NORTH LONDON WASTE AUTHORITY
REPORT TITLE: SERVICES UPDATE
REPORT OF: HEAD OF STRATEGY AND SERVICES
FOR SUBMISSION TO: AUTHORITY MEETING
DATE: 27 APRIL 2023
SUMMARY OF REPORT: This report informs Members about the latest operational activities.
RECOMMENDATIONS: The Authority is recommended to note the operational, performance and recycling updates provided.
Signed: M Clarke .... Head of Strategy and Services **Date:** 17 April 2023

1. BACKGROUND

1.1. This report provides Members with an update of the main operational matters that have arisen since the report to the Authority meeting on 15 December 2022.

2. ABOUT NLWA'S SERVICES

2.1. The North London Waste Authority (NLWA) provides disposal services for municipal residual waste and recycling for its seven constituent borough councils (Barnet, Camden, Enfield, Hackney, Haringey, Islington, Waltham Forest) Waste disposal services are mainly delivered through a contract with London Energy Ltd (LEL), which is owned by NLWA.

2.2. The seven boroughs collect nearly 820,000 tonnes of waste and recycling a year, of which 675,000 tonnes comes from households. NLWA's aim is to preserve the resources and the environment today and for future generations. NLWA is committed to innovation and careful planning to ensure waste resources are managed effectively and sustainably.

RESIDUAL WASTE

2.3. The residual waste generated in north London in 2022/23 was (5.2%) below the budgeted forecast at the start of the year. This trend for lower tonnages was reported in forecast updates in October 2022, December 2022 and in February 2023. The 2023/24 budget is set in February 2023 and is based on the latest forecast information available at the time. The tonnage forecast reported in this report remains consistent with the February position.

2.4. The expected end-year position for residual waste by borough is set out in the table below. This is provisional data at this point subject to validation of February and March data, the final year end position will be confirmed at the Authority meeting in June. Consultation with other statutory disposal authorities highlights that the reduction in waste experienced with the NLWA is consistent with trends elsewhere.

2.5. The reduction in waste volumes, is most likely being driven by the "cost of Living crisis" the rising cost of food and associated packaging has reduced consumption across all waste streams. Dry Mixed Recycling (DMR) has been further impacted by changing retail and consumer habits and lightweighting of materials.

2.6. It is possible that new consumer habits will become part of individual's longer term behaviour, although experience shows that economic recovery tends to be associated with regrowth in waste volumes.

Residual Tonnage	Full Year Tonnage Figures					Variances Tons	Variances %
	Outturn 2019/20	Outturn 2020/21	Outturn 2021/22	Budget 2022/23	2022/23 Out-turn	20/22/23Out-turn vs budget Tonnes	20/22/23Out-turn vs budget %
Barnet	102,108	109,147	106,461	114,000	104,447	(9,553)	(8.4%)
Camden	73,760	61,917	66,896	70,361	68,709	(894)	(1.3%)
Enfield	91,057	88,430	86,320	87,720	84,224	(3,416)	(3.9%)
Hackney	88,412	84,691	83,936	84,436	84,727	322	0.4%
Haringey	70,942	72,574	70,602	73,427	68,330	(4,843)	(6.6%)
Islington	77,788	69,895	73,083	73,949	67,159	(6,527)	(8.8%)
Waltham Forest	67,611	70,835	67,939	69,848	64,697	(5,149)	(7.4%)
Totals	571,678	557,489	555,236	573,743	542,294	(30,060)	**(5.2%)**

Note: include Clinical, exclude RRC & Asbestos, Tyres, rejects
Above includes 11 months actual 1 month forecast (March)

DRY MIXED RECYCLING (DMR)

2.7. The table below details the latest year end forecast for DMR, which remains 8.4% lower than the 2022/23 budgeted position. This is consistent with the trend reported at Authority meetings in October 2022, December 2022 and February 2023 budget. Biffa, our strategic partner, have confirmed they are experiencing reductions in DMR tonnages of between 5 and 10% at facilities they operate across the country.

