

ITEM 8

PAPER NO. WRWA 638

**WESTERN RIVERSIDE WASTE
AUTHORITY**

MEETING	25 th JUNE 2009
REPORT AUTHOR/DATE	Clerk and General Manager <i>(Mark Broxup - Tel. 020 8871 6001)</i> <i>17th June 2009</i>
SUBJECT	Annual report
CONTENTS	Page 1 Executive Summary and Background Page 1 Conclusion Page 1 Recommendation Appendix – Annual Report 2008/2009
STATUS	Open - circulation of this paper is not restricted.
BACKGROUND PAPERS	None

This page has been left blank intentionally.

EXECUTIVE SUMMARY AND BACKGROUND

Introduction

1. From 2008/09 onwards the Authority is no longer required to produce a Best Value Performance Plan. Therefore the opportunity has been taken to produce a more streamlined Annual Report which retains an objective setting element, more focused on a number of key objectives for the year rather than the full range of work undertaken by the Authority.

Structure

2. The Annual Report's structure covers the Authority's profile, a review of the year 2008/09, key strategic objectives, objectives for 2009/10 and performance monitoring.

CONCLUSION

3. The Annual Report provides a useful focus for assessing the Authority's progress and disseminating information about the Authority to the wider community.

RECOMMENDATION

4. The Authority is recommended to approve the attached Annual Report.

G. K. Jones
CLERK TO THE AUTHORITY

M. Broxup
GENERAL MANAGER

The Town Hall,
Wandsworth,
SW18 2PU.

17th June 2009

APPENDIX

WESTERN RIVERSIDE **WASTE AUTHORITY**

Annual Report for 2008/09

JUNE 2009

CONTENTS

Section Number	Title	Page
	Chairman's Introduction	1
1	Profile of the Authority	2
2	Overview of 2008-09	5
3	Performance Indicators	14
4	A Summary of the Authority's Objectives	16
5	A Summary of Current Performance	20
6	Auditor's Recommendations	22
7	Freedom of Information and Environmental Information	23
8	Complaints	24

Letter from the Chairman

To be inserted.

Section 1

Profile of the Authority

1. Western Riverside Waste Authority was established in 1986 as an autonomous statutory local government body to undertake the waste disposal functions prescribed by the Local Government Act 1985 and the Waste Regulations and Disposal (Authorities) Order 1985. The Authority comprises eight Members who are appointed by its four constituent councils - each council appoints two elected Councillors to serve on the body. The Members meet regularly through the year (on at least four occasions) and have overall responsibility for the policy and management of the Authority. Western Riverside Waste Authority is charged by Parliament with managing the waste collected by its constituent councils in four London Boroughs: Hammersmith and Fulham, Lambeth, Wandsworth and the Royal Borough of Kensington and Chelsea.
2. The Authority and its four constituent councils work together as the "Riverside Waste Partnership". In July 2006 the majority of members of the Partnership formally adopted a Joint Municipal Waste Management Strategy (JMWMS) for the Authority's area. Lambeth did not adopt the Strategy at that time, but remain committed to the concept of the Partnership and participate fully in Partnership meetings. The Partnership's member authorities arrange for the safe and cost-effective collection, recycling, composting, energy recovery or disposal of the waste generated by a population of some 850,000 residents.
3. The management of waste through traditional collection and landfill disposal is not sustainable and accordingly a new approach is required. Waste must now be viewed as a resource to be re-used, recycled, recovered or converted to energy. The ultimate objective is that only residual waste which cannot be used as a resource – a small proportion of the waste total – will be sent for final landfill disposal.
4. A total of seven of London's riparian boroughs use the River Thames to transport waste from transfer stations situated in Wandsworth, Tower Hamlets and the City of London. The Authority is committed to the use of the River Thames as its preferred main method of transport because it minimises congestion on the roads which surround its transfer stations and is an environmentally sound form of transport.
5. The Authority entered into a long-term waste management contract with Cory Environmental Limited in May 2002, with operations commencing in October of the same year. This new contract is helping the Authority to realise its aim of maximising recycling and providing a greener future for management of the Authority's waste.
6. The waste management services provided by the Authority involve waste and recyclable material being delivered to the Authority's two transfer stations, at Smugglers Way in Wandsworth and Cringle Street in Battersea, for either recycling or disposal. Western Riverside Transfer Station, which is situated near Wandsworth Bridge, is capable of handling over 6,500 tonnes of waste per week. The Authority's second transfer station, Cringle Dock, is situated next to Battersea Power Station and is capable of handling over 6,000 tonnes of waste every week.

