

NORTH LONDON WASTE AUTHORITY

REPORT TITLE: STRATEGY AND POLICY UPDATE

REPORT OF: MANAGING DIRECTOR

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 13 FEBRUARY 2025

SUMMARY OF REPORT:

This paper reports on the consultation process for the draft joint waste strategy, "Towards a low waste north London". It also reports on national policy developments affecting the Authority.

RECOMMENDATIONS:

The Authority is recommended to note the updates provided within the report.

SIGNED:  Managing Director

DATE: 3 February 2025

1. INTRODUCTION

1.1. This paper provides an update for Members on government consultations and policies that are relevant to the Authority and have the potential to affect the Authority's operations, performance and/or costs. It provides an update on:

- 1.2.1 Joint Waste Strategy update;
- 1.2.2 Extended Producer Responsibility (EPR) payments update;
- 1.2.3 Defra Roundtable event;
- 1.2.4 Residual waste infrastructure capacity review

2. JOINT WASTE STRATEGY UPDATE

2.1. The draft North London Joint Waste Strategy, "Towards a low waste north London" is a draft of a statutory document for NLWA and the seven constituent boroughs, who are jointly responsible for its delivery. The Strategy is intended to guide work for the next fifteen years and through the aims and activities, will help North London move towards a low waste, sustainable future.

2.2. A public consultation on the Strategy concluded on 23 January. This was carried out over a period of eight weeks and sought views from residents, business and local communities to ensure a fully rounded and robust final Strategy is developed which draws on a wide range of views and expertise. This consultation was the second phase of community engagement on the Strategy following a 2023 listening exercise. The listening exercise ensured that the preparation of the draft strategy was informed by the priorities and contributions of residents.

2.3. During the consultation period feedback was gathered via an online survey (hosted on commonplace) and an outreach engagement exercise was conducted in person across north London communities. The consultation results are still being analysed, but initial findings show that over 3,000 residents engaged, representing broad and diverse sections of north London communities. There were 1501 direct responses to the consultation with 461 residents responding to the online survey, and 1,039 contributing to the outreach engagement exercise.

2.4. The borough distribution of respondents to the public consultation was broadly even: Camden 195, Barnet 260, Enfield 175, Hackney 179, Haringey 215, Islington 157, Waltham Forest 254, Other 6.

2.5. Of the respondents, 53% of respondents were female, 45% were male, 0.2% were nonbinary and 1% preferred not to say. In terms of ethnicity, the outreach engagement gathered diverse responses which are in line with census figures for the north London area (White 49%, Asian 16%, Black 17%, Mixed Heritage 9%, Other 9%). 77% of respondents to the outreach engagement exercise stated they

had not been consulted about local services before. In terms of the services received, 66% of respondents reported that they had kerbside waste collections and 30% reported they used communal bins (3% selected 'something else' as an option).

- 2.6. Officers are now working with Boroughs to review and update the draft Strategy for final approval, taking account of all the comments and suggestions received during the public consultation. Each of the individual boroughs will then be asked to take a decision to approve the revised final draft.
- 2.7. In line with this, the governance processes for formal agreement and adoption of the Strategy are being arranged. Authority members will be asked to agree the Strategy at the June Authority meeting, with Boroughs considering the final Strategy at Cabinet meetings during the summer of 2025.

3. EXTENDED PRODUCER RESPONSIBILITY FOR PACKAGING (pEPR) UPDATE

- 3.1. The Department for Environment, Food and Rural Affairs (Defra) announced provisional notices of assessment for local authorities and the accompanying guidance in late November 2024. These notices set out the payments that authorities will receive for the first year of pEPR. Introducing Extended Producer Responsibility for packaging has been a plan of Governments since 2018 – following the polluter pays principle - to ensure that producers contribute to the recycling and disposal cost of materials which they generate. Importantly it also strengthens incentives for producers to minimise and avoid packaging, especially unrecyclable packaging.
- 3.2. In 2025/26, north London will receive approximately £36 million for managing household packaging waste. This is broken down by authority in the below table.

Authority	pEPR Payment Estimate
NLWA	£14,479,000
Barnet	£4,500,000
Camden	£2,306,000
Enfield	£3,260,000
Hackney	£2,759,000
Haringey	£2,899,000
Islington	£2,371,000
Waltham Forest	£3,283,000

- 3.3. Whilst the payment amounts are provisional at this stage, Defra have confirmed that Local Authorities (LAs) will receive these amounts at a minimum in 2025/26, and the Treasury has guaranteed these payments for the first year of pEPR.
- 3.4. The release of these payment amounts is a significant and positive step towards bringing pEPR into effect. However, there are several gaps in understanding which need to be addressed in order to fully understand our payments.

