

NORTH LONDON WASTE AUTHORITY

REPORT TITLE: SERVICES UPDATE

REPORT OF: HEAD OF STRATEGY AND SERVICES

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 6 DECEMBER 2018

SUMMARY OF REPORT:

This report informs Members about operational activities and associated issues arising in relation to the waste management services of the Authority from April to September 2018 and the 2017/18 Annual Monitoring Report of the North London Joint Waste Strategy.

RECOMMENDATIONS:

The Authority is recommended to:

- A. note the contents of this report;
- B. note the publication of the 2017/18 Annual Monitoring Report of the North London Joint Waste Strategy.

SIGNED: **Head of Strategy and Services**

DATE: 26 November 2018

1. BACKGROUND

- 1.1. The Authority receives an operational update at each Authority meeting and in addition a fuller picture of the Authority's operational services twice each year. The first six months is reported here (ie April-September) and the full year's activity will be reported within the Annual Report at the Annual General Meeting in June.

2. OVERVIEW

- 2.1. Between April and September 2018 the volume of waste disposed of from the Authority's seven Constituent Boroughs (the Boroughs) was down slightly on the same time last year. There was a reduction of 0.61% from 296,966 tonnes to 295,156 tonnes. We continue to review actual volumes collected against the planned forecast for the year to track against the budget set
- 2.2. Additionally, 86,718 tonnes of organic wastes and mixed dry recyclables were sent for composting, anaerobic digestion or recycling. This compares with 88,765 tonnes for the same period in 2017-18, representing a reduction of 2%. The main contributor to this reduction was green waste which was 2,101 tonnes lower compared to April-September 2017. It is reasonable to assume that this was attributable to the sustained period of hot weather during the period covered by this report. The chart below indicates the green waste tonnages comparing 2018 volumes with 2017 volumes.



Figure 1: Green Waste Comparison 2017/18 and 2018/19 April-Sept

- 2.3. The value of recyclates has increased from the second budget review to the third (reported elsewhere on the agenda). Roughly 60% of the recyclates processed is mixed paper and card. While this has a relatively low value per tonne shown in the lower lines in the chart overleaf, its value has increased and it represents a large proportion of recyclate by weight. Metal prices, both steel and aluminium, have been stable all year. Plastic prices have gradually increased as the price of oil increases making secondary plastic more attractive over virgin material. Commodity values remain below peak levels but the recovery in prices is positive.

