

Committee: Port Health and Environmental Services	Date: September 2012
Subject: Introduction Paper for a Proposed Review of the City of London Waste Strategy	Public
Report of: Director of Built Environment	For decision

Summary

This report is to inform Members that following a number of significant changes in policy at national and local levels the City of London's current Waste Strategy 2008 – 2020 requires a review.

These changes are;

- Government review of Waste Policy by the Department of Environment, Farms and Rural Affairs (DEFRA) in 2011.
- The implementation of The Mayor of London's Municipal and Business Waste Strategies also in 2011.
- The start of the City's new contract for waste collection and street cleansing services (October 2011).
- The transfer of the commercial waste business to Enterprise Managed Services under the new contract (October 2011).
- The Riverside Energy from Waste (EfW) facility at Belvedere becoming fully operational (11th October 2011) and accepting all of the City's residual waste.
- The market value of recycling materials.

In light of these changes it is proposed to review the existing strategy and produce a first draft proposal of a new waste strategy document. This proposal will be shared with PHES Members for views and comments via arranged facilitated workshop sessions. With agreement a consultation draft will then be produced for general consultation and then final approval by this committee.

It is anticipated that the process will be completed by summer of 2013, a detailed time line can be found in Appendix 1.

Recommendations

It is recommended that this committee:

1. Endorse the decision to produce a New Waste Strategy for the City of London which addresses the changes in national and local policy together with the new contractual arrangements.
2. Agrees the process and timeline as described in the report.

Main Report

Background

Why does the City need a Waste Strategy?

1. All Waste Disposal Authorities in England, under the Waste and Emissions Trading (WET) Act 2003, have a duty to have in place a strategy for the management of their municipal waste. Local authorities should either produce or contribute to a Strategy or equivalent. The long term strategic planning is vital to all authorities in securing both the infrastructure and service developments necessary to deliver more sustainable waste management and it therefore makes good business sense to have a clear strategy on how we intend to treat waste looking to the future.

The current Waste Strategy.

2. The current Waste Strategy was written in 2007 and published in January 2008; it covers the period 2008 – 2020. When produced there was a commitment to review it periodically to ensure that the City had a relevant Waste Strategy document. In November 2011, Cleansing Services started working in partnership with LRS consultancy in a process to identify if there had been any significant changes in government waste and recycling policy, legislation or local strategies which may impact on the City's waste strategy.
3. This work highlighted that since the writing of 2008 document there have been significant changes in policy at national and local levels and also the city's contractual arrangements have changed which makes it essential that the current Waste Strategy be reviewed and updated.

Why is there a need to have a revised Waste Strategy for the City of London?

4. The following significant changes in policy have been identified:
 - a) A government review of Waste Policy in 2011.

The Governments review of National Waste Policy in 2011 placed a much clearer focus on 'Waste Prevention' and the need to ensure all material resources are fully valued both financially and environmentally. Whilst previous national strategies have placed a heavy focus on recycling rates the 2011 policy review removed the national Indicators 191, 192 and 193 and instead urged councils to focus on local issues and concerns and indicated a move towards the use of a carbon metric/measurement. This is a methodology or model of standard measurement (weighting) applied to each material stream in recycling to measure the CO2 equivalent. It takes into account the whole life-cycle, giving the CO2 equivalent for each material returned to a virgin material state. E.g. for aluminium it would include the mining, smelting, transport, manufacturing etc.

The government review of Waste Policy 2011 also outlined the intention to develop materials recycling facility (MRF) codes of practice, this will be "key to maintaining the credibility of co-mingled collections under the revised Waste Framework Directive". The review also placed strong emphasis on incentives for recycling as well as on the quality and frequency of services provided to residents as opposed to merely providing a basic service.

b) The implementation of The Mayor of London's Municipal and Business Waste Strategies also in 2011.

The Mayor of London's Municipal Strategy was similar in focus to the National Policy Review, again moving away from the need merely to provide a basic collection service and how to go further in service provision especially for flatted properties which make up a significant proportion of London's housing stock. This included objectives around the establishment of a London wide network for the collection of bulky waste as well as a more general focus on repair and reuse.

The Mayor also placed an emphasis on the measurement of Carbon as a key indicator moving forward whilst still setting stretching goals for recycling rates, waste reduction and the amount of waste being sent directly to landfill.

Alongside the Mayor of London's Municipal Strategy he also produced a Business Waste Strategy which highlights the steps that the Mayor will take to help businesses identify and implement waste prevention measures and increase the uptake of recycled or reclaimed materials used, something which had not previously received much attention in London wide strategy documents.

c) The start of the City's new contract for waste collection and street cleansing services (October 2011).

The start of the new contract has led to new opportunities in the development of the services provided to residents. Enterprise Managed Services have committed to supporting the City in a number of ways to improve frontline services, including the development of Recycling Roadshows and innovative methods of service delivery to maximise opportunities for recycling and reuse.

d) The transfer of the commercial waste business to Enterprise Managed Services under the new contract (October 2011).

The previous Waste Strategy included targets for increasing the commercial customer base; although it is still in the City's interest that our current commercial contractor has a successful business we cannot directly influence the uptake of the service from businesses. Instead our role must now focus on supporting businesses to sustainably manage their waste by offering advice and resources.

e) The Riverside Energy from Waste (EfW) facility at Belvedere becoming fully operational and accepting all of the City's residual waste.

