

**NORTH LONDON WASTE AUTHORITY**

**REPORT TITLE:**

**JOINT WASTE STRATEGY DEVELOPMENT UPDATE**

**REPORT OF:**

**HEAD OF WASTE STRATEGY AND CONTRACTS**

**FOR SUBMISSION TO:**

**AUTHORITY MEETING.**

**DATE:**

**7<sup>th</sup> July 2004**

**SUMMARY OF REPORT:**

This report updates Members with progress in development of the North London Joint Waste Strategy – a joint document being prepared by the Authority in partnership with the seven North London Boroughs.

The Stakeholder Dialogue Process has been completed and an independent report on the results of the process will be tabled at the meeting following the review of this document at the Cabinet Member Seminar on 5 July 2004. The Cabinet Member Seminar has reviewed the results of the stakeholder dialogue process and will recommend to each Partner Authority any changes to the draft strategy document that are considered necessary.

The Head of Waste Strategy & Contracts will give a verbal update on the results of the Cabinet Member Seminar at the meeting. Members are asked to consider any recommended revisions to the strategy and consider approving the revised document as a final draft suitable for submission to the Greater London Authority.

The report also outlines delays in receiving funding from the London Recycling Fund and will outline impacts on the North London Integrated Compost Project. Results of Authority bids to Round 9 of the London Recycling Fund are also outlined.

**RECOMMENDATIONS**

The Authority is recommended to: -

- (i) consider the outcomes of the Stakeholder Dialogue Process and the Cabinet Member Seminar on 5 July 2004;
- (ii) approve the final revisions to the draft strategy as acceptable for submission to the Greater London Authority or agree a Special Meeting of the Authority in July 2004 to consider the revisions to the strategy in more detail;
- (iii) delegate authority to the Head of Waste Strategy & Contracts, in consultation with the Chair, to approve any later, minor additional changes from Partner Authorities (as they individually consider and approve the Cabinet Member Seminar recommendations) as acceptable for submission to the GLA;
- (iv) delegate authority to the Head of Waste Strategy & Contracts, in consultation with the Chair, to approve a statement if there remain any disagreements with another Partner Authority(ies) on the revised wording for the final draft strategy;
- (v) note the impacts of the delays in award of funding for the North London Integrated Compost Project and the outcomes of North London bids to Round 9 of the London Recycling Fund

**Signed by: Head of Waste Strategy & Contracts**

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**Date:**.....

## **1. BACKGROUND TO STRATEGY DEVELOPMENT**

- 1.1 The Government published guidance in March 2001 indicating that it expected Waste Disposal Authorities and their constituent Waste Collection Authorities to develop a Joint Municipal Wastes Management Strategy. This has more recently been made a general statutory requirement by the Waste and Emissions Trading Act 2003.
- 1.2 The Mayor's Municipal Waste Management Strategy (September 2003) states that the four statutory waste disposal authority areas should each produce a joint strategy within 12 months of the publishing of the Mayor's own strategy, demonstrating how the authorities within the area will work together and work with other key stakeholders to deliver the Mayors' strategy.
- 1.3 The Waste and Emissions Trading Act 2003, requires (amongst other things) the production of a joint municipal waste management strategy in two tier areas, as noted above, within eighteen months of the passing of the Act (October 2003), unless the Secretary of State directs otherwise.
- 1.4 Between December 2001 and September 2002, the Boroughs and the Authority formally adopted joint Aims and Objectives, established a Strategy Project Board of Officers and began gathering information needed for the development of a Joint Waste Strategy.
- 1.5 Five Cabinet Member Seminars were held between March 2003 and January 2004, during which Cabinet Members from each of the constituent Boroughs and the Chair of the Authority (or their nominated deputies) considered the strategic options for waste management in North London, agreed scenarios and evaluation criteria to conduct a Best Practicable Environmental Option appraisal, reviewed the results of this appraisal, agreed draft wording for an internal draft of a strategy document and revised wording for an external draft to be issued for stakeholder dialogue.
- 1.6 The Authority approved the internal draft document at its meeting on 17<sup>th</sup> December 2003 and delegated authority to the Head of Waste Strategy and Contracts to agree any changes for the external draft identified at the 27<sup>th</sup> January 2004 Cabinet Member Seminar in consultation with the Chair of the Authority. Minor clarifications to the wording of the document were agreed at this meeting and an external draft document finalised for stakeholder dialogue.
- 1.7 The stakeholder dialogue process was conducted between February and May 2004 by the Authority's contractor – MORI – acting on behalf of all eight Partner Authorities. The stakeholder dialogue process included five stages; a technical review, a public qualitative review, a public quantitative review, a dialogue with the North London Recycling Forum and a stakeholder event to consider key issues raised by the other four stages.