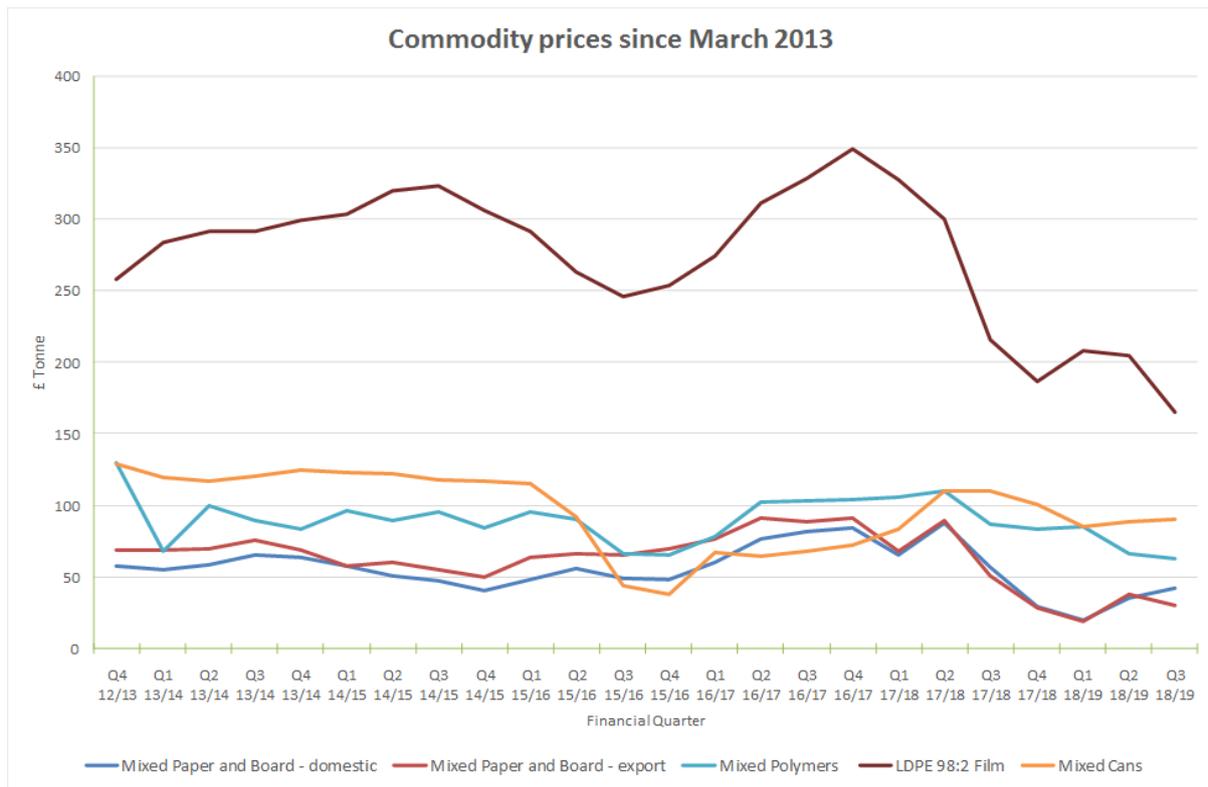


Figure 2: Commodity Prices Since March 2013

3. REUSE AND RECYCLING CENTRE (RRC) SERVICE – GENERAL UPDATE

- 3.1. For the period April to September 2018 compared to the same period in 2017, residual waste tonnages at the RRCs have reduced from 8077 to 7030 (13% reduction), and recycling tonnages have reduced from 22,515t to 19,431t (14% reduction). In part this will be due to the closure of the Park View Road site in October 2017. Although officers expected the tonnages to reduce overall as a result, the assumption was the other sites would take up some of the displaced tonnages from the site closure. In practice this has not occurred to the extent anticipated.
- 3.2. The recycling performance of the RRCs in the north London area managed by the Authority (i.e. excluding Barrowell Green, which is managed by LB Enfield) represents a recycling rate (including rubble) of 73%, 1% lower than for the same period in 2017/18. The reduction in recycling tonnes (particularly green wastes) appears to be linked to the period of sustained hot weather. In addition the system for booking in van deliveries for residents was implemented from 1 January 2018. The van booking system allows for only 5 visits between April 1st and 31st March in any year per vehicle registration which would also account for the decline in tonnages
- 3.3. While tonnages and recycling percentages have reduced slightly from 2017, performance continues to compare favourably against targets as set out in the table below. There are seasonal variations in waste received at RRCs, so progress towards the full year position will be monitored.

Table 1: Contract Recycling Targets

Year	Target Recycling % for RRC service
2015	68
2017	70
2019	73
2022	75

3.4. During the period covered by this report eighteen complaints relating to the RRC service operated by LEL have been received. LEL were consulted on these and responses have been sent to residents. Officers have agreed the following action plan with LEL:

3.4.1. LEL have created a task force to review the service delivery across the RRC network. LEL have reviewed staffing arrangements across the network of sites and personnel changes are being made. New staff members are being trained and inducted to demonstrate the values of safety and customer service

3.4.2. In order to allow LEL the time to make these changes on the RRC's, Authority officers have agreed in October a period to the end of the calendar year where defaults will not apply and monitoring is reduced to one site visit per day. The day to day monitoring would usually include visiting two sites per day and completing a full site inspection report.

3.5. Authority officers recognise that the industry is changing rapidly. In order to meet these new requirements and expectations, officers have organised visits to other waste and RRC contracts surrounding London to see how industry best practice is applied by other Local Authorities. Officers will report in February the key findings of these visits.