Now that the City have secured a long term contract for the disposal of its waste into Belvedere (until 2025) this element of the Waste Strategy is

less significant, the previous Strategy focussed heavily on this element in assessing the best option for the disposal of waste.

f) The market value of recycling materials.

When the previous strategy was written comingled recycling collected by the City was sorted by a third party (MRF operators) who charged a fee per tonne for carrying out this operation (still much lower than the costs of disposal to landfill). The value of recyclable material has since increased significantly (but still variable) and it is now standard practice for MRF operators to pay for receiving recyclables as there is money to be made from selling these items on for re-processing. The City has been in a good position to capitalise on this by having short term yearly contracts and this should be taken into account in the new strategy. It should be noted that the recycling market is subject to considerable swings dependent upon world markets, therefore the City's strategy will need to recognise this uncertainty.

Proposed process for engagement and developing a new Waste Strategy

5. From April 2012 work began on developing a proposal for a new Waste Strategy document. To start this process a workshop session was undertaken with key staff of the Cleansing Department and supported by the City's Planning Policy team to identify proposals for the direction and purpose of the new document. The plan is that the new strategy document should be an iterative, working document which could easily be transposed into departmental, team and individual objectives which will give responsibility and ownership in the achievement of the targets and that they will be reviewed on an annual basis.
6. A comprehensive modelling exercise was carried out to model trends in the city's waste streams over the past three to five years to establish accurate projections and targets for consideration. A proposed initial list of key objectives has been identified and will also act as a starting point to consult on going forward in the process of engagement.
7. It is intended to produce a first stage draft Waste Strategy document, this will be used as a basis to engage and consult Members. It is proposed that the process will be to invite Members of this committee to a facilitated workshop session which would give Members the opportunity to have their views heard and for them to input into the development of the waste strategy document. (two workshop dates are to be arranged, possibly one afternoon and one early evening.)
8. Following Members input a second draft document will be produced; this will be presented to this committee for approval at the November meeting. If approved the second draft waste strategy document will then be released for public consultation; this process will allow members of the public, businesses within the Square Mile, neighbouring authorities and other key stakeholders to respond. Responses will be collated, reviewed and any appropriate comments or changes will feed into the final draft document.

9. The final draft document will be brought back to the Port Health and Environmental Services committee to seek approval. This is planned for June 2013.
10. It is proposed to publish the final Waste Strategy in the summer of 2013. A timeline table can be found in Appendix 1

Impact

11. The impact of a revised Waste Strategy will be to build on the key principles from the previous waste strategy and develop a document which provides a clear direction for how the City will sustainably manage its waste moving forward.
12. There will be a clear focus on waste reduction and increasing recycling rates generally and from street arisings and from residential properties in particular, by reviewing service provision, providing clear information and making it as easy as possible to recycle.
13. In addition to this it will ensure that any waste disposed of is dealt with using the best environmentally practical option.

Next steps

14. The next steps are to continue with the current project timeline as outlined in paragraph 16 to ensure that the new waste strategy document is produced and launched in the summer of 2013.
15. Members will be invited to attend the workshop sessions in October 2012 and will receive notification of the dates.

Financial and Risk Implications.

16. Intrinsic to the objectives of this waste strategy is the need to evaluate contracts on a yearly basis to ensure that best value for money is being achieved. In addition to this the Waste strategy will be a key document to ensuring recycling is prioritised over and above waste disposal which in itself has financial benefits.
17. Costs for the disposal of waste are significant, £125/ Tonne, and recently the market for recycling materials has been fairly strong, either close to nil cost or providing a modest income for every tonne that has been recycled in the City. Therefore changing peoples' behaviour from waste disposal to recycling will have a positive impact on our budgets for managing waste and recycling.
18. As an example, we currently dispose of 1493 tonnes of residual waste; this costs £125/tonne, costing £186,625. By changing peoples' behaviour and moving 10% of the residual waste to recycling, the financial benefits would be a saving of disposal costs of £18,662 (149tonnes x £125/tonne) based on zero charge for recycling.

19. These figures clearly show the financial benefits of having a strategy focused on changing behaviour in this way.

Legal Implications

20. None

Property Implication

21. None

HR Implications

22. None

Strategic Implications

23. It is essential that the Waste Strategy strategically aligns with government and London wide policy as well as being in tune with internal policies to maintain the Golden Thread. To ensure that this happens officers are liaising with other corporate internal departments during the production of the strategy. When the draft is produced it will be circulated internally and externally for consultation. Consultees will include the GLA and London councils.

24. The review of the Waste Strategy aligns with the City of London's Strategic Objectives:

Strategic Aim 2 - To provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors whilst delivering sustainable outcomes.

Strategic Aim 3 - To provide valued services to London and the nation

Background Papers

1. City of London Waste Strategy 2008 – 2020
2. Government Review of Waste Policy 2011
3. Mayor of London Business Waste Strategy 2011
4. Mayor of London Municipal Waste Strategy 2011

Contact:

doug.wilkinson@cityoflondon.gov.uk