NORTH LONDON WASTE AUTHORITY

REPORT TITLE: SERVICES UPDATE

REPORT OF: HEAD OF STRATEGY AND SERVICES

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 7 OCTOBER 2021

SUMMARY OF REPORT:

This report informs Members about the latest operational activities and associated issues dealt with by the Strategy and Services team of the Authority.

RECOMMENDATIONS:

The Authority is recommended to:

A. Note the latest tonnage and recycling performance in the current year
B. Note the operational update provided since the last report to the Authority on 24 June
C. Note the continued upwards trend in tonnage and residents' visitor numbers at the network of Reuse and Recycling Centres
D. Note that officers will work with LondonEnergy Ltd to considering extending-operating hours for the Authority's network of RRC's to those which applied pre-pandemic.

Signed. …………………………………………………………. Head of Strategy and Service

Dated. 27 September 2021

1. BACKGROUND

1.1. This report provides Members with an update of the main operational matters that have arisen since the Authority meeting held on 24 June 2021. In addition, it details the latest forecast tonnage information from municipal waste collected by the seven constituent Boroughs of Barnet, Camden, Enfield, Hackney, Haringey, Islington and Waltham Forest.

1.2. The North London Waste Authority (NLWA) has a statutory responsibility for providing municipal waste disposal services for the seven constituent borough councils and has powers to arrange for the reuse, recycling and composting of municipal waste and to operate Reuse and Recycling Centres (RRCs).

2. PERFORMANCE OVERVIEW

2.1. NLWA officers have held a series of meetings with counterparts from the seven constituent boroughs to review the 2021/22 budgeted tonnage forecast and to make any necessary adjustments to the forecast based on year-to-date performance. The forecast exercise was informed by actual waste performance data for April to July 2021.

2.2. For April to July, it was forecast that total residual waste tonnage would be 194,692 tonnes. The outturn was 190,219 tonnes.

2.3. Looking to the year as a whole, the forecasting exercise projected that residual waste volumes would show a modest increase on 2020/21 and an overall 1.93 percent reduction when compared to the 21/22 budgeted position, as set out in table 1 (Residual Waste excluding RRC and Asbestos) below.

2.4.

Residual	Waste Type	20/21 Outturn Tonnage	21/22 Budgeted Tonnage [A]	21/22 Q2 Forecast Tonnage [B]	Variance [B-A]	Variance %
NLWA	Household (levy)^	484,065	478,961	471,952	(7,009)	-1.46%
	Non Household	65,412	85,993	82,267	(3,726)	-4.33%
	Chargeable Household	12,253	17,195	16,683	(511)	-2.97%
	Total	**561,730**	**582,149**	**570,902**	**(11,247)**	**-1.93%**

Table 1

^Total 2021 residual outturn as reported in 2021 AGM Report was 570,395t comprising 561,730 (borough collected materials) + 8,658 (RRC's) + 6 (asbestos).

2.5. Table 1 above suggests that the impacts COVID-19 had on waste flows during 2020/21 are continuing to make forecasting difficult in 2021/22.

2.5.1. Residual Non-Household (Commercial Waste) has increased in 2021/22 following the relaxation on trading restrictions placed on businesses at the height of the COVID-19 emergency, the growth however, is not as strong as originally forecast and remains 4.33 percent below the budgeted position.

2.5.2. By contrast, a reduction in Household Waste was forecast as more residents return to their pre COVID-19 working patterns. However, the speed of the reduction in waste was not predicted and has resulted in revised forecast 7009t lower than budget.

Residual Total (Exc. RRC's)	21/22 Budgeted Tonnage [A]	21/22 Q2 Forecast Tonnage [B]	Variance [B-A]	Variance %
NLWA	**582,149**	**570,902**	(11,247)	-1.93%
Barnet	116,050	111,245	(4,805)	-4.14%
Camden	74,401	71,424	(2,977)	-4.00%
Enfield	87,458	87,907	449	0.51%
Hackney	85,284	85,313	29	0.03%
Haringey	75,228	72,104	(3,125)	-4.15%
Islington	73,949	72,487	(1,463)	-1.98%
Waltham Forest	69,778	70,424	646	0.93%

Table 2

2.6. Table 2 above details the movement in the revised forecast tonnage compared to budgeted tonnage for the individual boroughs; Barnet, Camden, Islington and Haringey all show a reduction in volume against budget, while Enfield, Hackney and Waltham Forest have delivered extremely small increases in Tonnage.

