

Agenda Item No:

NORTH LONDON WASTE AUTHORITY

REPORT TITLE:

**THE LONDON MAYOR'S
DRAFT BUSINESS WASTE MANAGEMENT STRATEGY**

REPORT OF:

HEAD OF WASTE STRATEGY AND CONTRACTS

FOR SUBMISSION TO:

AUTHORITY MEETING

DATE:

27th June 2007

SUMMARY OF REPORT:

This report provides members with an overview of The London Mayor's Draft Business Waste Management Strategy, formerly referred to as the 'Wider Waste Strategy'. As the current consultation draft, dated May 2007, is the consultation version for the London Assembly and functional bodies, this report recommends a short letter of response confirming that the Authority will respond in full to the public consultation draft, which will follow after the strategy has been reviewed by the London Assembly and functional bodies.

RECOMMENDATION

The Authority is recommended to approve the draft response to the Mayor of London's Draft Business Waste Management Strategy attached as Appendix 1.

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

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Date:

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1.0 BACKGROUND AND STRATEGY REVIEW

- 1.1 In the Mayor of London's Municipal Waste Management Strategy, 'Rethinking Rubbish in London', 2003, a commitment was made to produce a 'wider waste strategy' to complement the above and outline proposals for managing the remaining 75% of London's rubbish. This balance of non-municipal waste (i.e. non-local authority managed waste), is mainly commercial and industrial waste and construction, demolition and excavation (CD&E) waste. 'Making waste work in London: The Mayor's Draft Business Waste Management Strategy' is now published in draft to fulfil that commitment.
- 1.2 The following paper outlines the key aspects of the draft Strategy, which is the draft for the London Assembly and functional bodies¹. However, as it is recommended that the Authority responds to the subsequent public consultation draft of the Strategy, (which will be published after comments have been received from the London Assembly and the functional bodies), this paper does not detail every aspect of the Strategy as these could change. The timetable for the next stages of the Strategy is shown below:
- **4th May 2007 - 29th June 2007**
Consultation with the London Assembly and Functional Bodies
 - **Autumn 2007**
Formal public consultation on the draft strategy
 - **Early 2008**
Adoption and publication of the Mayor's Business Waste Management Strategy
- 1.3 It is important to note that whilst the Mayor of London is required under the Greater London Authority Act, 1999, to prepare a municipal waste management strategy, he is not required to produce a Business Waste Management Strategy. However, as 'business' waste accounts for three quarters of London's rubbish, and its management can make a significant impact on London's contribution to climate change, it is helpful that a Strategy has been drafted. It is also useful to have a such a strategy for this waste because the London Plan, the spatial strategy for London, requires sub-regional planning groups and boroughs to plan for having sufficient space for facilities to manage this waste in order to comply with the Mayor's target that 85% of **all** London's waste (but only 80% of municipal waste) be managed within the capital by 2020.

¹ The GLA's four functional bodies are: the Metropolitan Police Authority (MPA), the London Fire and Emergency Planning Authority (LFEPA), Transport for London (TfL) and the London Development Agency (LDA).

- 1.4 The draft Business Waste Management Strategy is organised into six chapters, which cover:
- Chapter 1 is an overview of the challenge
 - Chapter 2 sets the scene and outlines the link between a Mayoral Business Waste Management Strategy and some of the other strategies for London, including delivering on the Mayor's strategic priorities
 - Chapter 3 is on enabling mechanisms, such as increasing awareness and providing information, facilitating the development of services and infrastructure and lastly obtaining and managing data.
 - Chapter 4 provides an overview of actions for specific sectors, including legislative compliance and product and system design.
 - Chapter 5 covers how best to incentivise change.
 - Chapter 6 outlines what the GLA itself is going to do.
- 1.5 The draft Business Waste Strategy covers the period up to 2020 and was published before the new national Waste Strategy for England 2007 that was issued on 24th May and covers all wastes.

2.0 POLICIES FOR MEETING THE BUSINESS WASTE CHALLENGE IN LONDON

- 2.1 London produces over 18 million tonnes of waste every year and this is forecast to rise to 23.6 million tonnes in 2020 according to the Strategy, a 23.7% increase in less than 15 years. Because the management of waste has an impact on the production of greenhouse gases that cause climate change, particularly through the release of methane and carbon dioxide from landfill sites, but also as a result of its transport and management, it is important that the management of waste is seen within the context of climate change. This link is made both within the new national Waste Strategy 2007 and in the draft Business Waste Management Strategy for London.
- 2.2 The draft Business Waste Management Strategy also notes at several points within the first few chapters that energy can be produced from residual waste and thus contribute towards meeting the challenge of climate change. A preference is expressed for 'non-incineration based waste technologies' at a number of points within the draft Strategy:

“As a result of its population size, density, affluence and economic influence, London has the greatest opportunity to innovate and act to tackle climate change and to take advantage of non-incineration based waste technologies and local and renewable energy schemes.”

