

**NORTH LONDON WASTE AUTHORITY**

**REPORT TITLE:**

CONTRACTS ACTIVITY AND ANNUAL MONITORING REPORT

**REPORT OF: HEAD OF OPERATIONS**

**FOR SUBMISSION TO:**

AUTHORITY MEETING

**DATE:**

12 December 2013

**SUMMARY OF REPORT:**

This report informs Members about operational activities and associated issues dealt with by the Operations team of the Authority from April to September 2013, and it also notes the publication of the 2012/13 Annual Monitoring Report for the North London Joint Waste Strategy.

**RECOMMENDATIONS:**

The Authority is recommended to note the contents of this report and the publication of the 2012/13 Annual Monitoring Report of the North London Joint Waste Strategy.

**SIGNED:** ..... **Head of Operations**

**DATE:** 3 December 2013

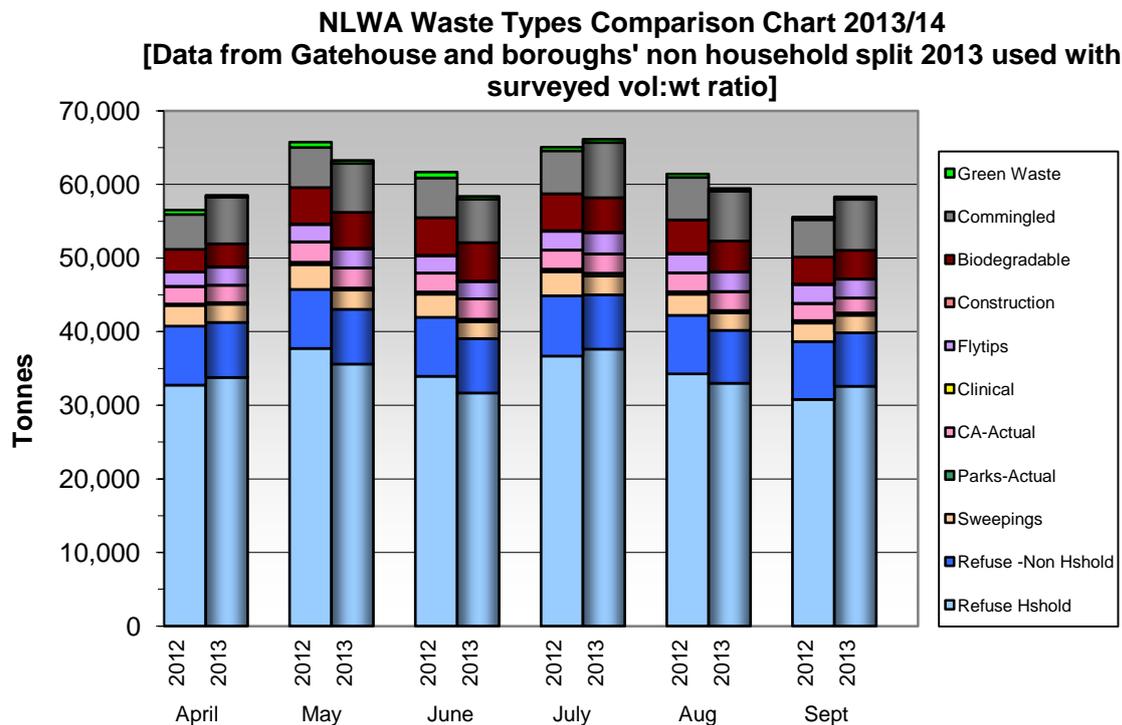
## **1. BACKGROUND**

- 1.1. The Authority receives a formal update on its current services twice a year. Activity during the first six months of the municipal year is reported to the December meeting and the full year's activity is reported within the Annual report at the Annual General Meeting.
- 1.2. The Operations team is responsible for managing contracts covering disposal of household, commercial and clinical waste collected by constituent borough councils, residual waste from all Household Waste Recycling Centres (HWRCs) in its area, and the operation of all but two of the HWRCs. The Operations team also manages contracts for the recycling and composting of most of the separately collected waste streams.
- 1.3. The Operations team serves as the principal point of liaison between contractors and boroughs to resolve problems and find ways to improve existing services. It also assesses the practical implications of new legislation and investigates and secures new disposal methods/outlets as required.
- 1.4. It provides a full data reporting service on the Authority's operational activities to the boroughs and to central agencies.
- 1.5. A full description of the key sites and services is given in the Authority's Annual Report, as at the Authority's AGM in June and on the Authority's website.