3. MATERIALS RECYCLING FACILITY (MRF) SERVICES UPDATE

3.1. Table 3 below details the latest Dry Mixed Recycling (DMR) tonnage forecast against the 2021/22 budget and the outturn for 2020/21. For clarity Table 3 details materials delivered to the MRF contractor including downgraded materials and process loss.

3.2. Table 3 highlights that overall DMR tonnage is forecast to be 3014t higher than budget with the biggest movement being in Haringey and Waltham Forest.

3.3. Unlike residual household waste, DMR has continued to increase despite a higher percentage of our residents returning to their post COVID-19 work arrangements.

We are now expecting recycling tonnage to be 1013 tonnes above last year's level and 3014 tonnes above budgeted levels.

MDR Tonnages	20/21 Outturn Tonnage	21/22 Budgeted Tonnage [A]	21/22 Q2 Forecast Tonnage [B]	Variance [B-A]	Variance %
NLWA	**117,728**	**115,727**	**118,741**	3,014	2.60%
Barnet	29,736	29,375	28,900	(476)	-1.62%
Camden	15,248	16,452	16,641	189	1.15%
Enfield	0	0	0	0	N/A
Hackney	19,608	20,739	20,572	(167)	-0.81%
Haringey	19,553	17,651	19,689	2,038	11.55%
Islington	15,904	16,148	16,272	125	0.77%
Waltham Forest	17,679	15,363	16,667	1,304	8.49%

Table 3

3.4. Table 4 below provides the latest confirmed average composition of DMR for quarter 2 (July to September). This composition analysis is based on 300 composition samples taken at the MRF in the previous quarter.

3.5. The composition analysis shows a 3 percent increase in fibrous materials, with a 2 percent decrease in glass materials and minor decreases in metals, plastic and process rejects when compared to the last quarter (Qtr. 1)

DMR composition	Material Type	Qrt 1	Percentage by Material Type (Qtr 1)	Qtr 2	Percentage by Material Type (Qtr2)	Variance by Quarter
Cardboard	Fibre	8.98%	48.59%	8.05%	51.73%	3.14%
Mixed Papers		39.61%		43.68%		
MRF Glass	Glass	23.13%	23.13%	20.84%	20.84%	-2.29%
Steel Cans	Metals	2.22%	3.43%	1.96%	3.22%	-0.21%
Aluminium Cans		1.21%		1.26%		
Plastic: Clear & light blue PET	Plastics	2.75%	9.88%	2.95%	10.04%	0.16%
Plastic: "jazz" PET (Coloured)		0.39%		0.25%		
Plastic: HDPE natural		0.92%		0.98%		
Plastic: HDPE mixed colour		0.73%		0.84%		
Mixed Plastic Bottles		3.24%		3.18%		
LDPE (plastic film)		1.63%		1.61%		
Mixed Plastics		0.22%		0.23%		
Non Target	Non Target	4.48%	4.48%	4.54%	4.54%	0.06%
Process Rejects	Process Rejects	10.50%	10.50%	9.64%	9.64%	-0.86%

Table 4

3.6. Table 5 below, sets out the percentage of materials presented at the MRF that are extracted and recycled/repurposed. The table shows an improvement in the percentage of material recycled/repurposed in the first four months of 2021/22 when compared with the same period in 2020/21.

