

Submission to the Public Accounts Committee inquiry into the Government's resources and waste reforms for England

North London Waste Authority (NLWA) is the statutory waste disposal authority for the seven London boroughs of Barnet, Camden, Enfield, Hackney, Haringey, Islington and Waltham Forest. We serve a quarter of the population of London, and almost 4% of the population of England.

We deal with around 800,000 tonnes of waste and recycling per year, but our first priority is to reduce waste, which saves money for our councils and preserves resources for future generations.

To help tackle the climate emergency and to prevent rubbish going to landfill, we are building the greenest Energy Recovery Facility in the country and modern recycling facilities at the Edmonton EcoPark, through the [North London Heat and Power Project](#).

Whilst we are the country's second largest waste authority, serving two million people, our demographics and density and makeup of housing are very different to the rest of England. The issues created by the reforms and their delays will also have a unique impact on us, as our waste disposal and recycling infrastructure is publicly owned.

We recognise the need for legislative changes to enable manufacturers, retailers, local authorities and individuals to reduce waste. We have responded to all relevant government consultations and have offered to engage with Ministers and officials to show them the waste operations which would be affected by reforms. We have raised concerns in writing with Ministers at Defra and BESNZ (and previously BEIS) and [publicly supported the June 2023 National Audit Office report](#) on the resources and waste reforms. Given the committee's request to provide focussed and specific information we have not replicated that here.

This submission is to highlight what we consider the key recommendations from the National Audit Office report to assist the Committee in holding Government to account. There are key priority areas which we think would be helpful to explore in the Committee's consideration and ultimate report. These are set out below.

Recommendation B: determine, with HM Treasury and DESNZ's support:

- **the likely cost implications of different options, in broad terms, for businesses, consumers and the taxpayer;**
- **where the main dependencies between policy interventions are likely to be**
- **how government will manage common or overarching success factors**

We urge Defra to work with HM Treasury and DESNZ as the whole waste system needs to be decarbonised if the targets set out in the 6th Carbon Budget are to be met. There needs to be a link between the Extended Producer Responsibility proposals and the Emissions Trading Scheme to ensure that the costs of disposing of unnecessary, unrecyclable items is born by manufacturers. The Authority supports the principles of the Emissions Trading Scheme but the planned expansion to include energy from waste will not address the polluter pays principle and is another example of the lack of whole systems thinking by Defra and DESNZ. Manufacturers should be held responsible for the emissions associated with managing plastic or fossil fuel derived products. If it is linked to Extended Producer Responsibility, the Emissions Trading Scheme presents an opportunity to target producers and encourage them to address the carbon emissions associated with their products.

Recommendation C: engage external stakeholders fully and promptly in its outline plans for future resources and waste interventions to give them as much clarity as possible about the direction of travel, so that companies have confidence to invest in the changes to business models and waste infrastructure capacity that are needed.

The focus of this recommendation appears to be companies, but the vast majority of waste disposal costs currently fall on local government authorities. We therefore urge that these bodies are engaged properly.

NLWA is making the most significant public sector investment in waste facilities London has seen for a generation and we're proud to be setting a benchmark for other waste authorities. Our new resource recovery facility, which will be able to manage around 135,000 tonnes of recycling a year, is nearing completion. However, the delays to waste reforms have had an impact on us being able to commission a picking station, as it is difficult to know what materials it should focus on. For example, we might want to gear this towards extracting materials in the deposit return scheme which have not been redeemed, but there is currently too much uncertainty around the scheme to justify this investment.

Collection authorities also need to invest in new strategies and new infrastructure, and the waste reforms will have a disproportional impact on north London because of the makeup of housing in our boroughs. This means we will need to do more to boost infrastructure and capacity to make consistent collection arrangements work, and this will have additional costs. In our inner boroughs, with a combined population of almost 1 million, 75 to 90% of households are flats. Our recent waste composition analysis shows that around one third of residual waste from flats is food. Two north London boroughs have been trialling food waste collections for flats above shops, but delays and uncertainty around new burdens funding means there is currently no revenue to extend these trials. Similarly, delays have led to postponements on decisions to improve communal recycling facilities and provide food waste recycling for more estates.

NLWA arranges the recycling for seven boroughs under one contract to provide economies of scale and the best value for the taxpayer. This works because all seven councils collect commingled dry mixed recycling. It is currently not clear whether some of our boroughs will receive TEEP exemptions for consistent collections proposals or not. If some boroughs have to change to different systems, it could lead to more complicated, expensive contracts. There is a significant investment required to go to a separate or twin-stream collection, including procuring bins, purchasing new vehicles and communicating changes to residents.

We cannot accurately model future collection scenarios without understanding what the requirements will be. Delays have also impacted financial planning, as it is uncertain whether charging for garden waste will still be possible. A lack of clear timetable and sufficient lead in time could cause supply issues as many authorities will be looking to procure infrastructure at the same time. If demand exceeds supply it would lead to further cost increases.

Recommendation D: ensure that it develops and maintains a good understanding of the risks associated with collecting sufficiently meaningful, good-quality, and consistent data

We welcome the government's target to reduce residual waste per person in England by 50% from 2019 levels by 2042. However, it has not been decided or communicated how this will translate to local targets. It is crucial that Defra engages with authorities to agree how they should contribute to this target as the capacity to reduce residual waste and baseline waste per household is impacted by the demographics and predominant housing type. For example, household garden waste represents only around 5% of north London's waste, reflecting the fact that 63% of our households are flats. In areas with the highest recycling rates, most people live in houses with gardens, so garden waste will typically make up around 30% of the total waste collected. According to Waste Data Flow, residents in north London generate 18% less residual waste per person than the English average.