- 1.8 At the time of writing this report, a sixth Cabinet Member Seminar is to be held on 5<sup>th</sup> July 2004 in Euston. Cabinet Members will consider the results of the Stakeholder Dialogue at this Seminar and will be asked to recommend any changes to the strategy document that may be considered necessary.

## **2. PROGRESS IN STRATEGY DEVELOPMENT**

- 2.1 The MORI Stakeholder Dialogue Report is not available at the time of writing this report, but will be distributed to Authority Members at the same time as Cabinet Members for Environment to give the maximum time for consideration of the results in advance of this meeting. The Head of Waste Strategy & Contracts will provide an update at this Authority meeting for Members on the views expressed on the Stakeholder Dialogue Report at the Cabinet Member Seminar held on 5 July 2004.
- 2.2 A summary of any revisions recommended by Cabinet Members to the Strategy document will also be tabled and presented at this meeting by the Head of Waste Strategy & Contracts, along with the timetable for consideration of the recommended revisions to the draft strategy proposed by the seven North London Boroughs at the Cabinet Member Seminar. It will then be recommended to the Authority that the changes are formally agreed by the Authority.
- 2.3 In the event that Members consider that the revisions warrant a Special Meeting to review the implications for the Authority in more detail, a Special Meeting shall be arranged for July 2004.
- 2.4 If Members give approval to the changes recommended by the Cabinet member Seminar, it is recommended that authority is delegated to the Head of Waste Strategy & Contracts in consultation with the Chair of the Authority to make the final revisions to the strategy document that are subsequently agreed by the individual Partner Authorities and to submit the revised document to the Greater London Authority.
- 2.5 It is possible that not all Partner Authorities will agree upon the necessary revisions to the draft North London Joint Waste Strategy such that an agreed document can be approved independently by all Partner Authorities. The Government's Guidance on Municipal Waste Management Strategies (2001) requires the following actions in these circumstances:

*“The development of a Municipal Wastes Management Strategy may highlight areas of difference between local authorities. The final Strategy should reflect an agreed position. The Government therefore expects authorities to work together and overcome their differences. If despite best efforts, a specific disagreement remains, a public statement should appear in the Strategy of the point at issue and how it shall be resolved.”*

- 2.6 The North London Waste Authority has taken the lead in developing the North London Joint Waste Strategy on the request of the seven North London Boroughs. If the Partner Authorities cannot all agree final changes to the Strategy, it is recommended that authority is delegated to the Head of Waste Strategy and Contracts, in consultation with the Chair, to proceed as above in agreeing such a statement with a Partner Authority.

