategy sets out the scale of the business waste challenge in London along with environmental and economic reasons for managing business wastes more effectively, and with a lesser impact outside of London too. The draft strategy also acknowledges that given the multitude of business activities and resulting waste streams, and the many waste services contractors operating, delivering change will require genuine partnership working between the Mayor and his functional bodies, between various business associations and their members and with local authorities.
- 2.2 The five principal policies are set out below:

	<i>London recycles just half of the waste that it produces, a performance that requires major improvement.</i>
Policy 1:	London’s businesses will achieve the reuse, recycling and composting targets in the London Plan by: <ul style="list-style-type: none">• Achieving recycling or composting levels in commercial and industrial waste of at least 70 per cent by 2020• Achieving recycling and reuse levels in construction, demolition and excavation waste of at least 95 per cent by 2020• Generating energy from any waste that cannot be

recycled using advanced waste technologies, which will contribute to the Climate Change Action Plan goals.

London is reliant on landfill outside the region and is not realising the economic opportunities and environmental benefits that local infrastructure could bring.

Policy 2: The Mayor will work with partners to ensure facilities with sufficient capacity are provided to achieve the London Plan self-sufficiency targets of managing 75 per cent of waste arising within London by 2010, rising to 80 per cent by 2015 and 85 per cent by 2020.

As a result of the size and complexity of London's economy and the range of wastes produced, the management of business waste is poorly co-ordinated.

Policy 3: The Mayor will work with partners to ensure information and advice is reaching all target audiences by:

- Co-ordinating the provision of information and advice
- Developing additional services that enable London's businesses to use their resources more productively and manage their waste sustainably.

Responsible management of the environmental impact of business operations can be simple and cheap to implement, can yield financial savings and improve performance.

Policy 4: The Mayor will work with partners to raise and maintain awareness of resource productivity, sustainable waste transport and sustainable waste management among London's businesses to bring about positive and permanent behavioural change.

The Mayor expects the GLA group's activities to meet the targets and policies set out in his strategies. By demonstrating excellence, the Mayor expects London's businesses to be inspired to take responsibility and take action and contribute to London's sustainability.

Policy 5: The Mayor will ensure the GLA group leads by example to encourage London's businesses to take responsibility and take action for their waste in accordance with the waste hierarchy and reduce London's contribution to climate change.

2.3 Under each of these 'policies' is a series of thirty-four 'proposals' that form the foundation of the implementation plan.

3.0 **IMPLICATIONS FOR THE AUTHORITY**

3.1 Officers have examined the five key policies and have then focussed principally on the proposals that are identified as having waste authorities as one of the responsible organisations in the draft strategy's implementation plan. It should be noted however that the Government's escalation of the Landfill Tax is likely to be a very important driver for waste management changes by businesses in London too.

Policies

3.2 **Policy 1** sets specific targets, which may be useful in driving improvements in business waste management. In isolation, it has no impact on the Authority, but through some of the 'proposals' below there are issues for the Authority to consider.

3.3 **Policy 2** is a re-statement of targets already set within the London Plan, the delivery of which locally is through partnership working of the seven local planning authorities within the North London Waste Plan.

3.4 **Policy 3** is about improving information and advice to businesses and developing additional services. The latter is more likely to have an impact on the Authority, as drawn out in the 'proposals' below.

3.5 **Policy 4** is similarly about the London Mayor improving awareness of the many stakeholders. The Authority and its constituent borough councils will probably have a part to play in this, again as drawn out in the 'proposals' below.

- 3.6 **Policy 5** is solely a matter for the GLA group in terms of implementation, but for all stakeholders in terms of learning from their experiences and implementing our own changes where appropriate.

Proposals

- 3.7 **Proposal 5** says that the Mayor expects our constituent boroughs to offer and actively promote competitive waste and recycling collection services for local businesses for the same range of materials as they do for residents and for organic kitchen wastes, and that they should also accept business waste for reuse or recycling at their reuse and recycling centres (civic amenity sites).
- 3.8 From the Authority's perspective, this could materially alter the size of facilities that might be needed in the future, but the difficulty is that the receipt of this waste by the Authority will be dependent on our constituent borough councils successfully securing the necessary trade waste collection contracts from local businesses over a period of some twenty years. Historically, the variability of such waste streams has been largely left to the private sector since the collection of businesses waste was taken out of the local business rates. If tenderers for the Authority's future long term services are willing to build the necessary additional capacity without the Authority necessarily contractually committing to deliver it, and if there is no significant increase in planning risk associated with the higher treatment capacities, then it may be possible to develop improved synergies between the municipal and non-municipal waste streams.
- 3.9 The proposal for local reuse and recycling centres is currently a matter for our constituent borough councils, but given the likelihood of them needing to charge for some or all of these services (on the basis that they should not be funded from the Council Tax), then cash handling systems and appropriate safety systems would have to be introduced too at the reuse and recycling centres.
- 3.10 In both cases, there is also the unfortunate risk arising from the landfill allowance trading scheme that means if by collecting businesses' recyclable wastes our boroughs also collect their residual wastes, and if the recyclable wastes are less than 68% by weight of the total (the percentage of all waste entering the municipal waste stream that the Government deems to be biodegradable), then the Authority's net trading position will be worsened. At the present point in time with allowance values being so low, this would not present a problem, but as national shortages start in some three years' time this situation could significantly change.