## **2. STRUCTURE OF REPORT**

- 2.1. The remainder of this report is structured as follows:
  3. a graph showing the first six months' tonnage information in 2013/14, compared to the same period in 2012/13;
  4. an outline of contract monitoring targets and activity;
  5. an outline of centralised composting activity;
  6. an outline of commingled recyclables activity;
  7. an outline of the contract for the transportation of wastes from Household Waste Recycling Centres (HWRCs) and of the Authority managed HWRCs;
  8. an outline of the WEEE contract and a note of the renewed temporary collection service that is free to residents and the Authority;
  9. a note of the tonnage of waste tyres treated;
  10. an outline of the data management and legal compliance work, service improvements and the Authority's third party re-use and recycling credit;
  11. update on the implementation of the new waste management data system;
  12. a note of other background activities; and
  13. a note of key elements of the 2012/13 Annual Monitoring Report (attached in full as Appendix 1).

### 3. TONNAGE INFORMATION – April to September 2013



**NB.** This chart excludes Boroughs' own waste to reprocessors

### 4. MAIN WASTE DISPOSAL CONTRACT

- 4.1. The main waste disposal contract is monitored by the Operations team using random routine inspections of each LondonWaste Ltd (LWL) site. The aim is to visit each site on a weekly basis but where this is not possible, emphasis is given to the busier sites in order to monitor 1,100 loads per month in total. Between April and September 2013 a total of 74 visits were made; Hornsey Street and Hendon were visited once weekly on average, and Edmonton was visited over the target level by one third. In addition 25 visits were carried out at the MRF where borough vehicles frequently deliver directly. These inspections are designed to highlight issues of health and safety, check vehicle turnaround times and ensure the sites are meeting borough needs. During the period covered, sampling of 6.54% of delivery transactions (7,641 of 116,821 waste deliveries) was carried out and this data was reconciled against claims for payment.
- 4.2. Tonnage data for all transactions, covering refuse, street cleansing, civic amenity, bulky, clinical wastes and biodegradable and commingled recycling was also sent to borough technical officers each week, month and quarter so that they could carry out their own checks on transactions and highlight problems for the Operations team to investigate.

- 4.3. The same tonnage data is used to validate LWL's and other contractors' claims for payment, for the reporting to boroughs set out at para. 10 below and for forecasting future tonnage arisings to assist resource planning.
- 4.4. A fundamental part of the work is pre-registering waste vehicles used by our boroughs or their contractors so that LWL and other contractors can receive this waste knowing it to be at the Authority's expense. The Operations team has direct access to LWL's computerised weighbridge system and communicates by e-mail with other contractors in order to authorise these vehicles. There are regularly over ten new entries and amendments every day. Usually, these are submitted by boroughs in advance, but on occasions time is critical as the vehicle is already in use, or already actually at one of the site's weighbridges. Vehicles are de-registered automatically if initially set up as a temporary hired vehicle, or manually when the borough disposes of it or returns it to the leasing company if it was initially set up as a 'permanent' vehicle.
- 4.5. Bi-monthly contract liaison meetings are held with LWL to monitor and resolve issues under this contract and the HWRC arrangements below. No defaults were issued against the Main Waste Disposal Contract during this period.
- 4.6. Clinical waste disposal is also dealt with under the main waste disposal contract. Wastes collected by boroughs that arise from residents' medical treatment at home, and from dog waste bins are managed as clinical wastes. They are received and processed separately and differently by LWL, and attract a higher gate fee than ordinary wastes.

