NORTH LONDON WASTE AUTHORITY
REPORT TITLE: SERVICES UPDATE
REPORT OF: HEAD OF STRATEGY AND SERVICES
FOR SUBMISSION TO: AUTHORITY MEETING
DATE: 5 October 2023
SUMMARY OF REPORT: This report informs Members about the latest operational activities, including tonnages managed of various waste streams, destinations for the Authority's recycling and specialist recycling initiatives to increase the range of materials which are recycled in north London.
RECOMMENDATIONS: The Authority is recommended to: A. Note the operational, performance and recycling updates provided. B. Note the results of the visitor survey of Reuse and Recycling Centres.
Signed: M Clark .... Head of Strategy and Services **Date:** 25 September 2023

1. BACKGROUND

1.1. This report provides Members with an update of service delivery in 2023/24. Data cover the period April to August.

2. ABOUT NLWA'S SERVICES

2.1. North London Waste Authority (NLWA) provides disposal services for municipal residual waste and recycling for all seven of its constituent boroughs (Barnet, Camden, Enfield, Hackney, Haringey, Islington and Waltham Forest). Waste disposal services are mainly delivered through a contract with LondonEnergy Ltd (LEL), which is owned by NLWA, with Dry Mixed Recycling (DMR) being treated locally under contract with Biffa.

2.2. The constituent boroughs collect nearly 800,000 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.

3. WASTE PERFORMANCE

Residual Waste

Residual Waste (Excluding RRC's) April to August									
	2021/22 Outturn YTD	2022/23 Budget YTD	2022/23 Outturn YTD (1)	2023/24 Budget YTD (2)	2023/24 Outturn YTD (3)	Variance 23/24 Out-turn V Budget (2v3) %	Variance 23/24 Out-turn V Budget (2v3) T	Variance 22/23 V 23/24 Outturn (1v3) %	Variance 22/23 V 23/24 Outturn (1v3) T
Barnet	45346	47500	44302	45094	44056	-2.3%	-1038	-0.6%	-246
Camden	27526	28511	28139	28411	28917	1.8%	506	2.8%	-778
Enfield	36888	36550	35168	35425	37204	5.0%	1779	5.8%	-2036
Hackney	35424	35354	35531	35201	35699	1.4%	498	0.5%	-168
Haringey	30150	30748	28270	29082	28512	-2.0%	-570	0.9%	-242
Islington	30665	30170	27864	27860	28005	0.5%	145	0.5%	-141
Waltham Forest	29479	29104	26973	27104	27539	1.6%	435	2.1%	-566
NLWA Total	**235479**	**237936**	**226247**	**228176**	**229932**	**0.8%**	**1756**	**1.6%**	**-3685**

Residual Waste Excluding RRC's April to August

3.1. The table above details the expected and actual residual waste tonnages managed by the Authority in the year to date (YTD) or first five months (April to August) of each year.

3.2. Actual tonnages last year for the period April to August 2022/23 were lower than the same period the previous year 2021/22. What was then an unexpected reduction in residual tonnage was widely acknowledged as an impact of the cost-of-living crisis and a return to normal working habits following the COVID-19 pandemic. This pattern was consistent with the experience of other waste authorities.

3.3. The experience of 2022/23 was considered when setting the budget for 2023/24. Residual waste was expected to increase marginally from the low in 2022/23, with property growth and new council services being behind the increase. The year-to-date performance (April to August 2023/24) is bearing out this forecast with tonnages fractionally above the YTD budgeted position.

3.4. As we reach the mid-point of the year, a forecasting exercise has been completed with borough colleagues and the latest full year projections are included in the Finance Update report on this agenda.