7. The Authority receives co-mingled and source-segregated recyclables at its transfer stations and, temporarily, until its own Materials Recycling Facility (MRF) is built at Smugglers Way, co-mingled recyclable materials are also being received at Cremorne Wharf, which is located in Lots Road in the Royal Borough of Kensington and Chelsea. Recyclables are transported from these locations to Viridor's MRF at Crayford, in the London Borough of Bexley, where they are separated and recycled. Green Waste collected kerbside by the constituent councils is also delivered to the Authority's transfer stations, where it is bulked for onward transportation to a number of centralised composting facilities within, or marginally outside of, the London area. Most of the waste that cannot be recycled is compacted into containers similar to those used for lorry transport, before being loaded onto barges for the onward river journey to Cory's landfill site located on the Thames Estuary at Mucking, Essex. Both transfer stations utilise state-of-the-art technology in waste containerisation and operate efficiently and to the highest environmental standards. The Authority's waste management services contractor, Cory Environmental Limited, utilises spare capacity at the transfer stations for the receipt of local trade and commercial waste. The Authority also provides integral Civic Amenity facilities at both of its transfer stations and until this year Lambeth Council provided its own, additional, Civic Amenity Site at Vale Street, West Norwood. However, from 1st April 2009 it has decided to re-designate the site as a Re-Use and Recycling Centre and residual waste will no longer be accepted there.
8. The restoration of the Mucking landfill site was completed at the end of 2007, although Cory received permission to extend the site until the end of 2010 (subject to a number of conditions, which resulted in a restriction on the amount of waste the Authority can dispose of). In any event, due to Government and EU legislation which has in effect created incentives to find alternatives to landfill and the recent hikes in the level of landfill tax (now scheduled to rise by £8 per tonne per annum over the next few years), the landfilling of waste is fast becoming an uneconomic proposition as well as one which is found at the bottom of the waste hierarchy in terms of its impact on the environment.
9. Under the Authority's current waste management services contract, it will soon be possible to replace landfill with Energy from Waste combustion as the prime treatment method (whilst at the same time not precluding the further development of recycling and other waste management methods). To achieve this, an Energy from Waste Facility with river wharf is in the process of being constructed by the River Thames in the London Borough of Bexley. This scheme has the full backing of the Authority and finally received planning approval in June 2006. The new Facility will ensure a secure and environmentally sound disposal method for that portion of waste which cannot be recycled for decades to come.
10. The Authority's advanced approach to recycling and energy recovery is augmented by a vigorous programme of waste minimisation and recycling information initiatives, designed to get the residents of the Authority's four constituent boroughs on side and active in supporting good waste management. 'Recycle Western Riverside' is linked to the national Recycle Now campaign, but is focussed on the Authority's area. The initial five-year initiative – which commenced in October 2002 – encompassed a waste awareness, education and communication campaign delivered by Waste Watch and

market development, green procurement and waste minimisation programme and recycling consultancy services delivered by London Remade Solutions.

11. The initial five-year programme, budgeted at £4.4 million, focused on the communities in the Riverside Waste Partnership's area and aimed to halt and, potentially, reverse the current growth in waste. The Authority subsequently agreed to continue with this education and awareness initiative in a modified form until 31st March 2010, with joint funding from the Authority and Cory.
12. The Riverside Waste Partnership has set itself ambitious recycling targets which aim to reach and ultimately exceed those set by the Government and by the Mayor of London. An integral part of this initiative is the Authority's long-term recycling-led contract with Cory referred to above. The new contract provides an environmentally sound solution which does not guarantee any waste to the Energy from Waste Facility at Belvedere, but does secure access for the residual waste that cannot be recycled. Use of the Energy from Waste therefore in no way artificially limits the levels of waste minimisation and recycling that the Authority and its constituent councils can achieve.
13. Over 90% of the Authority's revenue budget is spent on contract payments. The Authority itself has only six and a half full-time equivalent staff positions.