2.8. As with residual waste the performance in 2022/23 was taken into account in setting forecasts and budget for 2023/24

Commingled Tonnage	Full Year Tonnage Figures					Variances Tons	Variances %
	Outturn 2019/20	Outturn 2020/21	Outturn 2021/22	Budget 2022/23	2022/23 Out-turn	20/22/23Out-turn vs budget Tonnes	20/22/23Out-turn vs budget %
Barnet	26,535	29,736	27,464	29,163	26,257	(2,906)	(10.0%)
Camden	16,669	15,248	16,331	16,452	15,201	(1,250)	(7.6%)
Hackney	18,470	19,608	19,221	20,169	18,135	(2,034)	(10.1%)
Haringey	16,982	19,553	18,314	18,506	17,220	(1,286)	(7.0%)
Islington	15,973	15,904	15,245	16,952	14,347	(2,606)	(15.4%)
Waltham Forest	15,957	17,679	17,110	17,668	17,719	51	0.3%
Totals	110,585	117,728	113,685	118,911	108,879	(10,031)	**(8.4%)**

Above includes 11 months actual 1 month forecast (March)

Organic waste

2.9. Organic Waste Follows a similar pattern to other waste streams. Some of this can be attributed to the unusually hot summer, particularly in terms of the Green and BioK streams.

2.10. Despite constituent boroughs increasing the number of Households that receive a regular food waste collection service, food waste volumes have reduced by 13% below the budget forecast. This is most likely to be a result of food price inflation causing residents to reduce their purchasing and being more careful with what they buy.

Garden Tonnage	Full Year Tonnage Figures					Variances Tons	Variances %
	Outturn 2019/20	Outturn 2020/21	Outturn 2021/22	Budget 2022/23	2022/23 Out-turn	20/22/23Out-turn vs budget Tonnes	20/22/23Out-turn vs budget %
Barnet	13,870	10,275	12,118	11,949	10,928	(1,021)	(8.5%)
Camden	1,695	1,754	1,848	1,793	1,800	7	0.4%
Enfield	0	50	444	200	300	99	49.5%
Hackney	2,526	2,647	2,744	2,699	2,630	(69)	(2.6%)
Haringey	363	1,543	2,264	3,057	2,361	(697)	(22.8%)
Islington	595	422	461	418	497	80	19.0%
Waltham Forest	1,481	282	351	193	202	8	4.4%
Totals	20,530	16,973	20,231	20,310	18,718	(1,592)	**(7.8%)**

Above includes 11 months actual 1 month forecast (March)

BioK Tonnage	Full Year Tonnage Figures					Variances Tons	Variances %
	Outturn 2019/20	Outturn 2020/21	Outturn 2021/22	Budget 2022/23	2022/23 Out-turn	20/22/23Out-turn vs budget Tonnes	20/22/23Out-turn vs budget %
Haringey	4,381	1,960	818	192	393	201	104.5%
Islington	3,793	3,708	4,106	3,793	3,835	42	1.1%
Waltham Forest	6,877	9,223	9,588	9,841	7,874	(1,967)	(20.0%)
Totals	15,062	14,901	14,513	13,826	12,102	(1,724)	**(12.5%)**

Above includes 11 months actual 1 month forecast (March)

Food Tonnage	Full Year Tonnage Figures					Variances Tons	Variances %
	Outturn 2019/20	Outturn 2020/21	Outturn 2021/22	Budget 2022/23	2022/23 Out-turn	20/22/23Out-turn vs budget Tonnes	20/22/23Out-turn vs budget %
Camden	2,657	2,651	3,072	3,200	2,813	(387)	(12.1%)
Hackney	4,902	4,375	5,879	6,431	5,337	(1,094)	(17.0%)
Haringey	1,066	3,033	3,514	4,145	3,846	(299)	(7.2%)
Waltham Forest	484	516	466	492	418	(74)	(15.0%)
Totals	9,110	10,586	12,931	14,269	12,414	(1,855)	(13.0%)

Above includes 11 months actual 1 month forecast (March)