“The Mayor does not favour conventional incineration as a method for generating energy from waste for a number of reasons. ... Incinerators are inflexible as they cannot produce bio fuels for transportation and do not offer routes to produce renewable hydrogen...”

- 2.3 The draft Business Waste Management Strategy has been designed to support the Mayor's Climate Change Action Plan and by inference his forthcoming Climate Change and Energy Strategy for London and Climate Change Adaptation Strategy, which are to become new statutory requirements following the review of his powers by Government.
- 2.4 It is envisaged that the new Business Waste Management Strategy will support the climate change strategies for London by for example promoting energy efficiency and reducing energy consumption through sustainable product design and by promoting the use of recycled materials in place of virgin materials as well as promoting modal shift from road to water or rail for the transport of waste where economically viable.
- 2.5 **The draft Business Waste Management Strategy aims to deliver on five key policies** through a range of proposals and initiatives. These policies are that:
1. London's businesses will exceed the re-use, recycling and composting targets contained within the London Plan by:
 - a. Achieving recycling and composting levels in commercial and industrial waste of at least 70% by 2020.
 - b. Achieving recycling and re-use levels in construction, demolition and excavation waste of at least 95% by 2020.
 - c. Generating energy from any waste that cannot be recycled using non-incineration based technologies and contributing to Climate Change Action Plan goals.
 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 % of waste arisings within London by 2010, rising to 80% by 2015 and 85% by 2020.
 3. The Mayor will work with partners to coordinate the provision of information and advice and to develop services that enable London's businesses to use their resources more productively and manage their waste sustainably.
 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.
- 2.5 The draft Business Waste Management Strategy is seen to have links to the Mayor's Air Quality, Biodiversity, Energy, Ambient Noise, Transport and Draft Water strategies, as well as to the London Plan and various NHS plans and responsibilities to protect public health.

3.0 PROPOSALS ON BUSINESS WASTE

- 3.1 The draft Strategy contains a number of proposals for tackling the business waste challenge in London. Proposal 1 states that, ‘the Mayor will negotiate with the Government to ensure that effective fiscal and legislative instruments are in place to stimulate resource productivity and sustainable waste management among London’s businesses.’ The Mayor believes that statutory targets for recycling and composting should be set for municipal waste, (i.e. including local authority collected industrial and commercial waste), rather than just household waste.
- 3.2 **The London Development Agency (LDA) is also actioned to play a key delivery role** within the Business Waste Management Strategy, coordinating for example, the provision of information and advice about resource productivity and sustainable waste management to London’s businesses. The LDA will also have a role in promoting the London Environmental Support Service (LESS) which is a pan London environmental business support service funded by the LDA. The LDA will additionally set aside £6 million per year to attract partners and leverage additional investment and establish a programme to assist waste authorities and businesses to deliver the business waste infrastructure required to achieve the self-sufficiency targets contained within the London Plan. They will also have a role in promoting re-use services and will produce a database of service providers.
- 3.3 In terms of the **Mayor’s expectations of waste authorities** in delivering on the objectives contained within the draft Business Waste Management Strategy, the Mayor expects waste authorities to offer and promote ‘commercially competitive’ recycling services to local businesses of at least the same materials as their household collections. He also expects authorities to extend their organic kitchen waste services to businesses at a reasonable charge and to accept business waste for re-use or recycling for free at their re-use and recycling centres. The latter would be contrary to existing legislation (contained within the Environmental Protection Act 1990, section 45). All of these expectations would have impacts on the North London partners because most of these services are not currently available to businesses across North London. They would also have facility planning implications for the Authority.
- 3.4 In relation to the Mayor’s expectations of authorities to meet the requirements of the London Plan, the draft Business Waste Management Strategy says that the Mayor expects waste authorities to provide capacity for non-municipal waste when developing waste facilities, to explore opportunities to develop waste management infrastructure with access to sustainable modes of transport such as water and rail and to explore opportunities to develop waste management infrastructure on-site as part of any site development or redevelopment.
- 3.5 The Mayor also expects all public sector organisations based in London, including government offices, their departments, agencies, schools and hospitals and London’s FTSE250 companies to sign up to the Mayor of London’s green procurement code.