DMR

	2021/22 Outturn YTD	2022/23 Budget YTD	2022/23 Outturn YTD (1)	2023/24 Budget YTD (2)	2023/24 Outturn YTD (3)	Variance 23/24 Out-turn V Budget (2v3) %	Variance 23/24 Out-turn V Budget (2v3) T	Variance 22/23 V 23/24 Outturn (1v3) %	Variance 22/23 V 23/24 Outturn (1v3) T
Barnet	11921	12430	9865	11007	10415	-5.4%	-592	5.6%	550
Camden	6738	7016	6320	6450	6241	-3.2%	-209	-1.2%	79
Hackney	8308	8583	7499	7666	7164	-6.5%	-502	-4.5%	335
Haringey	8073	7887	7161	7625	6787	-11.0%	-838	-5.2%	374
Islington	6587	7217	6092	6157	5857	-4.9%	-300	-3.9%	235
Waltham Forest	8228	7856	7375	7456	7269	-2.5%	-187	-1.4%	106
NLWA Total (Excl Enfield)	***49855***	***50989***	***44311***	***46360***	***43733***	***-5.7%***	***-1803***	***-1.3%***	***1679***
Enfield	0	0	0	8113	7289	-10.2%	-824	N/A	N/A
NLWA Total (inc Enfield from 23/24)	**N/A**	**N/A**	**N/A**	**54473**	**51022**	**-6.3%**	**-3451**	**N/A**	**N/A**

DMR

3.5. The above table details the DMR performance for all constituent boroughs in the first five months of each year. Before April 2023, DMR collected by the London Borough (LB) of Enfield was managed directly by LB Enfield and as such was not included in NLWA performance reporting.

3.6. YTD DMR tonnages in 23/24 are 6.3% below the budgeted position. Recycling volumes fell sharply in 22/23 due to the cost-of-living crisis. It was expected that 23/24 tonnages would recover slightly without reaching 21/22 levels.

3.7. Lower tonnages of DMR do not imply residents are less concerned about recycling. DMR is made up substantially of packaging and consumer related materials, which are proportionally more susceptible to economic conditions than residual waste which tends to contain less discretionary material. This coupled with lightweighting of packaging materials are thought to be the main reasons for the continued fall in DMR tonnages.

Organic waste streams

	2021/22 Outturn YTD	2022/23 Budget YTD	2022/23 Outturn YTD (1)	2023/24 Budget YTD (2)	2023/24 Outturn YTD (3)	Variance 23/24 Out-turn V Budget (2v3) %	Variance 23/24 Out-turn V Budget (2v3) T
Camden	1288	1469	1020	1470	1275	-13.2%	-195
Hackney	2493	2720	1884	2393	2038	-14.9%	-355
Haringey	1417	1727	1347	1587	1386	-12.7%	-201
Waltham Forest	203	205	183	205	149	-27.3%	-56
NLWA Total Exc Enfield	**5402**	**6121**	**4434**	**5655**	**4848**	**-14.3%**	**-807**
Enfield	45	0	0	3292	2928	-11.0%	-364
NLWA Total Inc Enfield	**5447**	**6121**	**4434**	**8947**	**7776**	**-13.1%**	**-1171**

Food

3.8. The table above relates to food waste. Food waste from Enfield was not included in NLWA managed materials before April 2023; the table above sets out a comparison of April to August performance with Enfield tonnages both included and excluded.

3.9. Food waste was expected to increase in 2023/24 against the previous year's YTD actual, reflecting the increase in properties receiving food waste collections and wide-scale promotion of these services. The YTD outturn in 2023/24 has increased slightly against the same period the previous year; however, it remains 14.3% below the budgeted position. This suggests that while new services are being offered to residents, it is challenging to get a high yield of separated food waste.