- 3.11 **Proposal 8** concerns the previous London Mayor's stated intention to run a separate business waste infrastructure fund through the London Development Agency. Given the new London Mayor's announcements that he will work in full partnership with London Councils through the proposed London Waste and Recycling Board, this proposal is expected to be subsumed into that body's work.
- 3.12 **Proposal 11** links to Proposal 5 above and is an expectation that London boroughs will provide capacity, where appropriate, for non-municipal waste when developing waste facilities and will seek to maximise the potential use of water and rail transport. The issues raised at Proposal 5 above therefore apply here too.
- 3.13 **Proposal 13**, although not listing waste authorities as an implementing organisation, may provide an opportunity for the Authority however, as this Proposal is where Transport for London is required to promote waste derived fuels. This could be in the form of power for the underground network, or gas for buses and other vehicles. As such, it could serve the Authority well.
- 3.14 **Proposals 14 and 20** similarly do not impact the municipal sector directly, but as they require light industrial estates to use waste as a fuel and property developers to look as more sustainable construction materials with higher reused or recycled content, both might have an impact on the municipal waste stream. However, insofar as these are both largely outside of our waste stream at the moment, this impact may not be significant.
- 3.15 **Proposal 22** says the London Mayor will work with the Environment Agency, London boroughs and private companies to ensure hazardous wastes are reduced as well as separately collected for safe disposal. Currently our constituent borough councils buy in to a London-wide hazardous waste collection service for which the Corporation of London takes the lead role. The Authority also arranges the collection of all waste electrical and electronic equipment on behalf of the seven constituent borough councils and its subsequent recycling and disposal. The extent of the London Mayor's proposed waste reduction work is not clear, but otherwise this proposal does not add to existing statutory duties, although there may be potential to improve the take-up of these services.
- 3.16 **Proposal 25** says the London Mayor expects our constituent borough councils, in partnership with the Environment Agency, to undertake targeted inspections of businesses in relation to their 'duty of care' obligations in order to reduce fly-tipping. As above, this is not a new activity or duty and is already taking place.

- 3.17 **Proposal 26** says the London Mayor will host a conference of relevant stakeholders, including waste authorities, aimed at securing commitments to reduce product and packaging wastes, and particularly the non-recyclable and non-compostable elements, and to devise improved product labelling to assist with this. Whilst this is constitutionally more a matter for the Government, or even the European Commission, the engagement of the London Mayor in this issue could add momentum and be a positive contribution to change.
- 3.18 **Proposal 30** concerns the London Mayor's 'capital standards' programme. Some of our constituent borough councils participate in this and some do not. The proposal is to expand membership and involve London's businesses in programmes that tackle enviro-crime in the public realm. It is known that our constituent borough councils already do work in this area, for example through youth offending services and 'reparation' activities following referral orders. The London Mayor has listed waste authorities as one of the responsible organisations, but it appears to Authority officers that this should remain a matter for our constituent borough councils.

4.0 RECOMMENDATION

- 4.1 The Authority is recommended to approve the response attached as Appendix 1.

5.0 COMMENTS OF THE FINANCIAL ADVISER

- 5.1 The Financial Adviser has been consulted in the preparation of this report and would add that proposals 5 and 11 could have significant infrastructure and operational cost implications for the Authority and its constituent boroughs. Whilst the expectation is that these costs would be passed on to facility users there is a risk that such costs, or at least some of the additional costs could fall upon the council tax payer.

6.0 COMMENTS OF THE LEGAL ADVISER

- 6.1 The Legal Adviser has been consulted in the preparation of this report and has no further comments to add.

Local Government Act 1972 – Access to information

Documents used: “Making Waste Work in London: The Mayor’s Draft Business Waste Management Strategy”, February 2008

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APPENDIX 1

Mayor of London
(Mayor's draft Business Waste Management Strategy)
Greater London Authority
City Hall
The Queen's Walk
London SE1 2AA

25th June 2008

Dear Mayor Johnson,

DRAFT BUSINESS WASTE CONSULTATION

It is understood that you have agreed the Draft Business Waste Management Strategy consultation launched by your predecessor should continue, and that you will consider the results of this consultation as you formulate your own policies on the improved management of wastes in London and the roles that different stakeholders may have to play in this.

As one of London's four statutory joint waste disposal authorities, we submitted a brief response to the Assembly draft in August 2007 dealing with vorad principles. In relation to the current consultation we have now concentrated our attention on those aspects of the draft strategy that are likely to effect our activities and responsibilities. We have largely left wider local authority impacts to our constituent borough councils. I attach a copy of our recent officer report on the subject for your information.

The Authority would like to draw your attention particularly to three points.

Firstly on Proposals 5 and 11, we have some concern about adding significant tonnages to the municipal waste stream, which is subject to the landfill allowance trading scheme whilst private sector business waste services are not, and possibly having an inadvertent detrimental impact on local authority finances. We also noted some practical concerns too.

Secondly we would like to welcome your full engagement in the London Waste and Recycling Board, which we see as superseding Proposal 8.

Thirdly, in relation to Proposal 13, we would welcome any commitments TfL may be able to make in relation to purchasing any future waste derived fuels (solid, liquid or gaseous).

We look forwards to receiving any updated proposals from you, and are available to provide any clarification that might be necessary in relation to our response.

Yours sincerely,

Chair, North London Waste Authority

Report Ends