

REPORT TITLE	
ANNUAL REPORT OF NLWA DIRECTORS OF LONDONWASTE LTD	
REPORT OF	
DEPUTY CLERK/NLWA DIRECTORS OF LONDONWASTE LTD	
FOR SUBMISSION TO	DATE:
THE NORTH LONDON WASTE AUTHORITY	6th JULY 2005
SUMMARY OF REPORT	
<p>This report sets out the activities of Members of the Authority serving as Directors of LondonWaste Ltd in 2004/5.</p> <p>Local Government Act 1972 – Access to Information: No documents required to be listed.</p> <p>Contact Officer: Thomas Ribbits, Deputy Clerk, NLWA Camden Town Hall Judd Street, London WC1H 9JE (020 7974 1915) Thomas.ribbits@Camden.gov.uk</p>	
RECOMMENDATIONS	
That the Authority notes this report.	
Signed by the Deputy Clerk:	
Date:	

1 Introduction

- 1.1 On 7th July 2004 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 2005. The Authority appointed Councillors Brian Haley, Roger Robinson and Eric Sizer with Councillor Ray Dodds as an alternate director.
- 1.2 Directors attend LondonWaste Ltd 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 2004 summarising the issues arising from their work on the Board over the 2004/5 Authority year.
- 1.4 The Chairing of the Board of LondonWaste Ltd alternates between the A-Directors appointed by the NLWA and the B-Directors appointed by Sita UK Ltd. However, in April 2004, although it was the turn of the B-Directors to appoint a Chair, they requested that Councillor Haley continue as Chair, a post which he had held since 2003. Councillor Haley was again appointed to the position of Chair in April 2005.
- 1.5 Members are asked to note that LondonWaste Limited is legally an independent company and not controlled by the Authority itself. Furthermore, LondonWaste Ltd Board minutes are confidential as they may contain information which is trade sensitive and Members are required to respect this.
- 1.6 The company's Annual General Meeting was held on 22nd April and the shareholders were advised of the Company's progress and given a tour of the bulky waste recycling facility and also the new compost facility construction work.

2. Finance and Operations

- 2.1 The LondonWaste Ltd profit after taxation for the year ended 31st December 2004 was £588000 (compared with figures of £2141000 in 2003 and £356000 in 2002). Again, the directors proposed at the LondonWaste Ltd Annual General Meeting on 22nd April 2005 that no dividend should be paid for the year. The shareholders agreed the proposal. This was due to the investment required in the Energy from Waste plant to meet the requirements of the Waste Incineration Directive.
- 2.2 During the past year the Company has continued to progress its major initiative to allow the existing Edmonton energy-from-waste facility to meet the requirements of the Waste Incineration Directive (WID) by December 2005. Part of this work has been the ongoing refurbishment of the boilers. This is a

matter that has had and will continue to have a major effect on the company operationally over the next year and financially until at least 2012.

- 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 The modification works on the boilers continued over the year with the work on boilers four and three completed in August 2004 and May 2005 respectively. Work on boiler five commenced in January of this year and is currently expected to be back in operation by early July. More recently work to boiler one has also commenced and is scheduled to be back in operation in the latter part of October. On site work of the remaining boiler – number two – has yet to commence but is scheduled for completion by the end of December 2005 in time to meet the 28th December deadline. Special arrangements have been made to deal with the disposal of some types of clinical waste during the WID refurbishment works, but this has been pre-planned and should cause no problems to the ongoing service.
- 2.5 Polkacrest the Company's clinical waste subsidiary, has continued to develop profitably by maintaining a high standard of quality and security of service and is now one of the largest operators in the country.

3. Eco-Park/other operational issues

- 3.1 In March 2005, the LondonWaste EcoPark was granted planning permission by Enfield Council to build a new composting facility on its 40 acre site. It is an ideal location being next to the North Circular Road, with canal access and some distance from residential areas.
- 3.2 The facility, to be used by North London councils, will be able to handle 30,000 tonnes per year of kitchen scraps and green garden waste. Once matured, the resultant compost or soil conditioner will be available for use on parks and open spaces. LondonWaste will find markets for excess product with farmers or other users of such material.
- 3.3 Due to open in mid-July 2005, this facility will help North London councils meet their recycling targets. It will also form part of LondonWaste's plans to develop its Edmonton site into an EcoPark, adding to the metal, paper, wood, aluminium can and refrigerator recycling services that are already available on site.
- 3.4 The composting facility is being part funded by the London Recycling Fund (with monies from the Department for Environment, Food and Rural Affairs). LondonWaste assisted the North London Waste Authority, which led a successful partnership bid with five constituent councils and the London Community Recycling Network, to the LRF to receive this part-funding to build the facility, support for complementary collection services and for home/community composting totalling £4,000,000.