	2021/22 Outturn YTD	2022/23 Budget YTD	2022/23 Outturn YTD (1)	2023/24 Budget YTD (2)	2023/24 Outturn YTD (3)	Variance 23/24 Out-turn V Budget (2v3) %	Variance 23/24 Out-turn V Budget (2v3) T	Variance 22/23 V 23/24 Outturn (1v3) %	Variance 22/23 V 23/24 Outturn (1v3) T
Haringey	550	80	209	80	104	30.0%	24	-50.2%	105
Islington	1778	1757	1545	1892	1863	-1.5%	-29	20.6%	-318
Waltham Forest	5037	5000	4038	4625	4555	-1.5%	-70	12.8%	-517
NLWA Total	**7365**	**6837**	**5792**	**6596**	**6522**	**-1.1%**	**-74**	**12.6%**	**-730**

Bio K

3.10. The table above relates to BioK, which is a mixture of food and green waste and is collected by only three of the seven constituent boroughs. 2023/24 YTD outturn to August is very close to budget with 74t variance over five months overall.

	2021/22 Outturn	2022/23 Budget YTD	2022/23 Outturn YTD (1)	2023/24 Budget YTD (2)	2023/24 Outturn YTD (3)	Variance 23/24 Out-turn V Budget (2v3) %	Variance 23/24 Out-turn V Budget (2v3) T	Variance 22/23 V 23/24 Outturn (1v3) %	Variance 22/23 V 23/24 Outturn (1v3) T
Barnet	6586	6586	5221	6587	6775	2.9%	188	29.8%	1554
Camden	783	749	660	749	971	29.6%	222	47.2%	-311
Enfield	0	45	91	2875	3797	32.1%	922	4087.3%	-3706
Hackney	1210	1217	1079	1079	1252	16.1%	173	16.1%	-173
Haringey	1011	1903	1061	1584	1528	-3.6%	-56	44.1%	-467
Islington	75	101	81	101	271	168.9%	170	235.3%	-190
Waltham Forest	64	75	57	75	401	438.2%	326	606.2%	-344
NLWA Total	**9729**	**10675**	**8249**	**13049**	**14995**	**14.9%**	**1946**	**81.8%**	**-6746**

Green

3.11. The table above relates to garden waste. This is heavily weather dependent. The good growing conditions in 2023/24 have supported an 80% increase compared with the extremely hot and dry conditions in 2022/23. This is likely to be a pattern also seen in authorities which have a much higher proportion of garden waste, who will receive a boost to recycling percentages greater than NLWA.

4. DESTINATIONS UPDATE

4.0. The Authority recognises the importance of the proximity principle and dealing with our waste and materials within the UK. For residual and organic waste streams, 100% of materials are treated within the UK. DMR materials are managed on our behalf under contract with Biffa at its Edmonton Materials Recovery Facility (MRF). The Authority has been working with Biffa to drive towards treating all of our materials in the UK by 2030.

4.1. The table below details the progress that has been made since 2020 and the challenges we face particularly in relation to fibre (cardboard and paper).

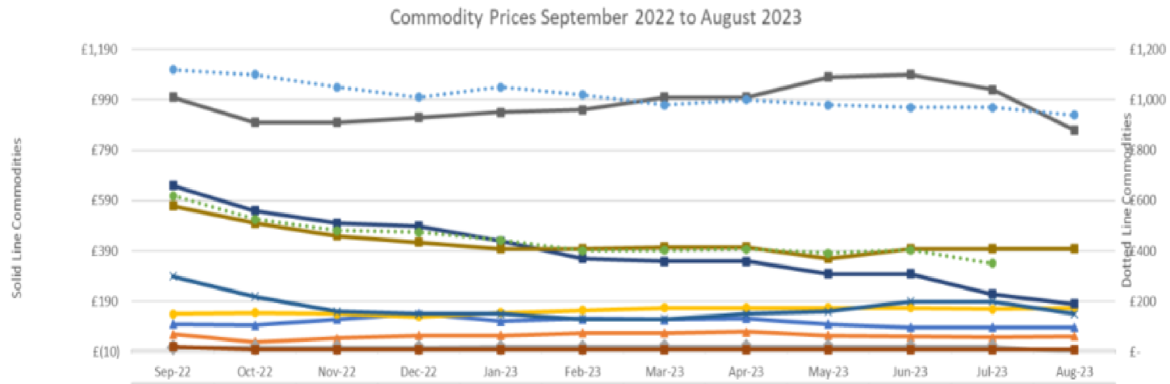
Material	Baseline March 2020			Q1 - Q4 21/22			Q1 - Q4 22/23			Q1 23/24		
	UK	Europe	Far East	UK	Europe	Far East	UK	Europe	Far East	UK	Europe	Far East
Cardboard			100%	20%	11%	69%	7%	86%	7%	13%	38%	50%
Mixed Paper	43%	19%	38%	44%	56%		31%	69%		42%	58%	
Glass	68%	32%		79%	21%		74%	26%		86%	14%	
Aluminium Cans	100%			100%			100%			100%		
Steel Cans	100%			100%			100%			100%		
Plastic Bottles	100%			100%			100%			100%		
Other Plastics	100%			100%			100%			100%		