## **5. IN-VESSEL COMPOSTING**

- 5.1. Most of the Authority's mixed food and green waste is processed at the in-vessel composting facility at LWL's site at Edmonton. The Authority benefits from a lower rate per tonne for each tonne the IVC processes over the original 30,000 tonne contractual limit, as no additional capital costs are required for its processing; in practice the maximum 'processable' on site is 35,000 tonnes p.a.
- 5.2. Already between April and September, 25,885 tonnes has been delivered. This compares with last year of 26,028 tonnes. From October 2013 LB Barnet began collecting green waste and food waste separately. The majority of this material will still be treated at the IVC by blending the material together while some (mostly food wastes and over-capacity green waste) will be sent to the third parties noted in 5.3 below.
- 5.3. Because of the seasonal variances with deliveries, we have to arrange through LondonWaste for third parties to receive and compost the excess amounts the IVC cannot process at some time each year; these amounts are sent out in bulk loads from Edmonton.

- 5.4. The compost facility is operated in accordance with the national 'Compost Quality Protocol' and the compost itself meets the Publicly Available Standard No. 100 (PAS 100) from the British Standards Institute.
- 5.5. The contract allows for up to five 15-tonne loads of compost to be delivered to allotments and community projects in north London each week with the remainder either collected by constituent boroughs, private customers or sent to agricultural outlets. The Authority's Annual Monitoring Report noted at section 13 of this report gives further information about the use of our compost.

## **6. COMMINGLED DRY RECYCLABLES**

- 6.1. Since October 2009 the Authority has been managing contracts with two Materials Recovery Facility (MRF) providers outside of the Main Waste Disposal Contract. During the period April – September 2013, 39,375 tonnes were delivered which was an increase of 7,460 tonnes on the equivalent period last year. The LB Hackney commenced borough wide commingled collections on the 1<sup>st</sup> March 2013 which largely accounted for the increase in commingled tonnage collected. This means that in real terms commingled tonnage delivered during the period has increased by 23.37%.
- 6.2. Vehicles from participating boroughs were registered with the MRF providers where they can direct deliver to one of the MRFs; vehicles from boroughs that cannot direct deliver were registered under separate code numbers to allow them to tip at Hornsey Street, and LWL then transported the loads to the MRFs.
- 6.3. The contract for the delivery of commingled recyclates is expected to return (via the commingled income payment scheme) an amount in excess of £2.1 million pounds to the Authority in its fourth contract year as well as maintaining reject rates at around 5%.
- 6.4. From the 14<sup>th</sup> October LB Barnet changed from a source separated collection to a commingled collection system. This new tonnage is now included within the Authority's MRF arrangements, and will be reported in the full-year figures at the Authority's next AGM.
- 6.5. No defaults were issued against these contracts in the period covered by this report however the Operations team continues to work closely on turnaround issues which may arise with the contractors.

## 7. HOUSEHOLD WASTE RECYCLING CENTRES

- 7.1. The Authority has a separate contract with LondonWaste Ltd for the transportation and disposal of wastes from household waste recycling centres (HWRCs – formerly known as civic amenity sites) that pre-dates the transfer of the management of most HWRCs noted at paragraph 1.2. As such, this contract applies equally to those sites that continue to be operated by constituent borough councils as well as those sites that are now managed by the Authority.
- 7.2. There are currently nine HWRCs in the Authority's area generating 14,958 tonnes of residual waste from April to September 2013. Residual waste from these sites has reduced by 156 tonnes when compared to the equivalent period last year.
- 7.3. Authority officers regularly visit the HWRC sites to ensure the quality of the service meets contractual standards. The target is to visit each site twice per month, on a random basis . Between April and September 115 visits were made. Two defaults were issued against this contract during the period for failure to provide adequate container numbers on site.
- 7.4. Since the phased hand over of the seven HWRCs to the Authority in 2012 following a change in law, a standardised van procedure has been implemented across all Authority operated sites, with the exception of Kings Road and Gateway Road where vans are not permitted at all. The purpose of the van procedure is to prevent unpaid-for trade waste from entering the municipal waste stream at the facilities. The van procedure involves residents booking their vehicle into the site in advance of attending and presenting proof of residence.
- 7.5. Based on the total combined tonnages delivered to the seven Authority-managed HWRCs for the period April – September 2013 the overall recycling rate was 63%. Recycling rates per site are detailed in the table below.