3.7. The improvement is attributed to improved use of contamination protocols by collection crews and borough officers.

	Apr-July 20		Apr-July 21		Variance
	Tonnage	%	Tonnage	%	Tonnage
Downgraded	*167*	*0.43*	*104*	*0.25*	*-63*
Accepted	*33717*	*86.32*	*35857*	*87.26*	*2140*
Total Recycled	**33884**	**86.75**	**35961**	**87.51**	**2077**
Process loss	*3957*	*10.13*	*4224*	*10.28*	*267.00*
Rejected	***1218***	***3.12***	***908***	***2.21***	***-310.00***
Not Recycled	**5175**	**13.25**	**5132**	**12.49**	**-43.00**
Total Tonnes Presented	39059	100	41093	100.00	2034

Table 5

4. RECYCLING DESTINATIONS

4.1. The following table details the progress that has been made since March 2020 to recycle/repurpose the Authority's DMR within in the UK. There are improvements in all areas as progress is made towards the 2023 milestone and the 2030 target of 100 percent of materials being processed in the UK.

Material	Baseline March 2020			July 2021 Actuals			2023 Target			2030 Target		
	UK	Europe	Far East	UK	Europe	Far East	UK	Europe	Far East	UK	Europe	Far East
Cardboard			100%	1%	8%	91%	10%	50%	40%	100%		
Mixed Paper	43%	19%	38%	50%	50%		70%	30%		100%		
Glass	68%	32%		81%	19%		100%			100%		
Aluminium Cans	100%			100%			100%			100%		
Steel Cans	100%			100%			100%			100%		
Plastic Bottles	100%			100%			100%			100%		
Other Plastics	100%			100%			100%			100%		

Table 6

4.2. Although there has been some improvement in Cardboard against the March 2020 baseline, the commodity remains problematic from a UK and European destinations perspective. There remains a chronic shortage of UK infrastructure for this material, which the industry alone is struggling to address. The decline in the demand for news quality paper has provided capacity to shift some UK mill production to Cardboard but this is a drop in the ocean compared to what is needed.

4.3. On 26 July 2021, Biffa were convicted of four offences under regulation 23 of the Transfrontier Shipment of Waste Regulations 2007, in a case brought by the Environment Agency (EA). The offences involved containers holding in total 1,000 tonnes of recycling exports between 2018 and 2019 from the Edmonton MRF, which was found to contain excess unrecyclable material ("contamination"). The waste shipments pre-date the Authority's current contract with Biffa which has high requirements for reporting and traceability.

4.4. Biffa was fined £1.5m. While they remain of the view that materials were of an appropriate quality under their contract for export, we understand they are reviewing their operation to take account of issues arising in this case. Authority officers have made clear that NLWA is continuing to require comprehensive reporting on recycling destinations as provided for under the new contract; maximising the use of UK destinations for reprocessing; and to maintain engagement with the company on future plans.

5. COMMODITY PRICING UPDATE

5.1. The table below shows the current Net Basket Price received per tonne for recyclable material sold to the market. providing the Authority with a £19.42 per tonne increase in income since the last quarter (April to June). The prices have continued to gradually rise through this quarter (July to September) and on the current trajectory could increase the net basket price by a further £5 per tonne.

5.2. The increased net basket value and the potential increase during Quarter 3 have been factored into the revised budget forecast.

Material Grade	MRF Code of Practice Sample Results	Letsrecycle .com Price	Price per tonne MDR	Authority Share %	Authority Share £	Authority adjusted Share
Old KLS non-China	8.05%	-£127.67	-£10.28		-£8.23	-£8.23
Mixed Papers	43.68%	-£97.00	-£42.37		-£33.89	-£33.89
MRF Glass	20.84%	£1.33	£0.28		£0.22	£0.00
Steel Cans	1.96%	-£211.67	-£4.16		-£3.33	-£3.33
Aluminium Cans	1.26%	-£920.00	-£11.56		-£9.25	-£9.25
Clear & light blue PET	2.95%	-£300.00	-£8.85		-£7.08	-£7.08
Coloured PET	0.25%	-£18.33	-£0.05	80%	-£0.04	-£0.04
HDPE natural	0.98%	-£501.67	-£4.94		-£3.95	-£3.95
HDPE mixed colour	0.84%	-£295.00	-£2.47		-£1.97	-£1.97
Mixed Plastic Bottles	3.18%	-£108.33	-£3.44		-£2.75	-£2.75
LDPE (plastic film)	1.61%	£0.00	£0.00		£0.00	£0.00
Mixed Plastics	0.23%	£0.00	£0.00		£0.00	£0.00
Non Target	4.54%	£0.00	£0.00		£0.00	£0.00
Process Rejects	9.64%	£105.00	£10.12	100%	£10.12	£10.12
Net Basket Price per tonne MDR	100.00%				-£60.14	-£60.36

