

Agenda Item 12

NORTH LONDON WASTE AUTHORITY

REPORT TITLE ANNUAL REPORT OF NLWA DIRECTORS OF LONDONWASTE LTD	
REPORT OF DEPUTY CLERK/NLWA DIRECTORS OF LONDONWASTE LTD	
FOR SUBMISSION TO THE NORTH LONDON WASTE AUTHORITY	DATE: 6th JULY 2006
SUMMARY OF REPORT This report sets out the activities of Members of the Authority serving as Directors of LondonWaste Ltd in 2005/6. Local Government Act 1972 – Access to Information: No documents required to be listed. Contact Officer: Thomas Ribbits, Deputy Clerk, NLWA Camden Town Hall Judd Street, London WC1H 9JE (020 7974 1915) Thomas.ribbits@Camden.gov.uk	
RECOMMENDATIONS That the Authority notes this report.	
Signed by the Deputy Clerk: Date:	

1 Introduction

- 1.1 On 6th July 2005 the Authority's Annual General Meeting made A Director appointments to LondonWaste Ltd (LWL) for the period until the Annual General Meeting of the Authority in 2006. The Authority appointed Councillors Brian Haley, Roger Robinson and Eric Sizer with Councillor Ray Dodds as an alternate director.
- 1.2 Directors attend LWL Board meetings which are usually monthly (although they are more frequent if required). The latest signed copies of Board minutes are submitted to each meeting of the Authority for information. These appear on the exempt part of the agenda (the part II section) as they contain information relating to the business affairs of LWL
- 1.3 This report is an annual report from the directors appointed in 2005 summarising the issues arising from their work on the Board over the 2005/6 Authority year.
- 1.4 The appointment of the Chair of the Board of LWL alternates between the A-Directors appointed by the NLWA and the B-Directors appointed by Sita UK Ltd. In April 2005, it was the turn of the A-Directors and Councillor Haley was re-appointed to the position of Chair, a position he has held since 2003.
- 1.5 The Environmental Protection Act 1990 required waste disposal authorities to divest themselves of their waste disposal operations and submit their waste disposal needs to competitive tender. In 1992 a tendering process took place leading to the formation of a Local Authority Waste Disposal Company and subsequently a joint venture company in which the NLWA and Sita (UK) Ltd each have a 50% interest was formed (LWL). LWL successfully tendered for the waste disposal contract and in December 1994 a 20 year contract was awarded to LWL.
- 1.6 The company's Annual General Meeting was held on 28th April and the shareholders were advised of the Company's progress. LWL Board minutes are confidential as they may contain information which is commercially sensitive and Members are required to respect this.

2. Finance and Operations

- 2.1 The LWL profit after taxation for the year ended 31st December 2005 was £656,000 (compared with figures of £445,000 (as restated) in 2004 and £2,141,000 in 2003). Again, the directors proposed at the LWL Annual General Meeting on 28th April 2006 that no dividend should be paid for the year. The shareholders agreed the proposal.
- 2.2 During the past year the Company completed its major refurbishment to allow the existing Edmonton energy-from-waste facility to meet the requirements of the Waste Incineration Directive (WID) by December 2005. The work was completed by the required deadline and the facility is now WID compliant.

- 2.3 Due to the refurbishment of the boilers as part of the WID refurbishment, there has been a cost of diverting waste to landfill and this has had some effect on the company's trading performance.
- 2.4 Polkacrest the Company's clinical waste subsidiary, has faced increasing competition in the marketplace. Despite this, Polkacrest has continued to develop profitably by maintaining a high standard of quality and security of service and during the year it won several new contracts including the contract to service all of London's ambulance stations.

3. EcoPark/other operational issues

- 3.1 In March the company celebrated the official opening of its latest EcoPark development an In-vessel Compost Centre, with Ben Bradshaw MP, Minister for Local Environmental Quality officially opening the Centre. Mr Bradshaw was joined by TV Recycling celebrity Penney Poyzer, presenter of BBC2 show No Waste Like Home, as well as local councillors, recycling and composting experts and representatives from community organisations across North London.
- 3.2 The centre will handle 30,000 tonnes per year of kitchen scraps and green garden waste. The matured compost is available free to all seven North London boroughs and can be used on parks and open spaces. LWL will find markets for excess product with farmers or other users of such material.
- 3.3 The opening gained extensive press coverage in local and trade press. A short piece was broadcast in *London Tonight* which focused on the EcoPark philosophy of adding a range of waste management solutions to one industrial site.
- 3.4 The company have been working with NLWA to determine the seven North London borough requirements for a Materials Recycling Facility that the company wishes to build in the EcoPark.
- 3.5 In May 2006 the company began a community involvement exercise for the development of a Materials Recycling Facility. Once this exercise is complete a planning application will be submitted to the London Borough of Enfield.
- 3.6 The Company carried out a trial to gauge whether transportation via the waterways is possible. Wood waste was brought in from a site in Stratford (near the Olympic Village site) in converted skip units up the Lee Navigation Canal to the EcoPark Wharf.

4. Personnel Matters

- 4.1 The Company remains committed to the development of its employees and has invested heavily in training during the year.

- 4.2 Unfortunately the company was prosecuted by the Health and Safety Executive in relation to an incident in 2002 in which an employee injured his shoulder. Procedures were amended immediately at the time of the incident to eliminate the risk of such an incident occurring again. On a more positive note the company has recently had a routine but in-depth review by the Health and Safety Executive and the preliminary findings were very positive.
- 4.3 The number of days lost due to accidents fell in comparison to last year and this continues a trend of reduction over recent years. There were 6 reportable accidents in the year compared to 5 the previous year. This slight increase in reported accidents may partly reflect the increased emphasis on, and awareness of, accident reporting which the company has encouraged.

5. Environmental Awards

- 5.1 LWL was presented with a prestigious Green Apple National Champion Environment Award in recognition of the company's leading role in the category of Waste Management. This is in recognition of the development programme to transform its 40-acre site into an EcoPark.
- 5.2 Winners were presented with their trophies at the House of Commons.
- 5.3 The Company Chairman, Councillor Brian Haley received an Honorary fellowship of the Chartered Institution for Wastes Management (CIWM) in recognition of his work to encourage and achieve more recycling in North London.

6. Other Issues

- The Company has continued its annual donations to mayors' charities of NLWA constituent boroughs
- The Company Chairman again delivered a keynote speech at the Chartered Institute of Waste Management conference in June 2006, addressing wider waste management professionals
- The Company continues to host tours to international delegates as well as local residents, schools and colleges
- The Company has continued its involvement with the North London Recycling Forum and works co-operatively with local community organizations whenever possible.

7. Comments of the Legal Adviser

- 8.1 The Legal Adviser's comments are incorporated in the Report.

8. Comments of the Financial Adviser

- 8.1 There are no finance comments