Site	April – September 2013 Recycling Rate*
Regis Road (LB Camden)	46%
Park View (LB Haringey)	56%
Hornsey High St (LB Haringey)	63%
Hornsey Street (LB Islington)	67 %
Kings Road (LB Waltham Forest)**	100%
South Access Road (LB Waltham Forest)	66%
Gateway Road (LB Waltham Forest)	62%

\* Includes rubble sent for recycling, which does not count towards the national indicator

\*\* Kings Road does not accept residual waste

- 7.6. The Operations team also staffs the Authority's main telephone line and is now regularly receiving over ten calls per day from residents with enquiries regarding the HWRCs in their borough.

- 7.7. Authority officers are also working with LB Haringey to meet their planned opening date of March 2014 for the new Western Road HWRC. This new HWRC is a direct replacement of the High St Hornsey HWRC.

## **8. WEEE CONTRACT**

- 8.1. The Waste Electrical and Electronic Equipment (WEEE) Directive was implemented on 1<sup>st</sup> July 2007. The Authority registered 16 sites, on the boroughs' behalf, as Designated Collection Facilities (DCFs) for collection of up to five categories of household WEEE including fridges, televisions, lamps, and large and small domestic appliances. Under this legislation, waste is collected by a Producer Compliance Scheme (PCS) under contract to the Authority, but at no cost to the Authority. The Authority's approved PCS is DHL Envirosolutions; the level of service provided is very good and no complaints were received during this period.
- 8.2. A total of 1,815 tonnes of WEEE has been collected during the six month period of this report compared to 1,640 tonnes during the same period last year (a 10.67% increase); this increase is primarily due to the extra benefits the Authority receives as outlined at 8.3 and 8.4 below.
- 8.3. Thus, as part of the above, and at no charge to the Authority or boroughs, 64 bring site containers for the collection of small waste electrical and electronic equipment (sWEEE) have been placed across the seven boroughs and are being serviced by DHL.
- 8.4. Similarly, DHL and its delivery partners continue to operate the kerbside collection of WEEE to all residents in north London. This is a free collection service for both the Authority and residents.
- 8.5. The current DHL WEEE contract has been further extended until 31<sup>st</sup> December 2014.
- 8.6. Although more recent than the period covered by this report (and as noted in the consultation and policy update elsewhere on this agenda), as a result of the Recast of the WEEE Directive, from January 2014 Producer Compliance Schemes will continue to be obliged to collect all WEEE received at their local authorities' DCFs, but the PCS's producer members will only have to pay for their obligated tonnages, meaning that the financial risk of collecting more than the obligated tonnages is being transferred from producers to the PCSs that arrange the collections. In short, if a PCS collects too much, it will have to bear the cost of its collection and treatment; and if it collects too little it will have to pay a 'compliance fee' that could be greater than the cost of collection and treatment.

- 8.7. There is the further complication that the fixed tonnage targets set for re-use and recycling will be adjusted by estimates of unsubstantiated WEEE dealt with outside of the WEEE system (e.g. old cookers going straight to scrap metal merchants). This is in response to concerns from the industry that their cost of compliance with the regulations was noticeably greater than the actual cost of recycling.
- 8.8. However, as the collection targets and compliance fees for 2014 are as yet unknown there may be pressures on the additional benefits set out in 8.3 and 8.4 above, as well as the circa £100kpa income the Authority receives from the sale of scrap metal in WEEE. This has been considered in the preparation of the budget report elsewhere on this agenda.
- 8.9. The Operations team will continue to work closely with DHL to identify and lessen any possible impacts these changes may have.

## **9. WASTE TYRES**

- 9.1. The Operations team also arranges for the recycling of waste tyres on behalf of the five boroughs that choose to dispose of these via the levy. In the period April to September 2013, 35.92 tonnes of tyres were delivered, compared to 35.60 tonnes in the same period last year. This contract has been extended to 31<sup>st</sup> October 2014.