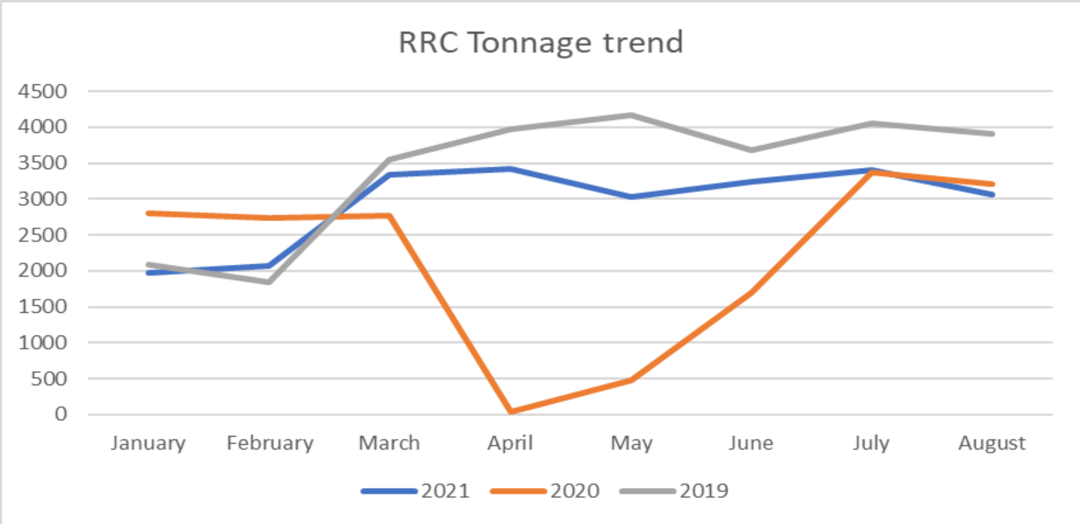
Table 7

6. REUSE AND RECYCLING CENTRE (RRC) PERFORMANCE OVERVIEW

6.1. Waste tonnage volumes have been steadily increasing since the turn of the year across the sites operated by LondonEnergy Ltd. Waste has been above 3000 tonnes per month since March 2021. (Table 1.a). This is not yet fully at the pre-pandemic level.

	January	February	March	April	May	June	July	August
Hornsey Street RRC	262	268	409	415	360	374	370	352
Kings Road RRC	72	122	176	201	190	173	194	165
Regis Road RRC	268	302	413	420	371	383	427	326
South Access Road RRC	367	423	703	640	619	560	641	590
Summers Lane RRC	683	607	1118	1230	1052	1221	1256	1177
Western Road RRC	319	342	514	521	432	530	508	458
Grand Total	1971	2064	3332	3427	3025	3242	3396	3068

Table 1.a



Graph 1.b

To note: RRC were closed in March- May 2020 in response to Government Guidance on managing the Covid-19 pandemic

6.2. Total visitor numbers have also increased throughout the year as set out in table 1.c below as public confidence has grown in the Covid-19 vaccine programme and generally in the easing of restrictions on social gatherings

6.3. Visitor bookings have increased from January to August by 42%, with actual bookings attended also increasing by 31%.

6.4. Officers have noted that around half of bookings result in "no shows" at the RRC. The option has been introduced for residents to book a same day visit to their local RRCs to help reduce this and are continuing to work with LEL to further improve attendance.

