

Committee	Date:
Port Health and Environmental Services	25 September 2018
Subject: Change to Waste Collection Arrangements for Serviced Apartments	Public
Report of: Carolyn Dwyer, Director of the Built Environment	For Information
Report author: Jim Graham, Assistant Director, Cleansing	

Summary

The City of London Corporation has a statutory duty under the Environmental Protection Act 1990 to collect household waste from domestic properties within its area.

As part of the tender process for procuring the new Waste Collection, Street Cleansing and Ancillary Services Contract, a review was carried out to ensure the Corporation provided household waste collection services to only those properties which are entitled to receive the service.

The review identified that some complete blocks of flats are being utilised as 'serviced apartments' and are let on a short-term basis. These properties are paying council tax and therefore receive free household collections. However, the Controlled Waste Regulations 2012 (CWR) states that waste from a "domestic property used during a business for the provision of self-catering accommodation" can be classed as commercial waste.

The occupiers of these properties will be contacted in October 2018 to advise them that their free household waste collection services would, therefore, cease from a set date and that they would be required to arrange a commercial waste collection in accordance with the legislation set out in the CWR 2012.

Diverting commercial waste from the domestic waste stream would help the City reduce its disposal cost and it would also help improve the recycling rate.

Recommendation

Members are asked to:

- Note the report.

Main Report

Background

1. Under the Environmental Protection Act 1990 the Corporation has a statutory duty to collect or arrange for collection of domestic waste.

2. As part of procuring the new Waste Collection, Street Cleansing and Ancillary Services contract officers recently carried out a review to ensure that the Corporation provided a domestic waste collection services to only those properties which are entitled to receive one.
3. It was apparent that some blocks of flats are let on a short-term basis as serviced apartments. A serviced apartment is a fully furnished apartment available for short-term or long-term stay, providing hotel-like amenities.
4. These blocks of flats, operating as serviced apartments, receive free collections as domestic properties because they pay council tax.

Current Position

5. Legislation set out in Schedule 1 (11) of the Controlled Waste Regulations 2012 (CWR) states that waste from a “domestic property used while a business for the provision of self-catering accommodation” can be classed as “commercial waste”. Officers have undertaken investigations to identify those properties which are not entitled to receive a domestic waste services in accordance with this legislation.
6. Although serviced apartments are primarily occupied by people working in the City, they are also available to the public with hotel-like facilities and are often advertised in this manner.
7. There are some 20 ‘serviced apartments’ blocks, shown in Appendix A, the waste from which should be classified as commercial waste under CWR. There are also several other individual flats within larger blocks that are being used as “serviced apartments”.
8. In these cases, further investigations are required to identify how many flats within the block are being used as ‘serviced apartments’, and to take steps to separate commercial and domestic properties so that waste from these properties can be collected and disposed of correctly. Please see Appendix B. Please note that AirBnB and HomeAway style short term lets are beyond the scope of this report.

Proposals

9. The properties listed in Appendix 1 will be contacted in October to advise that the domestic household waste collection will cease from their properties in accordance with Schedule 1 (11) of the Controlled Waste Regulations 2012. After this date, the affected properties will need to arrange for their own commercial waste collection and obtain Waste Transfer Notes in accordance with the Environmental Protection Act 1990 (Section 34) and the Environmental Protection Act (Duty of Care) Regulations 1991 placed on all premises which receive commercial waste collection services.
10. This approach is also consistent with guidance given from the Mayor of London’s Office and Resource London. In addition to this it will slightly decrease the Corporation’s waste disposal costs by ensuring that only waste classed as domestic is being collected and disposed of.

11. The process for removal of serviced apartments will be undertaken in two phases. Phase one will focus on the removal of properties where it has been clearly identified that complete blocks of flats are being utilised as serviced apartments. Phase two will deal with individual properties within blocks of flats and these will be subject to further investigations if needed.

Corporate & Strategic Implications

12. By ensuring that these businesses are correctly identified, serviced and maintained we will be contributing to objective twelve of the Corporate Plan 2018 - 2023. This course of action also supports the City's Waste Strategy 2013 – 2020 of waste reduction and value for money.

Implications

13. The Comptroller and City Solicitor has been consulted and his comments are incorporated in the body of the report.
14. It is a legal requirement under CWR to classify the waste produced from properties which are used as a "domestic property used in the course of a business for the provision of self- catering accommodation" as commercial waste.
15. By removing self-catering accommodations from household waste collection, the Corporation should be making financial savings through reduced collection tonnage and disposal of less general waste. The extent of the saving is difficult to estimate at this point, as the tonnage removable from the general waste stream as commercial waste is unknown. The cost of disposal for general waste is currently £129.30 per tonne and this fee is due to increase annually in line with inflation.
16. We anticipate, however, that this may have a positive impact on the Corporation's recycling rate as the reduction in general waste will increase the percentage of recycling rate collected within the City.
17. It must be stressed that the key risk here is that the serviced apartments occupiers may challenge the assertion that their property is used to conduct a business. The City, however, has no option but to implement the legislation referred to above. To prove that they do not operate as part of a business and onus to provide evidence to support it are considered their responsibility.
18. Officers will be contacting the revenue team of the Chamberlain's Department inform them of the properties which have had their waste reclassified as commercial waste in accordance with the CWR 2012. An on-going process will also be put in place with revenue team to address any recurrence of this situation in the future.