## **10. PERFORMANCE MANAGEMENT AND LEGAL COMPLIANCE**

- 10.1. The Operations team continued to deal with all aspects of data reporting for performance management and legal compliance purposes. As part of the regular quarterly cycle it gathered monthly information from boroughs on over 30 categories of recycling materials. These were collated with other data from the main waste disposal contract and ancillary agreements and submitted to the Environment Agency/DEFRA via a national system called WasteDataFlow (WDF). This statutory data reporting regime was established by the government initially as part of the transposition of the Landfill Directive into national law, and the landfill allowances trading scheme (LATS) that has since been stopped; the government also introduced it for reporting local authorities' performance against various national indicators. The government still requires this data to report to Europe and for national waste policy planning and performance monitoring, and locally it is used for service and resource planning purposes.

- 10.2. Various other statistical work continues to be undertaken by the Operations team in relation to:
- the amount of residual waste recycling by LWL;
  - the amount of non-household waste that is delivered by the boroughs mixed with loads of household waste (needing to be separately identified for charging and recycling target purposes);
  - the allocation between Hackney and Islington of residual wastes at the Hornsey Street HWRC;
  - the amount of DIY waste disposed at household waste recycling centres (this allows the Authority and the boroughs to report such waste as non-household waste for National Indicator purposes, which improves household waste recycling percentages); and
  - the amount of fly-tipped waste collected in the Authority's area (which is, like DIY waste, excluded from the National Indicator targets for household waste).
- 10.3. The Operations team has also continued to verify borough submissions to WDF as the Authority needs to be independently satisfied with the accuracy of data entered on WDF by boroughs for their directly recycled tonnages as the Authority holds no data of its own on them, but is still required to approve them in WDF and is liable for fines if they are wrong.
- 10.4. In accordance with the data derived from the above and with preliminary borough notifications of April to September recycling and composting tonnages (that remain subject to change), the current straight-line forecast for the Authority-wide recycling and composting rates are provisionally 20.81% and 12.4% respectively. This should be qualified, however, in relation to the high growth composting months having already occurred this year.
- 10.5. The Operations team continued to ensure the Authority's compliance with Duty of Care Regulations, by maintaining registers of all relevant waste carriers and environmental permits and by carrying out Duty of Care visits to contractors' sites. In relation to the MRF contractors the Operations team also undertook audits to check documentation detailing end destinations of sorted recyclable wastes and to validate the income share arrangements.
- 10.6. The bulky waste reclamation facility (BWRP) and shredder installed at the EcoPark in 2012 continue to work well and deliver the desired increase in recycling rates and reduction in material sent to landfill. The BWRP installed at the EcoPark's Bulky Recycling Centre has so far processed 16,000 tonnes of material in 2013, a significant percentage of which arises from the HWRCs operating across the Authority area. The BWRP system is designed to recover wood, paper, card, metals, inert material and hard plastics and has delivered an average recycling rate of 41% thus far this year. The shredder has processed over 20,000 tonnes of residual waste in 2013 to date, with much of this material being comprised of mattresses, carpets and other bulky items that would otherwise have been landfilled.

- 10.7. The Operations team also continued to manage the third party re-use and recycling credit system, under which a range of organisations that reuse or recycle household waste that would otherwise have had to be disposed by the Authority can claim payment for each tonne diverted. During the first six months of 2013/14 the principal task has been to receive, assess and pay claims to the organisations registered in February 2013, and to record the tonnage data in WasteDataFlow.

## **11. WASTE MANAGEMENT DATA SYSTEM**

- 11.1. In February 2012 Members approved the procurement of a Waste Management Data System that would better serve the growing needs of the Authority and boroughs in terms of data reporting. The Contract was awarded to Open Sky Data Systems Ltd in December 2012.
- 11.2. It was expected that the Waste Management Data System would already be in use, however, due to the complexities of the data downloaded from LondonWaste Ltd's Gatehouse system a series of mappings have had to be introduced into the new system so that when it is uploaded, this data is transposed into the system to better meet the Authority's and borough's reporting requirements. The Authority is not making any additional payments in relation to this work.
- 11.3. Preparations are underway for final system testing, with the Operations team uploading data from the 1<sup>st</sup> April 2013 into the database.
- 11.4. At the time of writing this report it is expected that the final software will be released in early December. Ahead of this the Operations team is arranging training on the vehicle management database part of the system with boroughs' fleet management staff and contractors, whilst training on the information and reporting aspects of the system for borough officers will follow as soon as possible after, and following the release of the final software.