4.2. The UK's current domestic reprocessing capacity for cardboard is below the volume of material being generated. This is also the position in Europe. There is therefore a strong and continuing pattern of the UK and European countries exporting cardboard for reprocessing in far east markets and then importing the processed cardboard as packaging for imported products back into the UK and European markets.

4.3. Biffa took advantage of interruptions in global supply chains in the aftermath of the COVID-19 pandemic and were successful in placing higher volumes of cardboard into European and UK processing plants in 2021/22 and 2022/23. However, as markets return to normal, the lack of demand for fibre in the UK and Europe is making the UK more reliant on far east markets. While energy prices in the UK and Europe remain relatively high in global terms, it is less likely that UK and European processors will be incentivised to expand capacity.

4.4. Biffa's market presence has recently re-established some card deliveries from Edmonton into Smurfit Kappa's mill in Kent, which has recently re-opened following a temporary closure in the Autumn of 2022. It is hoped that we can secure more capacity at this local mill; however, competition is strong and MRF card is less desirable than other card in a saturated market where the mills can pick and choose the material they want.

5. COMMODITY PRICES



	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
Cardboard	£100	£95	£120	£142	£112	£122	£118	£123	£100	£87	£87	£88
Paper	£60	£30	£45	£55	£55	£65	£65	£70	£55	£50	£47	£52
Glass	£8	£8	£8	£8	£9	£9	£10	£10	£10	£11	£11	-£11
Steel Cans	£140	£145	£140	£130	£145	£155	£165	£165	£165	£165	£160	£165
Clear & light blue PET	£650	£550	£500	£490	£430	£360	£350	£350	£300	£300	£220	£180
Coloured PET	£10	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
HDPE natural	£1,000	£900	£900	£920	£940	£950	£1,000	£1,000	£1,080	£1,090	£1,030	£870
HDPE mixed colour	£570	£500	£450	£425	£400	£400	£405	£405	£360	£400	£400	£400
Aluminium Cans	£1,120	£1,100	£1,050	£1,010	£1,050	£1,020	£980	£1,000	£980	£970	£970	£940
Plastics (weighted average)	£619	£526	£481	£475	£443	£401	£404	£408	£391	£405	£352	
Mixed Plastic Bottles	£300	£220	£160	£150	£150	£130	£130	£150	£160	£200	£200	£150

5.0. There has been a general reduction in prices for the commodities which make up most of the income from our DMR over the last 18 months

5.1. Glass prices have suffered a sharp drop from £11 per tonne to negative £11 for August. Glass is heavy and makes up 23% of the Authority's DMR materials. This reduction negatively impacts the value per tonne we receive for our DMR. The Authority's contract with Biffa provides some protection by ensuring prices that have a negative value (cost money when selling) are capped at zero (£0) for the purposes of calculating the profit share received by the Authority.