- 3.5 The technology to be used for the facility is well established and many similar plants operate successfully across Europe with the composting process taking place in special enclosed tunnels. The exact composition of waste varies, however, so it is not until the facility is fully operational that all parameters will be known.
- 3.7 The Company has agreed to the Authority's request to widen the waste acceptance criteria, subject to mutually satisfactory terms being agreed.
- 3.6 The Company has also given its approval for a new tractor unit and trailer to be acquired for the recycling facilities at the Ecopark as part of its ongoing commitment to this service.

4. Personnel Matters

- 4.1 The Company remains committed to health and safety matters and has recently briefed staff to ensure that safety procedures are always observed and that hazards are always removed or reported. The company monitors compliance with health and safety requirements and takes proactive corrective action where appropriate.
- 4.2 The company was also pleased to note that the number of accidents had dropped again in 2004, continuing the trend of the last few years.
- 4.3 Regrettably there was one serious accident to an employee of a subcontractor who was working on the Waste Incineration Directive related work which involved a fall. An investigation has taken place into the incident and the company met with all contractors and maintenance personnel to ensure the need for strict compliance with and commitment to health and safety procedures and requirements.

5. Environmental Issues

- 5.1 LondonWaste was presented with a prestigious Green Apple Environment Award for successfully promoting public awareness of World Environment Day and London Sustainability Weeks at its EcoPark in North London. Visitors to LondonWaste's 40-acre site learned that we all can protect the environment through waste reduction, recycling and energy efficiency. The 3-day event was attended by over 500 residents of North London.
- 5.2 Winners were presented with their trophies at The House of Commons, where they were guests of Trade Secretary, Patricia Hewitt. World Environment Day and London Sustainability Weeks are events which receive little publicity or support in the U.K. though the Company believes that its project has increased awareness of the event for future years at a time when there is increasing global concern about the impacts of climate change.

- 5.3 LondonWaste worked in partnership with local communities, councils and private companies and has acknowledged with thanks the organisations that attended the event and helped spread the environmental message; Alcan Aluminium Can Recycling, Create, LMB Group, London Borough Enfield, London Borough Hackney, London Borough Waltham Forest, NPower, North London Waste Authority, Practical Innovations, ReStore Community Projects, Set Point, Traid, WasteWatch and WRAP.
- 5.4 The Company is committed to the communities it serves and is delighted to receive Silver this year.
- 5.5 The Company was also pleased to note that the recycling tonnages dealt with were nearly double that of 2003.

6. Tenth Anniversary of the Company

- 6.1 On 15th December 2004, the Company was pleased to host an event to celebrate its first ten years. The members of the NLWA held their December meeting at the premises in Edmonton and then enjoyed tours of the premises and joined company workers and other partners in the celebratory event.
- 6.2 Guests were told how in December 1994, LondonWaste was set up by the North London Waste Authority in partnership with waste management company, SITA, to help the seven North London boroughs forming the Authority achieve their environmental objectives. Ten years on, landfill is no longer the preferred option in the UK and the site at Edmonton is being developed into an EcoPark.
- 6.3 The company was pleased to declare that ten years on, as well as generating electricity from waste left over after recycling, LondonWaste is now involved in the recycling of glass, metals, wood, and hardcore as well as baling aluminium cans for reprocessing. The Company expects to open a 30,000 tonne composting plant this summer and further projects are in the pipeline.
- 6.4 Long serving employees of the Company were also invited to the event to celebrate the first decade of the company and the 10 years progress was marked by a presentation to the Partners of a commemorative piece of abstract art which symbolised the transformation of rubbish into valuable resources.

7. Other Issues

- The Company has continued its annual donations to mayors' charities of NLWA constituent boroughs
- The Company, to help Members understand its development and the wider recycling services it provides, has used a roadshow format to present to interested boroughs.

- The Company Chairman delivered a keynote speech at the Chartered Institute of Waste Management conference in June 2005, addressing wider waste management professionals and
- The Company continues to host tours to international delegates as well as local residents, schools and colleges

8. Comments of the Legal Adviser

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

9. Comments of the Financial Adviser

9.1 There are no finance comments

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