- 3.4.1. The payments are calculated based on assumptions of tonnages of waste, the composition of that waste and the cost of treating the waste. Officers understand that both the tonnage data and composition analysis used for the assessment are several years old. Cost information is based on sampling information from a selected set of authorities, but it is not known what samples were used. Officers will continue to make the case for greater transparency so that payments are properly reflective of costs incurred by authorities.
- 3.5. From year 2 of pEPR (2026/27), the pEPR Scheme Administrator can begin to judge LAs on their “effectiveness”. Authorities will be placed into groups with other LAs that share similar characteristics such as rurality, housing stock, deprivation, etc. They will then be compared with each other against a series of metrics.
 - 3.5.1. Waste Collection Authorities are expected to be judged on their dry recycling rate.
 - 3.5.2. Waste Disposal Authorities are expected to be judged on their RRC recycling rate (which carries a 20% weighting on their overall effectiveness), and the sorting of packaging materials in their recycling stream (carrying an 80% weighting).
- 3.6. LAs that score within the bottom 10% of their effectiveness grouping may qualify for inclusion within an “Improvement Action Process” in which the Scheme Administrator will codesign an improvement plan alongside the LA which will need to be complied with, or the LA could risk getting their pEPR payments deducted up to a maximum of 20%.
- 3.7. Defra provided the opportunity for LAs to share their thoughts on the payment assessments and guidance via a feedback form. Officers submitted a response to this on behalf of NLWA including the points mentioned in section 3.4.1 of this report. Officers also provided support to borough officers in the writing of their responses.
- 3.8. Officers are currently developing a strategy for NLWA’s approach to pEPR going forward. This will outline a series of actions intended to address current gaps in understanding, safeguarding future years’ payments, and increasing the level of influence that NLWA has over the design and operation of the scheme.

4. DEFRA ROUNDTABLE

- 4.1. On 23 January, the Chair and Managing Director were part of a local authority delegation of 22 politicians and officers in a round table meeting with the Circular Economy Minister, Mary Creagh MP.

- 4.2. The meeting was intended to be the first of a regular series of Ministerial/local government meetings to strengthen alignment and coordination of actions to deliver positive environmental progress. It was agreed that there would be a follow up meeting before the summer.
- 4.3. The spirit of the meeting was positive. Local authority representatives particularly confirmed their commitment to playing their part in economy-wide action to promote the circular economy and reduce waste; highlighted the importance of infrastructure to manage waste, recycling and to reprocess material so that the UK can have a thriving green economy; and also highlighted concerns that the application of the emissions trading scheme to energy from waste risked hitting councils with additional costs of £800m to £1 billion.

5. RESIDUAL WASTE INFRASTRUCTURE CAPACITY REVIEW

- 5.1. Defra published a 'Residual waste infrastructure capacity note' on 30 December 2024, together with a Ministerial announcement on future energy from waste capacity. The note was published following a commitment from the previous Government to undertake a review of the role of energy from waste in the treatment of residual waste in England. The note published in December has a wider scope than this, presenting a forecast of municipal residual waste arisings, which includes business waste, and residual treatment infrastructure capacity in England between 2020 to 2035, considering the impacts of the Collection and Packaging Reforms (CPRs). The analysis is intended to support decision makers in planning for residual waste treatment to deliver a circular economy.
- 5.2. The analysis made certain assumptions about population, prosperity, waste arisings and the effect of waste reforms which are in train. Forecasts were prepared at regional and national level. At a regional level, the analysis concluded that current and planned energy recovery capacity in London will not be sufficient to manage total municipal residual waste arisings in London by 2035. Nationally it noted that in England there is currently 14.3m tonnes of energy from waste capacity in operation and 3.9m tonnes of capacity in construction. This is against 25.4m tonnes of residual municipal solid waste arising. The Government aims that waste reforms will mean waste arisings fall to 19.4m tonnes by 2035.
- 5.3. The Ministerial announcement informed by the note confirmed additional energy from waste capacity should be permitted where it enables the replacement of older, less efficient facilities and where it results in a reduction of non-recyclable waste sent to landfill.
- 5.4. This ministerial note considered alongside the existing regional energy from waste undercapacity in London, confirms the new Edmonton ERF will play a critical role in the management of north London's municipal residual waste. The Ministerial announcement set out stringent standards for the construction and operation of new energy from waste facilities. This includes meeting existing high air pollution

control standards, being built carbon capture ready and making use of the heat produced during operation. The new Edmonton ERF is an exemplar project in that Members made decisions some time ago which means that it already planned to meet or exceed these standards and will comply with the government's expectations of modern energy recovery operations.

6. EQUALITY IMPLICATIONS

- 6.1. There are equality considerations in relation to the Joint Waste Strategy, with reference to the public consultation undertaken on the Strategy. As indicated above, the recent consultation has engaged with diverse communities and the responses have been in line with census figures for the north London area. This has ensured that all residents, including minorities, feel comfortable giving feedback and contributing to the development of the Strategy.

7. COMMENTS OF THE LEGAL ADVISER

- 7.1. The Legal Adviser has been consulted in the preparation of this report and comments have been incorporated.

8. COMMENTS OF THE FINANCIAL ADVISER

- 8.1. The Financial Adviser has been consulted in the preparation of this report and comments have been incorporated.

List of documents used:

Government energy from waste announcement

<https://www.gov.uk/government/news/government-to-crack-down-on-waste-incinerators-with-stricter-standards-for-new-builds>

Government energy from waste capacity note

<https://www.gov.uk/government/publications/residual-waste-infrastructure-capacity-note/residual-waste-infrastructure-capacity-note#results>

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