### 3. PROJECTS

#### Joint Projects submitted to the London Recycling Fund

- 3.1 At the 28<sup>th</sup> April 2004 meeting, Members received details of the North London Integrated Compost Project submitted to Round 8 of the London Recycling Fund in March 2004. The Project comprises three key elements; a North London Community Compost Network, collection infrastructure for kerbside collections of organic materials for 125,000 households within five North London Boroughs and a 30,000 tonne in-vessel composting facility to be located at the LondonWaste Limited (LWL) site in Edmonton.
- 3.2 The London Recycling Fund considered the bid on 6th April 2004 and on 30<sup>th</sup> April wrote to the Authority stating that it was likely, following a positive recommendation from the Fund Programme Board, that London Waste Action would consider the Authority's application favourably for an award as follows:

<i>Amount of Grant</i>	<b>2004/05 [£]</b>	<b>2005/06 [£]</b>	<b>Totals [£]</b>
Capital	3,228,000	33,100	3,261,100
Revenue	462,436	276,464	738,900
<b>Total</b>	<b>3,690,436</b>	<b>309,564</b>	<b>4,000,000</b>

- 3.3 As the proposed award was less than the sum applied for, the Waste Strategy & Contracts Team met with the bid partners on 12<sup>th</sup> May 2004 to discuss the proposed allocation of funds and the partners agreed and requested the following allocation from the Fund:

<b>Partner</b>	<b>2004/5</b>		<b>2005/6</b>	
	<b>Capital</b>	<b>Revenue</b>	<b>Capital</b>	<b>Revenue</b>
NLWA Compost Network	£ 1,000	£ 57,971		£ 60,476
L.B. Barnet	£ 375,000	£ 116,888	£ -	£ 381,902
L.B. Hackney	£ 125,000	£ -	£ -	£ -
L.B. Haringey	£ 600,000	£ -	£ -	£ 290,095
L.B. Islington	£ 119,000	£ 128,601	£ 33,100	£ 10,967
L.B. Waltham Forest	-	-	£ -	£ -
NLWA In-vessel Facility	£ 1,700,000	£ -	£ -	£ -
<b>Total</b>	<b>£ 2,920,000</b>	<b>£ 303,460</b>	<b>£ 33,100</b>	<b>£ 743,440</b>

- 3.4 Within the 30<sup>th</sup> April 2004 letter, the Fund indicated a delay in the signing of legal agreements between the Department for Environment, Farming and Rural Affairs (DEFRA), London Waste Action, the Greater London Authority and the Association of London Government and suggested that if the Authority progressed the project or committed expenditure it would be at the Authority's own risk. The Fund indicated in the 30<sup>th</sup> April letter that the matter would be resolved by mid-May. On the 8th June 2004, the Fund announced a further delay and suggested that the matter would be resolved on 21<sup>st</sup> June 2004 with possible minor variations to reporting requirements to DEFRA. On 17<sup>th</sup> June 2004 the Fund indicated that the matter would be resolved by the 25<sup>th</sup> June 2004. At the time of writing no allocation of Funding had been made and the first quarter of the first year has now been lost.
- 3.5 The implications for the North London Integrated Compost Project of this delay are significant. In relation to the Compost Network, London Community Recycling Network have determined to appoint a co-ordinator for the role of running the Compost Network at risk. Further delays to the allocation of funding to this element of the project could result in the project being unable to deliver its home compost training during the summer when potential candidates are likely to be most receptive with the result that outputs are likely to be significantly reduced and Boroughs losing a potential opportunity to gain assistance with funding applications to the Waste Resources Action Programme.
- 3.6 In relation to the Borough organic collection schemes, some Boroughs had proposed initial collections during the summer of 2004 to trial collections of kitchen vegetable scraps. These trials are now unlikely to happen. In addition, delivery times for collection vehicles may mean that, unless funding is confirmed soon, organics collections may be unable to commence by the time of the start of the Statutory Best Value Performance Indicator Recycling and Composting Standard target year with potential ramifications for Borough and therefore Authority achievement of these Standards.
- 3.7 In relation to the Authority's support of the LWL In-vessel Compost Facility at Edmonton, the Company has held back from deciding to progress drainage works and planning application preparations at risk. LWL indicates that this investment involves a six-figure sum and is concerned that the delays thus far to confirmation of funding have eaten into the contingency allowed within the project plan. Further delays may mean that the facility might not be ready to commence receiving waste in time for the start of the 2005/6 Recycling and Composting Standard target year, with potential implications for the achievement of Borough and Authority Statutory Composting Standards.
- 3.8 Members are recommended to note the impacts of these delays in funding, given the significant contribution that the project will make to the Authority's Statutory Recycling and Composting Standard – estimated to be 28% of the required total. In addition, if funding has not been awarded by the time of the meeting Members are recommended to consider whether representations should be made to the parties to the legal agreements relating to the Funding award indicating the severity of the impact on the Authority and seeking a resolution.