Overview of 2008-09

Operations

14. The only major operational change in the Authority's services during 2008/09 was the relocation of the Bulk Recycling Facility at Smugglers Way to a temporary site on Feathers Wharf (adjacent to the main transfer station at Smugglers Way) so as to maintain operations whilst the new Materials Recycling Facility is being constructed.
15. The year under review has, however, also seen the replacement of one of the Authority's two large container handling cranes at Smugglers Way Transfer Station. In order to give greater operational flexibility, the contract provides that the new cranes, unlike the original ones, should be capable of reaching a second set of moored barges. Erection of the first replacement crane took place in October 2008, with preparatory works carried out in August to replace the rails on which the crane travels. These works were completed on schedule and very little disruption was caused to the services, although there was some queuing whilst the old crane was dismantled. The new "double bottom" crane has been operating well so far and Cory are utilising its ability to service containers in the second row of moored barges.
16. There are no immediate plans to replace the second container crane, but the contract with Cory does require that a second crane be provided at some stage prior to expiry. Cory are also shortly to take delivery of a new Container Handling Unit and this, together with the new crane, means that the Smugglers Way Transfer Station will have more operational flexibility than it has ever done in the past and, as a consequence, increased operational security.

Belvedere

17. The first planning application to construct an Energy from Waste (EfW) Facility at Belvedere was submitted 16 years ago and the successful application was submitted as long ago as 1999 and took eight years to navigate the various planning and legal processes. When the Authority entered its Waste Management Services Agreement with Cory in October 2002 it had been envisaged that the Belvedere Facility would be built and operational by the beginning of 2008 but construction work actually only began that same year. Construction is progressing well and it is expected that the facility will begin to receive commissioning waste towards the end of 2010 and will be completed in 2011.
18. The facility will be owned and operated by Riverside Resource Recovery Limited (RRRL), a wholly owned subsidiary of Cory, and will be the largest EfW Facility in the UK and one of the largest in Europe, generating up to 72MW of power. To achieve such a level of funding, particularly in the economic climate prevailing at the time was a significant achievement and is indicative of the technical strength of the project.

19. Although designed to handle an average of 585,000 tonnes of municipal waste per annum over its operational life, the facility is consented to receive up to 670,000 tonnes in any one year. Opponents of EfW technology often claim, despite evidence to the contrary in mainland Europe, that EfW automatically “crowds out” recycling as a result of local authorities being required to supply guaranteed minimum tonnages or make guaranteed minimum payments to EfW Facilities.
20. These arguments cannot be made in the Authority’s case. The Authority has the benefit of a guaranteed level of capacity at the facility but the Authority and its constituent councils remain free to reduce or recycle their waste without limitation. The Authority is not required to supply any guaranteed level of tonnage to the facility, or make any minimum payment. Indeed the Authority will receive a royalty for any capacity it gives up and is therefore positively incentivised to make such reductions.
21. The planning permission only allows for 85,000 tonnes per annum to be delivered to the Facility by road with all remaining waste to be supplied, by river, from within Greater London. It is anticipated that the majority of the waste will therefore be transferred to the facility via the Authority’s Transfer Stations at Smugglers Way and Cringle Dock and the City of London’s Transfer Station at Walbrook Wharf.
22. The jetty at the EfW Facility is a substantial engineering project in its own right and will be provided with two Goliath type container cranes. The cranes will be serviced from ashore by vehicles equipped with tipping container frames, which will be utilised to transfer containers between the jetty and the waste reception hall. The jetty will be situated in deep water and will not be constrained by water depth, being accessible for barge changeovers at all states of the tide.
23. The Facility is designed to have the capability of providing waste heat for use by nearby homes or commercial premises but as yet no suitable user has been located. However, increasing fuel prices and some kind of financial or planning support from the government or a development agency could make this aspect of the development more financially attractive in the future and the Authority is actively lobbying for such changes to be made.
24. The Riverside Community Forum (RCF) was set up to inform and involve members of the local community and businesses on matters relating to the construction and operation of the new EfW Facility. Sitting on the Forum are members of local organisations, businesses and residents as well as representatives of Bexley Council and RRRL. In order to progress schemes to meet the planning conditions, Cory and RRRL continue to hold meetings with both the Department of Trade and Industry and Bexley officers, in particular to discuss highway and planning submissions.

Materials Recovery Facility (MRF)

25. Cory commenced the construction of an 84,000 tonne per annum Materials Recycling Facility (MRF) at the Authority’s Smugglers Way Transfer Station in November 2008. This facility will process the material delivered by the Authority's constituent councils from their "Orange Sack" recycling schemes. The Authority is directly funding a significant proportion of the capital costs itself. Under the terms of its contract with the Authority, Cory is required to construct the Facility and operate it once complete but

the building and equipment will ultimately be owned by the Authority on the expiry of the contract with Cory.