	January	February	March	April	May	June	July	August
Total Bookings Made	34,341	32,938	49,668	53,755	48,895	53,249	59,703	58,788
Total Bookings Attended	20,944	19,068	29,218	32,308	26,321	25,554	28,569	30,408
				Table 1.c				

7. IMPROVEMENTS TO THE DIGITAL BOOKING SYSTEM FOR RRCS

7.1. As part of the decision made by Members at the June 2021 Authority meeting, to retain the booking system for RRC's on a permanent basis. Members required officers to return at the next meeting and provide an update on improvements to the booking system designed to support residents to use the RRC network.

7.2. Officers can confirm the following digital booking system are now in place.

7.2.1. **Same day bookings:** north London residents can now make appointments on the same day. (Subject to availability).

7.2.2. **Increased appointments:** half hour booking slots have been implemented to smooth the peaks in visitors at the beginning of the hour and increase the number of slots available.

7.2.3. **Phone booking system:** LEL have a designated phone number and allocated resource for each RRC to support residents with limited access to digital platforms.

7.2.4. **Tablets:** LEL have provided all front-line staff with mobile tablets to allow North London residents the opportunity to make appointments when they arrive at site without a booking. (Subject to availability).

7.3. There have been no days when the full capacity of any RRC has been used. So no residents should have been hindered from making a trip to the RRC on their preferred day. Queues have previously been a feature of sites at summer weekends - the booking system has reduced instances of that meaning that residents have not had to spend lengthy periods waiting to access sites. Nevertheless, as noted in para 6.4, on average over half the bookings made on the system do not result in a visit to a site. Officers will work with LEL to try and understand why this would be the case.

7.4. Officers are exploring with LEL the potential to record postcode data when bookings are made. This would allow RRC costs to be more accurately apportioned according to use across the boroughs. It would also save the costs of the visitor survey which is otherwise needed to determine cost allocation.

8. RRC WORKING HOURS

8.1. In March 2020 in response to the COVID-19 emergency, RRCs across the country were required to close as part of the first national "lockdown". On 13 May 2020 NLWA's RRCs reopened in North London.

8.2. LEL reduced its public opening hours to enable additional Covid-19 control measures; such as enhanced cleaning and additional time to complete site safety briefings after members of the public had left site.

8.3. The changed opening hours have been 0900 to 1615, in place of the previous hours of 0830 to 1630. Restoring the longer opening hours is not needed to address overall demand but would offer residents increased convenience. Officers will work with LEL to consider returning to previous opening hours and will report to the next Authority meeting.

9. RRC SIGANGE UPGRADE

9.1. NLWA/LEL recently undertook a survey for all statutory and information signage across the Reuse and Recycling Centres.

9.2. The objective for the survey was to remove non-compliant signage and install common, brand compliant signage across the sites. This is so that the RRCs can be promoted as a network and are recognisably part of a single managed entity.

9.3. The survey was also designed to provide a more professional image for all the sites through the installation of standard signage and removal of old, faded signs and to improve the legibility of instructional signs for visitors

9.4. In August/September 2021 the new signage was installed across the network and will be regularly audited and monitored on a regular basis by LEL to ensure statuary compliance.

10. CONTINUITY OF SERVICE IN WASTE DISPOSAL AND RECYCLING

10.1. The prime responsibility of the Authority is to ensure that waste disposal services are maintained. Since the last Authority report both Biffa and LEL have faced operational challenges. Officers have worked with these organisations to find solutions which have enabled the Authority to maintain a continuous service to boroughs.

10.2. On Saturday7 August 2021 a fire was detected at the Biffa material recovery facility (MRF) in Edmonton. This receives mixed dry recycling from all boroughs. Fortunately, nobody was injured, the plant's detection and fire suppression systems worked as intended and played a major part in reducing fire damage. The fire was attended by eight appliances from the London Fire Brigade and in total 320,000 litres of water was used to tackle the fire.

10.3. Regulations for modern plants require safeguards that prevent water escaping from the facility and contaminating local watercourses. The build-up of such a large amount of water however caused significant damage to machinery in the plant and in particular to electrical motors and control systems.