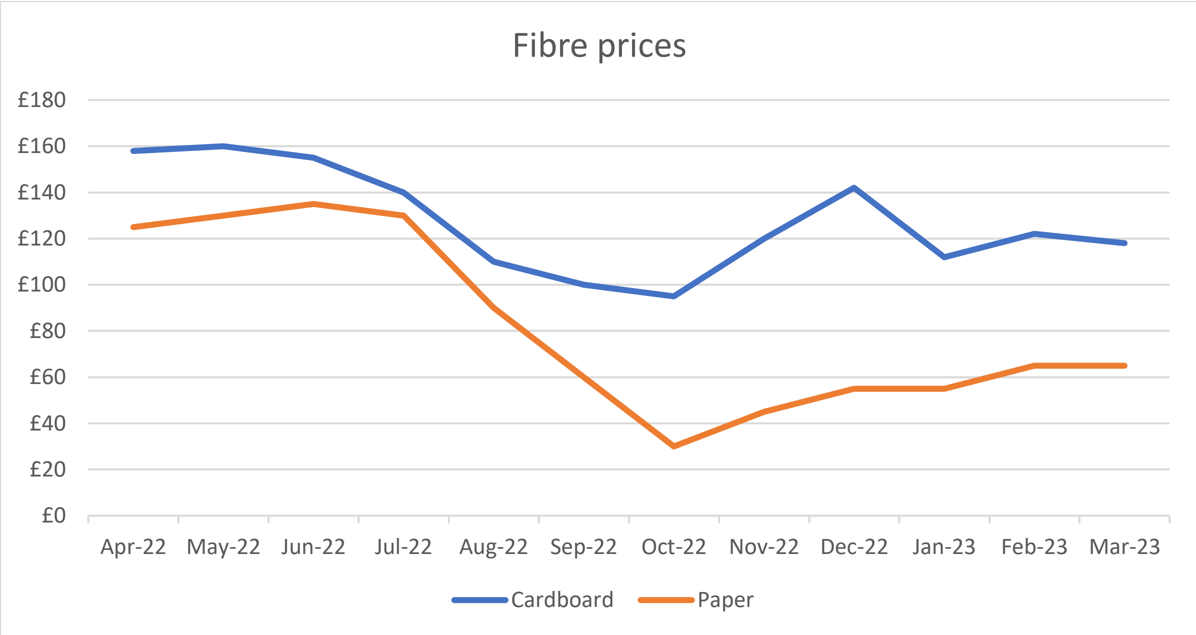
3. DESTINATIONS UPDATE

3.1. Biffa receives NLWA's DMR at its Edmonton Materials Recovery Facility (MRF). In doing so, NLWA seeks to promote Members' environmental aims, and ensure that as much recycling as possible is processed in the UK. Where recycling cannot be managed in the UK, it is sent to destinations with high environmental standards. The table below details the end destinations for DMR from North London collections for Q1-Q4 21/22 to Q1-Q3 22/23.

Material	Baseline March 2020			Q1 - Q4 21/22			Q1 - Q3 22/23		
	UK	Europe	Far East	UK	Europe	Far East	UK	Europe	Far East
Cardboard			100%	20%	11%	69%	7%	86%	7%
Mixed Paper	43%	19%	38%	44%	56%		31%	69%	
Glass	68%	32%		79%	21%		74%	26%	
Aluminium Cans	100%			100%			100%		
Steel Cans	100%			100%			100%		
Plastic Bottles	100%			100%			100%		
Other Plastics	100%			100%			100%		

3.2. While there is a continued reduction in the use of far eastern destinations, Biffa report that it is increasingly challenging to place material in the UK.

3.3. Paper mills consume a large amount of energy as part of their operation. This has led to some reduction in capacity for the treatment of Fibrous materials (paper and cardboard) particularly in Europe: in some cases because it has not been economical to operate during times of high energy costs, or - in other cases - sites which generate their own energy have found it more profitable to export the electricity rather than use it to process fibre. This is further compounded by a drop in fibre prices generally over the course of the year.



3.4. Biffa has developed over many years of commodity trading a series of loyalty-based relationship with key suppliers that it has been able to leverage to continue to sell commodities into Europe, even when others have found it difficult to do so. This is reflected in the high levels of cardboard still being sent to European Mills in the Q1-Q3 of 22/23. However, the situation remains challenging and may still impact the long-term ambitions to treat all materials within the UK and Europe.