26. Prior to the commencement of construction of the MRF itself it was necessary that certain enabling works were carried out. One of the main planning requirements was that works should be carried out to prevent any slightly polluted water, under the main body of the site, from draining into the Thames. This pollution arises as groundwater picks up contaminants left over from the sites' historic use as a gasworks. These works involved repairs being carried out to the river wall along the transfer station frontage and an underground containment barrier being installed along the eastern boundary of the Civic Amenity site.
27. The river wall works commenced in November 2008 and were completed in March 2009. Works on the containment barrier commenced in December 2008 and were completed in April 2009 and these works were carried out in such a way as to cause as little disturbance as possible to the existing trees and our neighbours in Anchor House.
28. Following the transfer of the Bulk Recycling operation to the adjacent Feathers Wharf site, the building contractor took over the area in front of the current transfer building and commenced construction of the main MRF building in January 2009. Construction of the building envelope is expected to be complete in September 2009 and the processing equipment should be installed and commissioned by the Autumn of 2010.
29. The MRF has a design capacity of 84,000 tonnes per annum and has been designed to process co-mingled materials, delivered loose or in plastic bags, consisting of a mix of one or more of the following dry recyclables: paper, cardboard, glass bottles and jars, clear and coloured PET plastic (e.g. drink bottles), clear and coloured HDPE plastic (e.g. milk and washing-up liquid bottles) steel and aluminium cans and polycoat material (e.g. tetrapak).
30. The new facility will mean that the Authority will be predominantly self-sufficient in relation to sorting of collected co-mingled recyclable materials, complying with the proximity principal and reducing vehicle movements associated with this activity. The facility will incorporate a Visitors Centre providing improved facilities for educational activities in relation to recycling which will be of particular benefit to students from schools and colleges in the four constituent boroughs.

Feathers Wharf and Cremorne Wharf

31. Cory has a contractual obligation to maintain the bulk bays necessary to receive source segregated recyclables at the Authority sites, but since the original facilities lay on the footprint of the new MRF it was agreed they would be relocated, during the construction period, to the Feathers Wharf and Cremorne Wharf Sites.
32. A new five-year lease on the Feather's Wharf site was therefore negotiated with Wandsworth Council and commenced in 2007, with the potential to extend for a further two years. The temporary bulking facility on Feathers Wharf was opened for operations on 10th January 2009. It was also planned that the land would be used as a

building lay down area during the MRF construction period and subsequently as a temporary Civic Amenity site when the existing site is redeveloped.

33. Currently around 50,000 tonnes per annum or 66% of the Authority's co-mingled recyclables are transferred through the Cremorne Wharf transfer station. The Authority has a lease on the transfer station from the Royal Borough of Kensington and Chelsea until September 2010 with an option for a further 6 month extension if necessary.

Civic Amenity Sites

34. Cory purchased a new replacement loader to operate at the Smugglers Way Civic Amenity (CA) Site and this is proving to operate much more effectively compared to the previous shovel/loader. The new JCB "wheeled excavator" is more versatile and efficient as it is able to increase the payloads of the CA waste and recycling bulk containers by compacting the waste more efficiently. This has resulted in less noise at the Civic Amenity site, especially at weekends, as it has reduced the number of times the containers need to be exchanged.
35. Cory and the Authority are also developing a planning application to upgrade the Smugglers Way CA Site that will include for it being partially enclosed within a building envelope so as to reduce any noise impact on the residents of Anchor House.
36. The proposed design is based on a split-level concept with the public being physically separated from the operational activities. This new layout will give greater flexibility to users in how they deposit material and will reduce waiting times. This, combined with a significant increase in the number of cars able to queue onsite will mean that traffic congestion on Smugglers Way itself ought to be reduced significantly. The design also allows for a wide range of best practice features including, amongst other things: bollard demarcation; an additional Automatic Number Plate Recognition (ANPR) camera and CCTV camera to enable real time queuing information to be displayed on the Authority's website; and the provision of some limited bulking facilities, to allow for increased storage of recyclables.
37. In March 2009, Cory presented the design plans at a public exhibition held in the Holiday Inn Express located in Smugglers Way. All residents from Riverside West and local businesses operating in Smugglers Way were invited to attend, as well as local Ward Councillors and Authority Members. The planning application is due to be submitted to the planning authority in April 2009.
38. Lambeth Council has decided to re-designate its Vale Street Civic Amenity Site as a Re-Use and Recycling Centre from 1st April 2009 and residual waste is no longer accepted at the site.

Waste Framework Directive

39. In October 2008 the European Council of Ministers adopted a revised Waste Framework Directive, following which the government had two years to transpose the directive into UK law. The Government is yet to consult on how this WFD will be

transposed into UK law but it is clear that this directive will shape UK waste policy in the short to medium term.