4. MIXED DRY RECYCLING

4.1. Although NLWA and boroughs are continuing to work to reduce contamination levels, some loads are continuing to be rejected before they are processed through the material recovery facilities (MRFs). In the period April - September 2018 there have been 2,122 tonnes of material rejected at the MRFs out of a total delivered amount of 55,518 tonnes, a rejection rate of 3.7%.

4.2. Officers are continuing to work with MRF contractors, Borough officers and LEL to improve the quality of materials delivered; this is principally through information on the specific collection vehicles that have delivered low quality loads, so that Boroughs can look at where the materials were collected from and then target their communications work. Recently Authority officers have commissioned work with a PR agency to focus on contamination at MRF's with our contractors.

- 4.3. The Environment Agency (EA) has brought a case against one of the Authority's MRF contractors, BIFFA. It alleges that BIFFA broke European law in 2015, "when the company tried to ship seven containers from its premises at Edmonton in north London to China via Felixstowe". The EA alleges that while the material was described in shipping documents as waste paper, it found household waste in contravention of Waste Shipment Regulations. BIFFA deny the allegations and are defending themselves against the Crown Prosecution. The preparatory case was heard on the 18th October which was the point at which the Authority became aware of it and no date is set for the trial. Members will be updated in the Operations report to the 7 February 2019 meeting of the Authority.

5. ENERGY CENTRE

- 5.1. Members will recall that the energy centre at the EcoPark has been operating at reduced capacity since May 2018. This is because a contractor working for LEL cut through a major power cable. This caused a power failure which damaged one of the four turbines at the EcoPark. The turbine is currently undergoing repair.
- 5.2. LEL are sourcing spare capacity in the market to compensate for the loss at the EcoPark. Officers have been liaising with LEL to ensure as little waste as possible is sent to landfill. LEL are sourcing capacity in other Energy from Waste (EFW) plants in the greater London area. This may include exporting residual waste that is baled and wrapped in plastic (much like a hay bale) to EFW across Europe. This is called Refuse Derived Fuel RDF. LEL deliver this to the facility in loose form and the company taking this waste creates RDF and loads this onto trucks for onward transport to EFW on the continent.

6. WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT (WEEE) SERVICES

- 6.1. The Authority's current WEEE services contract with European Recycling Platform (ERP) expires at the end of this year; At the Authority meeting on 3 October 2018 Members approved the award of the next contract and officers are working through the details of the award with the successful contractor ERP.
- 6.2. The WEEE service during the period covered by this report has been provided to a good standard but there were some teething issues around a change in sub-contractor working on behalf of ERP for the removal of fridges/freezers and large domestic appliances. These have now settled down but officers and ERP are monitoring the situation.
- 6.3. During the period covered by this report a total of 2,232 tonnes were collected compared to 2,056 tonnes for the same period in 2017/18. As members have requested, officers will look to gain more understanding of how to maximise use of the kerbside service.

7. ANNUAL MONITORING REPORT OF THE NORTH LONDON JOINT WASTE STRATEGY - 2017/18

- 7.1. In accordance with the Strategic Environmental Assessment (SEA) directive an Annual Monitoring Report (AMR) is produced in relation to the North London Joint Waste Strategy. The AMR for 2017/18 produced for the Authority and the seven constituent Boroughs draws principally on data submitted by the Authority and the

Boroughs to the national database 'WasteDataFlow', and has now been published and is available on the Authority's website <http://www.wastedataflow.org/> or in printed form on request. The AMR describes in facts and figures progress against the aims and objectives of the North London Joint Waste Strategy and the associated Strategic Environmental Assessment indicators.

- 7.2. The primary service objective of the North London Joint Waste Strategy is 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% which has been met since 2015/16).
- 7.3. During 2017/18, the 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 delivered various communications work to encourage increased recycling and reduced contamination.
- 7.4. The key headline figures are in the table below. During 2017/18 the total amount of municipal waste collected by the partner authorities decreased from the previous year by 14,951 tonnes to 830,825 tonnes. This decrease may be in part due to recent economic uncertainty and changes in behaviour based on media attention on the topic of waste and recycling.

