

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	7th JULY 2004
SUMMARY OF REPORT	
<p>This report sets out the activities of Members of the Authority serving as Directors of LondonWaste Ltd in 2003/2004.</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) Email: Thomas.ribbits@Camden.gov.uk</p>	
RECOMMENDATIONS	
That the Authority notes this report.	
Signed by the Deputy Clerk:	
Date:	

1 Introduction

- 1.1 On 9th July 2003 the Authority's Annual General Meeting made A Director appointments to LondonWaste Ltd for the period until the Annual General Meeting of the Authority in 2004. The Authority appointed Councillors Brian Haley, Narinder Matharoo and Roger Robinson with Councillor Ray Dodds as a substitute 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.
- 1.3 This report is an annual report from the directors appointed in 2003 summarising the issues arising from their work on the Board over the 2003/2004 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. In 2003/4 it was the turn of the NLWA to hold the Chair and so in April 2003 Councillor Haley was elected Chair for the year. However, in April 2004, Councillor Haley was elected Chair at the request of the B-Directors for the second year running as a result of his hard work.
- 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.

2. Finance and Operations

- 2.1 The LondonWaste Ltd profit after taxation for the year ended 31st December 2003 was £2.141m (compared with a figure of £0.356m in 2002). Normally on the profit levels achieved in 2003 the directors would have recommended the payment of a dividend to shareholders, however, in view of the investment required in the Energy from Waste plant to meet the requirements of the Waste Incineration Directive the directors proposed at the LondonWaste Ltd Annual General Meeting on 23rd April 2004 that no dividend should be paid for the year. The shareholders agreed the proposal.
- 2.2 During the past year the Company has been progressing 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. This is a matter that has had and will continue to have a major effect on the company operationally over the next two years and financially until at least 2012. Important decisions have been taken to ensure that the energy-from-waste-facility is made WID compliant at the earliest opportunity, and it is hoped that this will take place earlier than originally planned. The NLWA has given its consent to Company proposals made during the last year, but the

Company has not yet requested the Authority's consent to associated borrowings.

- 2.3 The Company has increased the recovery of material from waste over the last year and seen an increase in the market share won by Polkacrest, the clinical waste business owned by LondonWaste Ltd.
- 2.4 The Company is still keen to pursue its strategy of reducing the overall proportion of waste that it sends to landfill sites. It plans to increase the recovery of materials from waste in the next year and also to offer further services to local authorities in the North London Waste Authority area to help facilitate their collection of recyclable materials.
- 2.5 The Company recognises the NLWA as its largest customer and is keen to work closely with it as it has done so on important matters in the last year such as the closure of the waste transfer station based at Ashburton Grove and the relocation to a new waste transfer station in Hornsey Street.

3. Eco-Park/other operational issues

- 3.1 The A Directors are particularly keen for LWL to develop their Edmonton site as an EcoPark by working in partnership with the Authority to provide new recycling and composting facilities that will assist the Authority and its Constituent Boroughs in achieving the known current statutory performance standards, likely future higher standards and the Landfill Directive targets.
- 3.2 The Company is examining treatments of waste as alternatives to landfill and the facilities which stem from this will form part of the EcoPark which the Company plans to be London's premier integrated waste management facility.
- 3.3 The Company has had concerns that boroughs have defined individual waste strategies which could result in unco-ordinated placement of contracts and thereby constituent boroughs could miss out on the opportunity of setting up infrastructure projects within the EcoPark. LondonWaste Ltd therefore began work on developing a programme for pushing forward its proposals whilst waiting for the NLWA to specify its own needs. The Company has also looked towards projects with potential for development that are independent of local authority input.
- 3.4 LWL gave a presentation of its plans for the Park to the February 2004 meeting of the NLWA and also to the North London Joint Waste Strategy Cabinet Members Seminar. It also hosted events at Edmonton in June 2004 in support of World Environment Day.
- 3.5 The Company has also been investigating the provision of composting services at the EcoPark, and was a partner in a co-ordinated bid to the London Recycling Fund for support towards a composting facility in the EcoPark as well as for collection infrastructure and waste minimisation

schemes. The Company has also introduced aluminium can recycling with its regional aluminium can processing centre for London and has started construction of a bulky waste recycling facility as further parts of the EcoPark project.

4. Personnel Matters

- 4.1 The Company had ten directors over the year with Mr Wheatley and Mr Goodfellow resigning over the course of the last twelve months and being replaced by Mr Hjort and Mr Gillatt.
- 4.2 Mr Stephen Hey joined the company as Financial Director following the departure of Mr Lyndon Leabourn at the beginning of the 2003/4 financial year.

5. Environmental Issues

- 5.1 The Company has improved its dust control systems in liaison with the Health and Safety Executive.
- 5.2 The North London Recycling Forum was developed from a recycling conference organised by the NLWA and LondonWaste Ltd in 2001. Membership of the forum is open to any organisation interested in the development of recycling in North London. It is jointly funded by the Authority and the Company. The Steering Committee for the Forum asked for a part time co-ordinator to help improve its effectiveness, help liaise between its members and assist in organising events. The Company was therefore pleased to match the NLWA's contribution to this post.
- 5.3 The Company was also pleased to win the Green Apple award by the Green Organisation for the third year in a row for various initiatives, including converting its trucks to run on liquid natural gas.
- 5.4 The Company has also extended its services to the NLWA introducing fridge recycling from June 2003 and these are used by all boroughs except the London Borough of Camden.

6. Other Issues

- 6.1 The Company won the NLWA Civic Amenity Wastes Haulage Contract which commenced in September 2003. The Company also transports some of constituent boroughs' recyclable wastes under this contract now too.
- 6.2 The Company has produced a new brochure called "The Future" which explained the Company's new approach to waste management with the emphasis of seeing waste as a resource. This has also helped to launch the Company's new logo.

6.3 LondonWaste Limited was pleased to donate £1000 to each of the Mayor's Charities in the seven constituent boroughs of the NLWA.

6.4 The Company is hoping to mark its tenth anniversary on 15th December 2004 with a small event involving its joint venture partners.

7. Comments of the Legal Adviser

7.1 There are no legal comments

8. Comments of the Financial Adviser

8.1 There are no finance comments