- 3.9 The Authority submitted a further bid to Round 8 of the London Recycling Fund in partnership with the London Community Recycling Network entitled “North London Community Sector Building Partnerships”. This project involves the appointment of community sector specialists to develop good practice and assist North London community group members of the North London Recycling Forum in communications, funding support and sector specific advice on re-use and estates recycling, focussing particularly on helping fledgling groups to formally constitute and win business.
- 3.10 The Round 8 application was considered by the Fund who requested a re-submission in Round 9 or 10 defining in greater detail the project outputs and explaining how the project inter-related with the Integrated Compost Project. The Head of Waste Strategy & Contracts and London Community Recycling Network submitted a revised bid with the desired changes in Round 9 on 26 April 2004 and presented the bid on 3rd June 2004. The Fund wrote to the Authority on 17<sup>th</sup> June to confirm that London Waste Action would consider the Authority’s application favourably for an award as follows:

<b>Amount of Grant</b>	<b>2004/05 [£]</b>	<b>2005/06 [£]</b>	<b>Totals [£]</b>
<b>Capital</b>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Revenue</b>	<i>66,242</i>	<i>17,212</i>	<i>83,454</i>
<b>Totals</b>	<b><i>66,242</i></b>	<b><i>17,212</i></b>	<b><i>83,454</i></b>

- 3.11 This announcement is subject to the same delays in awarding funds that have previously been outlined in relation to the North London Integrated Compost Project.

#### **4. RECOMMENDATIONS**

Members are therefore recommended to:

- (i) consider the outcomes of the Stakeholder Dialogue Process and the Cabinet Member Seminar on 5 July 2004;
- (ii) approve the final revisions to the draft strategy as acceptable for submission to the Greater London Authority or agree a Special Meeting of the Authority in July 2004 to consider the revisions to the strategy in more detail;
- (iii) delegate authority to the Head of Waste Strategy & Contracts, in consultation with the Chair, to approve any later, minor additional changes from Partner Authorities (as they individually consider and approve the Cabinet Member Seminar recommendations) as acceptable for submission to the GLA;

- (iv) delegate authority to the Head of Waste Strategy & Contracts, in consultation with the Chair, to approve a statement if there remain any disagreements with another Partner Authority(ies) on the revised wording for the final draft strategy; and
- (v) note the impacts of the delays in award of funding for the North London Integrated Compost Project and the outcomes of North London bids to Round 9 of the London Recycling Fund

## **5. COMMENTS OF THE FINANCE OFFICER**

- 5.1 Although the Authority's current budget allows for the cost of developing a joint waste strategy with its constituent councils, no specific allowance had been made for the costs of delivering the strategy in future years. In February Members were advised that this would be the subject of a future report to the Authority in 2004/05. It is intended that an up-to-date report on the Joint Waste Strategy including an update on the potential cost implications will be submitted to the next Authority meeting.

## **6. COMMENTS OF THE LEGAL ADVISER**

- 6.1 The Legal Adviser's comments are incorporated in the report.

### **Local Government Act 1972 – Access to information**

Guidance on Municipal Waste Management Strategies, DETR, 13/03/01  
Authority reports of: 17/12/03, 11/2/04, 28/04/04  
External Draft North London Joint Waste Strategy - February 2004

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**Report Ends**