- 3.6 In terms of **the Mayor's commitments** to delivering on the Strategy, the draft Business Waste Management Strategy states that the Mayor will investigate and implement an appropriate vehicle to act as a trading hub for recycled materials across London, that he will work with the Environment Agency and local authorities to ensure all London businesses are aware of, and comply with, their Duty of Care responsibilities² He expects this to be enforced by local authorities undertaking a bi-annual inspection of all businesses in their locale to ensure they have a current 'Duty of Care' certificate, but does not specify whether the inspection requirement would be placed upon collection or disposal authorities. The draft Strategy also states that the Mayor will negotiate with Government to include sustainable waste management criteria into the endorsed list of standards by which trade organisations are certified to TrustMark.
- 3.7 **Businesses themselves also have a responsibility** to implement the Strategy and some specific sectors are singled out for action. The construction, demolition and excavation sector for example is required in the Strategy to identify the hazardous waste that will arise and specify how it will be managed when preparing their site waste management plans. The overall requirement for such plans at a national level, subject to the outcome of the Government's consultation on the same, is likely to require the identification of all waste streams so the Mayor's Business Waste Management Strategy requirement will not be additional.
- 3.8 London's businesses should also use available guidance according to the draft Business Waste Management Strategy, to implement sustainable waste management practices at their events, including developing and adhering to a waste management plan that addresses waste reduction for example by:
- Using reusable and recyclable materials that incorporate recycled materials.
 - Providing recycling facilities, including for organic materials.

² The Duty of Care is set out in section 34 of the Environmental Protection Act 1990 and associated regulations. It applies to anyone who is the holder of 'controlled' waste. So anyone who produces, keeps or stores controlled waste is subject to the regulations. A small office producing a weekly bin full of paper and office waste is subject to the Duty of Care requirements as is the Authority organising for the collection of municipal waste from the constituent boroughs. Those who are subject to the regulations must ensure that the waste is managed properly, recovered or disposed of safely, does not cause harm to human health or pollution of the environment and also ensure that it is only transferred to someone who is authorised to receive it. The duty applies to any person who produces, imports, carries, keeps, treats or disposes of controlled waste or as a broker has control of such waste.

4.0 IMPLICATIONS FOR THE AUTHORITY

- 4.1 Given the non-statutory nature of the Mayor's Business Waste Management Strategy, coupled with the fact that the current draft is the draft for the Assembly and the functional bodies, it is considered that it would be better to assess the implications of the Strategy in more detail once the public consultation draft has been issued.
- 4.2 The North London Joint Waste Strategy recognises the role of businesses and business waste management in terms of its contribution to achieving both regional and national targets to manage waste in a more sustainable manner. Accordingly many of the proposals and policies in the Mayor's draft Business Waste Management Strategy for London accord with the North London approach, although it is not clear why the Mayor appears to be asking businesses to exceed the already challenging targets he has set in the London Plan.
- 4.3 However, some of the detailed proposals and suggestions contained within the draft Strategy at present are either currently too vague to comment upon in a meaningful way or are difficult to support in their current format. Accordingly, the Authority's response to the consultation, whilst short suggests that more detail on implementation is included within the Strategy itself and that further consultation is undertaken to assess the realism of some of the proposals.
- 4.4 As an example, no information is provided about how 'providing capacity for non-municipal waste' would be achieved by local authorities, although the recently published national waste strategy encourages similar action and says that the Waste Infrastructure Delivery Programme (WIDP) in DEFRA will have a role in ensuring that this happens.
- 4.5 Similarly the proposed requirement on local authorities to undertake a bi-annual Duty of Care inspection of 'all businesses in their locale' would place an unrealistic burden on authorities and would not seem to be a practical suggestion which authorities could implement without considerable additional cost. It is also unclear if this inspection requirement would be placed upon collection or disposal authorities.
- 4.6 As previously indicated, the setting of recycling and composting targets for municipal waste would also impact upon the facility needs and costs of the Authority.
- 4.7 Finally, in a number of places, the draft Business Waste Management Strategy states the London Mayor's preference, (as outlined in the Mayor's Climate Change Action Plan) for waste to energy technologies other than incineration and his desire for London to be an exemplar in terms of showcasing new technologies, such as pyrolysis and gasification. The emphasis on non-incineration approaches to business waste may also be intended to reduce the opportunity for this technology (if ever proven to be the BPEO) to benefit from further economies of scale by accepting additional non-municipal wastes.