5.2. Prices are expected to continue to fall slowly in the face of shrinking demand for material. This reduction in revenue is included in the revised forecast.

Biffa MDR Net Basket Price	Forecast	Actual
Q1 23/24	£43.00	£43.26
Q2 23/24	£43.00	£41.89
Q3 23/24	£43.00	39.40*
Q4 23/24	£38.00	
* estimated based on two of three months actual		

6. REUSE AND RECYCLING CENTRE (RRC) USER SURVEY

6.1. The inter-authority agreement (IAA) details how NLWA's costs are allocated between boroughs. In the case of our RRCs, the Authority is required by the IAA to carry out a survey that determines the percentage of users from each constituent borough at each RRC, as well as the percentage of users that don't reside in an NLWA constituent borough.

6.2. The latest RRC survey was carried out in late 2022 and was finalised in February 2023. The table below shows the distribution of users by the borough in which they reside and compares this to the 2018 survey.

	Summers Lane			Regis Road			Western Road			Hornsey Street		
	2018	2022	Diff	2018	2022	Diff	2018	2022	Diff	2018	2022	Diff
Barnet	94.6%	88.2%	-6.4%	0.9%	0.5%	-0.3%	0.5%	0.3%	-0.2%	0.4%	0.6%	0.2%
Camden	0.4%	0.7%	0.3%	93.5%	92.5%	-0.9%	0.0%	0.0%	0.0%	3.0%	1.8%	-1.2%
Enfield	1.4%	3.4%	2.0%	0.2%	0.2%	0.0%	1.6%	0.3%	-1.3%	0.0%	0.0%	0.0%
Hackney	0.0%	0.0%	0.0%	0.1%	0.9%	0.8%	1.0%	0.0%	-1.0%	13.7%	16.9%	3.1%
Haringey	3.5%	6.8%	3.3%	1.5%	1.6%	0.2%	96.0%	99.2%	3.1%	4.2%	4.9%	0.7%
Islington	0.1%	0.2%	0.1%	3.9%	3.5%	-0.4%	0.4%	0.0%	-0.4%	78.5%	74.5%	-4.0%
Waltham Forest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	-0.4%	0.0%	0.0%	0.0%
Other	0.0%	0.7%	0.7%	0.0%	0.7%	0.7%	0.0%	0.2%	0.2%	0.0%	1.0%	1.0%
	South Access			Gateway Road			Kings Road			Barrowell Green		
	2018	2022	Diff	2018	2022	Diff	2018	2022	Diff	2018	2022	Diff
Barnet	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.1%	N/A	0.5%	N/A
Camden	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	-0.1%	N/A	0.0%	N/A
Enfield	0.4%	0.3%	-0.1%	0.0%	0.0%	0.0%	0.9%	0.8%	0.0%	N/A	98.9%	N/A
Hackney	3.1%	10.1%	7.0%	24.2%	17.2%	-7.0%	0.0%	0.2%	0.2%	N/A	0.1%	N/A
Haringey	1.1%	0.4%	-0.7%	0.0%	0.0%	0.0%	0.2%	0.0%	-0.2%	N/A	0.2%	N/A
Islington	0.0%	0.0%	0.0%	0.3%	0.6%	0.3%	0.2%	0.0%	-0.2%	N/A	0.0%	N/A
Waltham Forest	95.1%	85.3%	-9.9%	75.2%	74.1%	-1.0%	98.6%	89.5%	-9.1%	N/A	0.0%	N/A
Other	0.0%	4.0%	4.0%	0.0%	8.1%	8.1%	0.0%	9.3%	9.3%	N/A	0.2%	N/A

6.3. In general, there was little change, Hackney visitors increased as a proportion of users of Horney Street (3.1%) and South Access Road (7%) and reduced at Gateway Road (-7%).