Conclusion

19. The Corporation will no longer be providing free domestic waste collection services to serviced apartments referred to in this report as the legislation cited within the

CWR dictates. These are a fully furnished apartment available for short-term or long-term stay, providing hotel-like amenities and run as a commercial business.

20. They will instead be required to procure commercial waste collection services through a registered waste carrier and they will be responsible for the payment of this service.
21. We anticipate that a more accurate reclassification of waste will have a positive impact on the Corporation's recycling rate as the reduction in general waste will increase the percentage of recycling materials collected.
22. Whilst the waste produced from the serviced apartments will be re-classified as commercial waste, it will not have an impact on their council tax listings. Both Council Tax and Business Rate sections will be made aware of this re-classification of waste as and when they occur.

Appendices

- Appendix A – List of serviced apartments for removal in Phase 1
- Appendix B – List of serviced apartments for removal in Phase 2

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Appendix A – List of Serviced Apartments to be removed in Phase 1

Units	Address	Ward	Company
26	The Artillery Building, 18 Artillery Lane	Bishopsgate	Fraser Residence
14	1 Botolph Alley	Bridge and Bridge Without	Fraser Residence
	3 Bow Lane	Cordwainer	Cheval
34	Calico House, 42 Bow Lane	Cordwainer	Cheval
11	1 Church Entry	Farringdon Within	Fraser Residence
3	22 College Hill	Dowgate	Go Native
13	1 Crane Court	Castle Baynard	SACO
12	10 - 16 Creechurch Lane	Aldgate	Go Native
6	Sterling House, 12 Dyer's Buildings	Farringdon Without	Roomspace
9	23 Great Tower Street	Tower	Oakwood
9	1 Groveland Court	Cordwainer	Roomspace
9	7 Ludgate Broadway	Farringdon Within	Oakwood
15	River House, 119-121 Minories	Tower	Roomspace
9	49 Monument Street	Billingsgate	Oakwood
54	Marlyn Lodge, 2 Portsoken Street	Portsoken	Grosvenor Property Management
28	St John's House, 50 Vine Street	Tower	Oakwood
12	75 Watling Street	Cordwainer	Roomspace
18	11 Well Court	Cordwainer	Oakwood
8	12 Well Court	Cordwainer	Oakwood
	9 Red Lion Court	Castle Baynard	SACO

Appendix B – List of Serviced Apartments to be removed in Phase 2

Units	Address	Ward	Company
12	202 Bishopsgate (Abbotts Chambers)	Bishopsgate	Abbotts Chambers Apartments
89	1 Pepys Street	Tower	Bridge Street
	Kings Wardrobe Apartments,6 Wardrobe Place	Castle Baynard	Bridge Street
65	Market View, 15 - 20 West Smithfield	Farringdon Without	Bridge Street
	Three Quays Apartments, 40 Lower Thames Street	Tower	Cheval
	City House, 68 Cannon Street	Dowgate	City Apartments
14	East House, 9B Eastcheap	Bridge and Bridge Without	City Apartments
4	Newbury House, 10 - 13 Newbury Street	Farringdon Within	City Apartments
	Pleydell House, 3 Pleydell Street	Castle Baynard	City Apartments
	Florence House, 2 - 4 Tudor Street	Castle Baynard	City Apartments
17	64 West Smithfield	Farringdon Within	City Apartments
9	172 Bishopsgate	Bishopsgate	City Marque
14	140 Minories	Tower	Clarendon
	3 Lovat Lane	Bridge and Bridge Without	Fraser Residence
	14 Lovat Lane	Bridge and Bridge Without	Go Native
96	30 Queen Street	Vintry	Marlin
3	19 Widegate Street	Bishopsgate	Portland Brown
4	1 Abchurch Yard	Candlewick	Smart City Apartments
15	37 Cock Lane	Farringdon Without	Still Life
4	5 - 7 Artillery Lane	Bishopsgate	Urban Stay
8	Octave House, 4 Botolph Alley	Bridge and Bridge Without	Urban Stay
18	Astral House, 129 Middlesex Street	Bishopsgate	Urban Stay
5	25 Savage Gardens	Tower	Urban Stay
9	19 St Mary At Hill	Billingsgate	Urban Stay
16	Evangelist House, 33 Black Friars Lane	Farringdon Within	
9	4 - 7 Lombard Lane	Farringdon Without	