40. The Directive includes targets for re-use and recycling of waste to be attained by 2020 and requires Member States to draw up binding national programmes for waste prevention. Waste prevention targets will be considered by the Commission in the future and waste combustion that will be categorised as a recovery operation, rather than disposal, provided it meets a certain energy efficiency standard (which the Belvedere EfW Facility is designed to do).
41. This decision means that the UK will now be expected to reach a 50% household recycling rate by 2020. The Directive also lays down a five-step hierarchy of waste management options, with waste prevention as the preferred option, and then reuse, recycling, recovery (including energy recovery) and safe disposal, in descending order.
42. Elsewhere, the Directive deals with the issue of when waste ceases to be waste, clarifies the idea of recovery, disposal and by-product, defines the conditions for mixing hazardous waste, introduces an "environmental objective" and moves towards establishing technical minimum standards for certain waste management operations.
43. It also encourages prevention of waste. Member States must design and implement waste prevention programmes, and the Commission is set to report periodically on progress concerning waste prevention.
44. The Authority's current strategy accords well with the new Directive but the Authority will of course examine the new UK legislation that flows from the Directive in due course with a view to identifying any areas where the Authority's strategy and policies need to be amended.

Landfill Allowance Trading Scheme

45. To achieve the diversion of biodegradable waste from landfill set out in Waste Strategy 2000, the Government has, through the Waste and Emissions Trading Act 2003, introduced the Landfill Allowance Trading Scheme (LATS) to encourage waste disposal authorities to reduce the amount of biodegradable waste they send to landfill.
46. Waste disposal authorities are able to trade landfill allowances with other disposal authorities to find the most cost effective way of diverting waste from landfill. As well as trading allowances, authorities may also "bank" unused allowances for later use or "borrow" allowances by bringing forward part of their future allocation.
47. The Authority banked surpluses in the early years of the scheme and the Authority had a surplus in excess of around 100,000 LATS allowances in 2008/09 but, under the rules of the scheme, these are lost at the end of the scheme year. In fact the majority of Waste Disposal Authorities in England are now predicting that they will have a significant surplus of allowances in 2008/09 and as a consequence these allowances have little or no monetary value.

48. In 2009/10 it is forecast that the Authority will need to purchase around 35,000 LATS allowances (or divert a further 50,000 tonnes of municipal waste from landfill) but, as the trends are showing a decline in municipal waste tonnage generally combined with an increase in recycling tonnage, the forecast number of LATS allowances required to be purchased may be reduced. However, it is necessary to adopt a cautious approach to forecasting given the imperative of ensuring the Authority does not make itself liable to penalties under the system.
49. In contrast to the Authority's position, it is predicted that nationally there will be a surplus of allowances in 2009/10. The national figures for 2007/08 showed that England was already meeting the 2009/10 target levels and the recent economic downturn has led to lower waste arisings being reported generally. It is predicted that England ought to have a surplus of at least 700,000 LATS allowances for 2009/10 and this ought to result in the value of allowances continuing to remain low.
50. The national target for 2012/13 requires England to reduce the amount it landfills by some 4.4 million tonnes of municipal waste per annum. Whilst the economic downturn is reducing the amount of municipal waste being produced it is also delaying the construction of much needed infrastructure and, as a consequence, England may struggle to meet its 2012/13 target. By that time it is expected that the Authority's residual waste will be being processed at the Belvedere Energy from Waste Facility and the Authority should therefore have a surplus of allowances to trade with other waste disposal authorities at that time.

Recycle Western Riverside II

51. Recycle Western Riverside was initially a five year initiative within the constituent boroughs of Western Riverside Waste Authority encompassing a waste awareness, education and communication campaign delivered by Waste Watch and market development, green procurement and waste minimisation programme and recycling consultancy services delivered by London Remade Solutions. The five year initiative was funded by Cory Environmental through the Landfill Tax Credit Scheme and was scheduled to come to an end in July 2007. However, the results of the first initiative were impressive enough for the scheme to be extended for a further three years, allowing the Campaign to continue to identify new ways of improving recycling services and waste reduction.
52. The Recycle Western Riverside (RWR) work falls into two categories: the Core Work Programme which is funded through an annual fee on a contractual basis and the Additional Work Programme which, if above a de-minimus level, is tendered separately on a case by case basis.