Table 2: Local Authority Collected Waste LACW

	2017/18	(2016/17)
Amount of local authority collected waste (LACW) in north London	830,955	845,776 tonnes
Amount of LACW to landfill	78,959	68,940 tonnes
Percentage of LACW to landfill	9.5%	8%
Amount of LACW to energy recovery	505,864	541,278 tonnes
Percentage of LACW to energy recovery	61%	64%

Table 3: Household Waste Recycling Statistics

	2017/18	(2016/17)
Amount of all household waste reused, recycled or composted	213,280.48	224,469 tonnes
Percentage of all household waste reused, recycled or composted	31.2%	32%

	2017/18	(2016/17)
Subset: Amount of RRC waste reused, recycled or composted	42,434 tonnes	41,650 tonnes
Subset: Percentage of RRC waste reused, recycled or composted	71%	70%

- 7.5. 505,864 tonnes of municipal residual waste (61%) was sent for energy recovery by incineration during 2017/18. This is a reduction from the previous year when 541,278 tonnes of residual waste (64%) was sent for energy recovery. The amount of waste sent to landfill was 78,959 tonnes which was 9.5% of the total municipal waste arisings, an increase of 10,019 tonnes from the previous year, resulting in the 2020 target of 15% of wastes sent to landfill continuing to be achieved early. This increase is due to prolonged maintenance outages at the EcoPark energy centre in the 2017-18 year as reported at the time to Members.
- 7.6. 683,172 tonnes of waste were collected from households during 2017/18. Of this, 213,280 tonnes were sent for re-use, recycling and composting. This represents 31% of the household waste stream and is a slight reduction to that seen in the previous year. Although housing stock grew by 1% across North London over the previous 3 years, waste kilograms per household kg/hh decreased from 612 kg/hh to 578kg/hh in the same period a 5.6% decrease.
- 7.7. Authority officers are now initiating the planning of the waste strategy that is required in 2020. Officers will work with Boroughs to in 2019 to plan and complete the strategy.

8. MIXED DRY RECYCLING (MDR) PROCESSING CONTRACT

- 8.1. Authority officers have been working on the procurement of the new Processing MDR Contract as the current arrangements will expire in December 2019. The Boroughs have been consulted as the process has developed. The Authority plan to use the negotiated procedure route in 2019 to ensure best value is sought. The OJEU notice was published on 15 November 2018. The tender is split into lots offering both direct delivery and bulking at transfer station options to offer maximum opportunity to bidders whilst appreciating the requirements of the Boroughs and their collection rounds.
- 8.2. The gate fee is based on the cost of processing the MDR minus the value of the recyclates which are benchmarked using a recognised index. Further provisions are included to manage contamination for Boroughs which will require the tenderers to work with Authority officers on education campaigns etc to reduce the amount of rejected material. Authority officers will update members on the level of interest in the procurement in the February report and Members' approval to the tender award is planned for the June 2019 meeting.

9. NEW INITIATIVES

9.1. A range of new initiatives are under way including:

- 9.1.1. Visiting Boroughs and receiving feedback on existing service
- 9.1.2. Understanding industry best practice in contract management visiting other contracts with view of implementation in 2019 in liaison with LEL
- 9.1.3. Review of the metrics used to manage the current contract
- 9.1.4. Workshops with Boroughs on future data requirements and improving consistency on forecasts
- 9.1.5. We will report to members on progress to improve our service.

10. RECOMMENDATIONS

10.1. The Authority is recommended to:

- 10.1.1. note the contents of this report;
- 10.1.2. note the publication of the 2017/18 Annual Monitoring Report of the North London Joint Waste Strategy.

11. COMMENTS OF THE FINANCIAL ADVISER

11.1. The Financial Adviser has been consulted in the preparation of this report and all comments have been incorporated.

12. COMMENTS OF THE LEGAL ADVISER

12.1. The Legal Adviser has been consulted in the preparation of this report and comments have been incorporated.

List of documents used:

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

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