6.4. The previous survey showed extremely low levels of usage from people not residing in the seven boroughs. In this survey they accounted for larger percentage with Waltham Forest RRCs being most impacted. This represents a subsidy to boroughs outside north London for services used by their residents. Officers will consider potential options to respond to this and will make recommendations. Subject to that, it is proposed to use this survey to distribute RRC costs from the 2024/25 financial year.

7. SPECIALIST RECYCLING UPDATE

7.1. This section provides an update on specialist recycling streams collected primarily at the Authority's RRC sites. RRCs provide residents with a solution for materials which are difficult or impractical to collect as part of the normal collection service offered by boroughs.

7.2. Officers are continuing to expand the range of materials and locations where hard-to-recycle materials can successfully be processed to reduce north London's residual waste and deliver better environmental outcomes.

Hard Plastics

7.3. In February 2023, NLWA officers, working with LEL, implemented a trial for the receipt of hard plastics (children's toys, patio furniture, etc.) at Regis Road RRC. This was later expanded to Hornsey Street RRC and has now been successfully introduced into South Access RRC from 2 September 2023.

7.4. 48 tonnes of hard plastics have been collected across all sites since the scheme began (to August).

7.5. NLWA and LEL have recently reviewed the scheme and are confident that this can be managed operationally and expanded to Western Road RRC if appropriate reprocessing capacity is identified.

7.6. A procurement exercise is underway to secure capacity and ensure hard plastics become a business-as-usual offering at our RRCs.

Expanded Polystyrene

7.7. NLWA officers have worked with LEL to implement a regular collection of polystyrene from RRCs to maximise the volume of material sent for recycling.

7.8. The expanded polystyrene scheme has diverted 4.5 tonnes of a light but difficult to manage material from the residual waste stream. Three tonnes have been collected this year (2023/24), double the weight collected in the trial year. Although this is relatively speaking a low tonnage, in terms of volume this is the equivalent to five double decker buses.

Mattresses

7.9. LEL have now procured a long-term contract for the processing of mattresses with SSSI Limited based in South London. The three-year contract started on 1 April 2022 following a short trial that began in June 2021. The scheme had at the end of August 2023 collected and processed 194,146 mattresses and is set to exceed 200,000 in October 2023.

7.10. The rate of mattress recycling has remained stable through the first six months of 2023 compared to 2022 outputs. This is extremely encouraging bearing in mind that the service has faced two major challenges during this period. The first is the introduction of new Environment Agency guidance on the management of Persistent Organic Pollutants (POPs), which came into force in January 2023. This guidance states that any upholstered seating which is likely to contain POPs, and any materials which come into contact with it (including mattresses), should not be recycled but should be disposed of at energy from waste plants. Measures introduced at our RRCs to segregate POPs materials have proved successful in maintaining a steady stream of non-POPs materials including mattresses.

7.11. The second challenge is the temporary 'off-siting' from the EcoPark of all non-black bag waste to facilitate the North London Heat and Power Project. The arrangements, primarily with Cory and J O'Doherty Ltd, have ensured that mattresses have continued to be extracted from bulky waste where POPs are not present.

Carpets

7.12. Carpets are extremely difficult to recycle. There are certain types of carpets – those that have foam backs or are wet – that will contaminate a load and cause rejection.

7.13. In light of these difficulties, LEL is trialling the extraction of carpets from waste which residents have brought to our South Access RRC for disposal. Carpets are intercepted before they land in the residual skip. If they meet the acceptance specification, they are placed in a covered skip to be sent for processing.

7.14. LEL intend to send a load for inspection in October, if the materials collected are accepted by the processor, LEL will attempt to secure long term capacity and roll out carpet collection at additional RRCs. Pending this review, the scheme has not been publicised.

DIY Reuse

7.15. 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.

7.16. The scheme is well-used and we have received positive feedback from residents sharing materials and those that collect items. Over 25 tonnes have been reused so far in 2023/24. Bricks, paving stones, toilets and sinks continue to be the most popular items being reused or repurposed.

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.

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