4. SPECIALIST RECYCLING UPDATE

4.1. NLWA is able to process a diverse range of materials from borough kerbside recycling collections, reflecting the scale of NLWA's DMR contract. In addition, Reuse and Recycling Centres (RRCs) enable other materials and products to be recycled which it is not possible or practical to collect at kerbside. Following feedback from Members, officers have been exploring opportunities to expand routes through which hard-to-recycle materials can successfully be processed to reduce north London's residual waste and deliver better environmental outcomes.

MATTRESS RECYCLING

4.2. Mattress recycling has continued across NLWA's network of Reuse and Recycling Centres (RRCs) and Waste Transfer Stations (WTS). LEL procured a long-term contract for the processing of mattresses. The three-year contract started on 1 April 2022 following a short trial that began in June 2021. 144,397 mattresses have been collected and recycled since June 2021. NLWA will also expand the service over the summer to included mattresses being collected at Barrowell Green RRC.

4.3. The rate of mattress recycling slowed in the early part of 2023. This is because Environment Agency guidance on the management of Persistent Organic Pollutants (POPs) came into force in January 2023. This guidance states that any waste upholstered furniture which is likely to contain POPs, and any materials which comes into contact with it, should not be recycled but should be disposed of via Energy from Waste (EfW) plants. Therefore, mattresses can be sent for recycling only if they are collected in a way which ensures they are separated from potential POPs. It is difficult for the boroughs to segregate the material and as a result between January 2023 and February 2023, there has been a 17% reduction (on average) in the number of mattresses recycled.

4.4. The table below details the tonnage of mattresses recycled since the scheme began (apportioned to the boroughs). The mattresses would cover an area equivalent to around 50 football pitches. If they were laid end-to-end the mattresses would stretch the length of the M4 motorway from London to Swansea.

Borough	**Tonnes**
Barnet	721.4
Camden	288.2
Enfield	346.2
Hackney	407.4
Haringey	353.7
Islington	137.6
Waltham Forest	741.2
Total	**2995.54**

Hard plastics

4.5. In February 2023, NLWA officers working with colleagues from London Energy Limited (LEL) implemented a trial for the receipt of hard plastics (children's toys, patio furniture etc) at one of NLWA's RRCs (Regis Road). The trial required LEL to remove one of two Green Waste Containers to accommodate a Hard Plastics container. Over five tonnes have now been collected and processed for recycling. The plastics are sorted, shredded, washed and pelletised through facilities within the UK and the Netherlands. It is estimated that every 100 tonnes of recycled rigid plastics will avoid 250,000kg in CO_2 emissions through disposal impacts.

4.6. Although it is proving possible to recycle hard plastics, a constraint for many local authorities has been the difficulty in finding off-takers who will guarantee to take a continuous supply of material, at scale and at an economic rate for recycling. NLWA's hard plastic is being sent to Cory as part of this trial.

4.7. Cory have provided training on what is considered acceptable materials and have fed back that the efforts of LEL staff have delivered a recyclable hard Plastics product. Signage is in place to inform residents of what can go into the bin and staff continue to monitor and play an active role in ensure material quality.

4.8. NLWA working with LEL have expand the trial to included Hornsey Street RRC which started to accept Hard Plastics from Tuesday the 4th of April. Gaining additional tonnage and data on the quality of material data will enable NLWA and LEL to review the scheme and potentially proceed with a procurement exercise to ensure hard plastics become a business as usual offering at our RRC's in the near future.

Expanded Polystyrene (EPS)

4.9. NLWA continues to accept Expanded Polystyrene (EPS). NLWA has worked with LEL to implement a regular collection of polystyrene from RRCs in order to maximise the volume of material which is sent for recycling. The scheme costs around £18,000 per annum for the hire of specialist EPS shredders and compactors, with the current income at £700 per tonne for material. The scheme is expected to be cost neutral.

5. DIY REUSE SCHEME

5.1. The DIY Reuse Scheme is operational at South Access Road RRC (Waltham Forest) and Summers Lane RRC (Barnet) and offers a place for residents to share their unwanted DIY materials. Bricks, left over paving slabs, odd tiles and pieces of timber are now being made available for other local residents to take for free to help them finish their home improvement projects.