## **12. OPERATIONS TEAM – OTHER RESPONSIBILITIES AND RESOURCES**

- 12.1. The Operations team continued to provide general office management support as set out in the Authority's Annual Report.
- 12.2. Tonnage and financial information arising from the Operations team is essential for much of the work of the Head of Finance, so a close two-way working relationship exists here.
- 12.3. The Operations team also liaises closely with borough Technical Officers and their staff on a day to day basis, on a range of operational and service development issues.

- 12.4. The Operations team is currently comprised of a manager and five members of staff.

### **13. ANNUAL MONITORING REPORT**

- 13.1. Members previously decided that an Annual Monitoring Report (AMR) shall be produced, and those parameters which are to be measured and reported in it. The AMR for 2012/13 produced on behalf of the Authority and the seven constituent Boroughs has now been published and is available to Members on the Authority's website or in printed form on request. The AMR describes progress made towards achieving the aims and objectives of the North London Joint Waste Strategy.
- 13.2. The primary objectives of the North London Joint Waste Strategy are to provide a recycling led solution to waste management in the area with the aim of achieving recycling and composting rates of 50% by 2020 and reducing the proportion of waste sent to landfill to 15%.
- 13.3. During 2012/13, a much greater focus continued to be given to waste prevention, both for the environmental benefits and the financial savings to local people (directly by spending and wasting less in their daily lives, and indirectly by the partner authorities spending less tax-payers money on waste services than they otherwise would have done). The Authority also led on a communications campaign to increase recycling for similar reasons.
- 13.4. Also during 2012/13 the total amount of municipal waste collected by the partner authorities once again declined from the previous year, with a reduction of 23,381 tonnes to 822,384 tonnes. This was against the backdrop of a continuingly weak economy, and of national and enhanced local waste prevention work.
- 13.5. 401,432 tonnes of residual waste (49%) was sent for energy recovery by incineration during 2012/13. This is a fall from the previous year when 438,614 tonnes of residual waste was sent for energy recovery. The amount of waste sent to landfill was 201,513 tonnes which was 25% of the total an increase of 6,737 tonnes from the previous year. This change was partly due to increased recycling, and partly to uneven changes in the amounts of residual waste arising in different parts of north London.
- 13.6. 669,627 tonnes of waste was collected from households during 2012-13. Of this, 211,140 tonnes was sent for re-use, recycling and composting. This represents 32% of the household waste stream and is an increase in the rate of nearly 2% from the previous year. This was due to continuing efforts of the partner authorities to provide high quality recycling services and to encourage people to use them fully, and of course due to local residents active participation in this too.

- 13.7. The environmental performance of the Partner Authorities continues to improve too. As less local authority collected waste is being collected, and an increasing proportion is re-used and recycled, greenhouse gas emissions to the atmosphere that are caused by waste management are falling.

#### **14. RECOMMENDATION**

- 14.1. The Authority is recommended to note the contents of this report and the publication of the 2012/13 Annual Monitoring Report of the North London Joint Waste Strategy.

#### **15. COMMENTS OF THE FINANCIAL ADVISER**

- 15.1. The Financial Adviser has been consulted in the preparation of this report and has no comments to add.

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

- 16.1. The Legal Adviser has been consulted in the preparation of this report and has no comments to add.

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

**Documents used:** WasteDataFlow – national web-based waste data system available at <http://www.wastedataflow.org/>

**Contact Officers:** Andrew Lappage, Head of Operations  
Mark Partlett, Contracts Manager  
Jon Clark, Principal Policy and Projects Officer

Lee Valley Technopark  
Unit 169, Ashley Road  
Tottenham  
N17 9LN

Tel: 020 8489 5730  
Fax: 020 8365 0254  
E-mail: [post@nlwa.gov.uk](mailto:post@nlwa.gov.uk)

**REPORT ENDS**