4.8 This technology-specific approach is different from the recently issued national Waste Strategy 2007, which states that ‘the Government does not generally think it appropriate to express a preference for one technology over another, since local circumstances differ so much’, although it does go on to state that, ‘the Government wishes to encourage local authorities and business to consider using anaerobic digestion’. The Authority’s response to the public consultation on the Mayor of London’s Business Waste Management Strategy, will point out this difference and argue for the need for no restrictions on technology choice, to ensure that the best environmental cost/solution for individual parts of London is obtained, taking account of both sustainable waste management objectives as well as climate change targets.

5.0 RECOMMENDATIONS

8.1 The Authority is recommended to approve the draft response to the Mayor of London’s Draft Business Waste Management Strategy attached as Appendix 1.

6.0 COMMENTS OF THE FINANCIAL ADVISER

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

7.0 COMMENTS OF THE LEGAL ADVISER

7.1 The Legal Adviser has been consulted in the preparation of this report and her comments are included within the body of the report.

Local Government Act 1972 – Access to information

Documents used: *Making waste work in London: The Mayor’s Draft Business Waste Management Strategy, Draft for consultation with the London Assembly and functional bodies, May 2007*

North London Joint Waste Strategy, Mayor’s Draft, September 2004

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**DRAFT RESPONSE TO MAKING WASTE WORK IN LONDON: THE MAYOR'S
DRAFT BUSINESS WASTE MANAGEMENT STRATEGY, MAY 2007**

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

27th June 2007

Dear Mayor Livingstone,

**Making waste work in London: The Mayor's Draft Business Waste
Management Strategy, May 2007**

Thank you for providing us with the opportunity to respond to the consultation on the above.

The North London Waste Authority is one of the four statutory joint waste disposal authorities in London and recognises the importance of managing business waste in a sustainable manner, both as an important contribution to climate change mitigation and to minimising London's overall environmental footprint.

The Authority has reviewed the consultation draft of the Business Waste Management Strategy for the London Assembly and functional bodies as outlined above, but has decided that it will provide a full response to the public consultation due to be issued in the autumn.

In terms of providing some initial high level comments however, the Authority suggests that the next draft would benefit from including some more detail on implementation mechanisms so that consultees are given more meaningful propositions to consider and comment upon.

In particular, the Authority would like to know how the London Mayor proposes that waste authorities should provide additional capacity for non-municipal wastes at recycling, composting, recovery and disposal facilities they commission. Any such additional capacity has traditionally been supplied at the risk of the private sector for good reasons, and has helped them to operate at good economies of scale as municipal waste streams have risen. To go significantly beyond this might expose publicly funded waste authorities to unreasonable risks and liabilities. It is for this reason principally that the Authority would like to see greater detail in any Proposals so that it can see if this is something it can support.

The Authority believes other Proposals are unrealistic within the current regulatory framework or without considerable change. Specifically the expectation from the London Mayor (Proposal 23) that local authorities undertake bi-annual inspections of all businesses in their locale to ensure they have a current 'Duty of Care' certificate would place an unrealistic burden on authorities and would not seem to be a practical suggestion which authorities could implement without considerable additional cost. (It is assumed that this proposal applies to collection authorities, i.e. the London boroughs).

The other proposal which the Authority believes is unworkable at present is Proposal 4, particularly the point that the London Mayor expects waste authorities to accept business waste for re-use or recycling, for free, at their Re-use and Recycling Centres. The Authority does not believe that such a service can be provided within the current regulatory framework, which requires authorities to both charge for business waste and to provide free services for householders at re-use and recycling centres. This proposal would also result in residents effectively subsidising business waste services and may lead to problems in relation to accounting for evidence of business waste tonnages recycled to meet producer responsibility requirements. As an aspiration this Proposal would clearly benefit business waste recycling and re-use rates, but without additional information about how it might be achieved, or detail regarding the steps which will be taken to make it happen, it is difficult to comment upon.

On a more general level, the Authority remains concerned at the continuing desire of the London Mayor to directly influence technology choices (which others have to finance), rather than simply to set strategic and environmental objectives.

Finally, a minor point is that in terms of being a reference document, the Business Waste Management Strategy would benefit from having some paragraph numbering and potentially a reference list of all the case studies.

The Strategy is however generally welcomed by the Authority, and we will engage actively in any further consultation processes prior to and within the public draft consultation, if appropriate.

The Mayor's Business Waste Management Strategy clearly also has a significant impact upon the Authority's constituent borough councils and you may receive responses from them individually.

If you require clarification on any of the points raised, please do not hesitate to contact me.

Yours faithfully,

Cllr. Brian Coleman AM FRSA
Chairman, North London Waste Authority

Report Ends