10.4. The plant returned to operation on Friday 13 August. During the time when the facility was out of action, additional material was held in transfer stations at Wembley and Hornsey Street. Space was created at the EcoPark to store material and Biffa were also able to take in a certain volume of waste. Biffa succeeded in reducing the backlog of recycling for treatment at Edmonton by sending some waste tonnage to other facilities they operate. This required flexibility and good communications with boroughs and operators – all of which assisted in avoiding the need for any recycling to be disposed of as residual waste.

10.5. The operational challenge faced by LEL related to the energy centre. As the oldest facility operating in Europe, the maintenance schedules for the energy centre are drawn up on the basis of expert advice. In a modern plant maintenance is typically undertaken without reducing operational capacity. However, in the case of the current energy centre, it is necessary to reduce capacity when maintenance is undertaken. In June the planned maintenance programme included one of the turbines (turbine number 4) which is used to convert steam from waste combustion into electricity. Complications were identified with the turbine which mean that it has not yet been able to return to service. In a modern waste facility, a problem with a turbine would not affect the capability to dispose of waste. However, in the plant operated by LEL, the loss of a turbine also reduces waste disposal capacity.

10.6. As a result of the extended outage of the turbine, it has been necessary to dispose of more waste via third parties instead of through the LEL energy centre. In August the expectation had been that around 3,000 tonnes would need to be disposed of via external organisations. In practice over 8,000 tonnes had to be diverted from the energy centre. This requirement to find capacity for 5,000 tonnes of waste gave rise to logistical and financial issues. The relative lack of availability of energy from waste capacity in London and the South East meant that Authority officers and LEL staff had to make substantial efforts to get the waste treated - involving six different companies to take waste whereas LEL would usually need to use just one. 3725 tonnes of waste were sent to landfill. There were also pressures on haulage capacity meaning that LEL had to use their own fleet for transporting waste which would normally be taken by the receiving operator.

10.7. The cost of disposal at third party facilities is higher than at LEL, and market prices for waste disposal have increased during the course of the year. This is reflected in the increased cost assumptions in the finance paper to this meeting.

10.8. Facing these two significant and overlapping infrastructure issues demonstrated the importance of collaboration and contingency planning. Officers will apply the lessons in reviewing operational resilience plans

11. NEW AND SPECIALIST RECYCLING

11.1. Mattress recycling has continued across the LEL network, table 10 below, details the tonnage and number of mattresses apportioned to the constituent boroughs. This covers a 10-week period to the beginning of September 2021.

	Tonnes	Unit
Barnet	73.87	2676
Camden	41.63	1508
Enfield	58.47	2118
Hackney	56.21	2037
Haringey	49.19	1782
Islington	46.89	1699
Waltham Forest	49.49	1793
	375.75	**13614**

Table 10

11.2. It is hoped that NLWA and Borough communication will continue to increase the volume of mattresses being recycled and raise awareness amongst residents of our continued efforts to support them to be more sustainable, by finding new ways to divert even the hardest to recycle materials away from residual disposal.

11.3. A soft launch of the new Expanded Polystyrene (EPS) service took place over the August Bank Holiday weekend at South Access Road RRC. The early pilot is being supported by colleagues from Waltham Forest who have agreed to transport material from the RRC to our Wembley Transfer station (on a temporary basis) for onward treatment.

11.4. Three state of the art, EPS shredders/compactors are due to be delivered in mid-October. These will be placed at Summers Lane and South Access RRC and at Wembley WTS. The EPS service will be offered at all north London's RRC sites during the course of 2021/22 as part of a year-long trial.

11.5. Crisp packets are now also being recycled across the RRC network with the first shipment of packets collected by terra-cycle from the HUB site situated at Hornsey Street RRC.

11.6. It is hoped that Coffee pod recycling will commence from the RRC network imminently, following completion of formal agreements.

12. EQUALITIES IMPLICATIONS

12.1. There are no equalities implications associated with this report.

13. COMMENTS OF THE LEGAL ADVISER

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

14. COMMENTS OF THE FINANCIAL ADVISER

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

List of documents used:

Letsrecycle.com

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