5.2. The scheme is well-used and we have received positive feedback from residents sharing materials and those that collect items. DIY items have been collected from the sites by residents for reuse including, 17 ceramic sinks, 91 packs of tiles, 12 toilets, one chimney pot and eight hand tools. NLWA continues to promote the schemes through social media and other platforms and anticipates the scheme will increase in popularity as the weather improves.

6. OFFSITING UPDATE

6.1. The Temporary Bulk Waste Facility (TBWF) was handed over to Acciona in the middle of February 2023 – to begin demolition and clearance of the TBWF for construction of the new EfW. The new Resource Recovery Facility (RRF) is expected to be operational in July 2023 leaving a short period where bulking of materials (for onward transport to end destinations) and fuel preparation cannot be carried out at the Eco Park.

6.2. To ensure services to Borough collection teams and the residents of North London are maintained it was necessary to make arrangements for these functions to take place away from the Eco Park (off-siting).

6.3. The off-siting arrangements were identified and agreed in consultation with borough officers, these arrangements included greater use of our existing Waste Transfer Stations (WTS) at Hornsey Street and Wembley with the addition of third party facilities in close proximity to the Eco park.

6.4. Organic waste is now generally being diverted to Biffa's Edmonton site. This required a variation to the existing contract with Biffa, which was carried out by the Managing Director in consultation with the Chair and Vice Chairs and does not involve a premium compared with previous costs for handling this material. These waste streams will return to be bulked at the EcoPark when the new RRF is operational.

6.5. In early March two weeks after the off-siting arrangements came into operation, NLWA officers invited key borough stakeholders to a workshop/feedback session to evaluate the impact of the temporary changes and to discuss how these might be further mitigated.

6.6. Where waste has been diverted to other sites operated by LEL (Hornsey Street or Wembley), there were no reported concerns and only minor disruption to borough collection services, with all waste being treated in line with NLWA requirements.

6.7. Borough officers did however raise some concerns with the operational practices that took place at one of the off-takers, that was accepting residual waste on behalf of the NLWA. NLWA officers with colleagues from LEL have met with the supplier to raise these concerns. The supplier in response has added additional traffic management safeguards, has re-issued site instructions to its own staff and reviewed borough driver inductions to address these concerns. LEL continue to monitor the site performance and regularly feedback to NLWA officers and borough safety representatives on the effectiveness of the new measures

6.8. The off-siting operation continues to deliver successfully against key objectives.

6.8.1. Ensuring a resilient service for Local Authority Collected Waste that minimizes service degradation (Waste to landfill, Bulking Recyclate, Extracting of recyclate from residual streams)

6.8.2. Minimizing disruption to constituent Boroughs (Travel and Turnaround times)

6.8.3. Providing a cost-effective solution

7. LONDON BOROUGH OF ENFIELD RECYCLING UPDATE

7.1. At the February 2023 Authority meeting, Members made a decision to delegate authority to the Manging Director to vary the existing contract with Biffa to the extent that recycling materials collected by the London Borough of Enfield (LBE) could be incorporated into it, if required.

7.2. Following confirmation from LBE colleagues that Enfield would require the NLWA to manage the processing of their collected recyclate from the 1st of April. The required variations were drawn up and executed for the successful transfer of LBE materials into NLWA control from the 1st of April 2023. Biffa now managed Dry Mixed Recycling from all seven boroughs in North London on behalf of NLWA.

7.3. Through this variation, Biffa are now managing an additional 20,000 tonnes of DMR, and 14,000 tonnes of organic material. This makes the NLWA/Biffa contract the biggest Local Authority Collected Waste recycling processing contract in the UK. The size and scale of the contract provides NLWA with additional leverage to influence the markets in the UK and Europe.

8. EQUALITIES IMPLICATIONS

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

9. COMMENTS OF THE LEGAL ADVISER

9.1. The Legal Adviser has been consulted in the preparation of this report.

10. COMMENTS OF THE FINANCIAL ADVISER

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

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