Core Work Programme 2008/09

53. The 'Recycle at School' campaign team has visited numerous primary schools and classes throughout the year. These visits were a combination of introducing new schools to the campaign and revisiting schools that are already signed up to the campaign in order to maintain their interest. A secondary school RWR conference was held in December 2008. This was open to Key Stage 3 children across the four

constituent councils and was entitled “Ambassadors for Change”. The conference consisted of speakers, workshops and performances from a number of organisations from the sustainability sector. A secondary school “Sustainable Superstore” activity was also developed that aims to explore the issues of shopping habits and recycling encouraging key stage 3 children to make better choices when buying products.

54. The RWR campaign was awarded £148,868 from the Government’s Waste Recycling Action Programme (WRAP) to fund a regional “Love Food Hate Waste” (LFHW) campaign in the Authority’s area. These funds are managed by the Authority on behalf of constituent councils.
55. The new RWR website was re-launched in October 2008 and has since had new pages added promoting the “Love Food Hate Waste” campaign which is a national campaign ***“designed to encourage people to better plan their food purchases to reduce the amount of food that is binned as waste. The campaign appears to have struck a chord during the recession when people are highly motivated to make savings.”*** Other areas have been developed and improved during the course of the year. The website can be viewed at:

www.westernriverside.org.uk/

Additional Work Programme 2008/09

56. In November 2007 RWR submitted projects with budget costs that could be completed under the additional work programme in 2008/09. Five projects were chosen, as follows:

Addressing Common Queries

57. In consultation with the constituent councils’ recycling staff, a brief was prepared that aims to address the most frequently asked questions that the four boroughs are required to answer. The brief was finalised and distributed to the boroughs at the beginning of November 2008.

Raising Awareness of How Materials are Recycled

58. An illustrated worksheet outlining what happens to recycling collected in the Western Riverside region was produced that provides detailed information of what happens to recyclable materials in the constituent boroughs from collection, through transporting, sorting and reprocessing. The worksheet is designed as a reference tool providing information to Communications Departments.

No Junk Mail Campaign

59. In July 25,000 ‘No Junk Mail Stickers’ were produced and distributed to the four constituent boroughs and libraries through borough distribution networks.

Monitoring and Participation Survey

60. Enventure Consultancy Ltd, were awarded the contract to carry out a monitoring and participation survey across the Western Riverside Area. The monitoring and survey work commenced at the end of July 2008, and was completed by the middle of October 2008. The participation monitoring survey measured the percentage of households that placed out their orange recycling sack(s) at least once in a defined period. Although housing in two of the constituent boroughs was found to be not well suited to this type of survey, the results from the other two constituent councils showed that participation rates of around 80% were being achieved. These excellent results probably reflect the quality of the communication strategies being adopted by each of the constituent councils.
61. The objective of the residents' survey was to conduct 15 minute interviews with residents to establish what their awareness of and attitudes were to RWR and the recycling services. The survey results overall were positive and encouraging, with the majority of respondents indicating that they feel well informed about the recycling facilities available and the materials that can be recycled.

Doorstepping

62. London Remade Solutions were awarded the contract for a doorstepping campaign that ran from July to September 2008. A total of 48,096 visits to 38,615 households were made across the four constituent boroughs. The doorstepping teams spoke to 13,178 residents which made for an overall contact rate of 34.1%.

Methane Royalties

63. On its creation in 1986 the Authority inherited the Greater London Council (GLC) contract with Cory for the disposal of waste to the Mucking Landfill site. This contract included a clause enabling the GLC to share in the benefit of any future power generation from methane gas on the Mucking Landfill site.
64. When the Authority renegotiated the contract with Cory in 1990 – to enable the redevelopment of Cringle Dock into a waste compaction transfer station – clauses to secure the Authority methane royalties were retained. However, in contrast to the very detailed Payment Mechanism within the Authority's current Waste Management Services Agreement with Cory, the basis on which electricity royalties were to be determined proved to be open to interpretation depending on the accounting and tax treatment of the project.
65. Cory set up a separate operating company to run the methane project but the capital costs meant that, despite total electricity revenues of £7 million in the period 1992-2002, it was never a very profitable business. However, an agreement was finally reached under which the Authority will receive £125,000 as full and final settlement, payable as credits against waste invoices over the period January 2009 to May 2010.

General Manager and Deputy General Manager

66. Following the retirement of Colin James as General Manager in March 2008 and a full competitive recruitment process, Mark Broxup – the Authority’s former Deputy General Manager – was appointed to the post of General Manager. Mark was already well known to the Authority, having been first employed as Deputy General Manager in 1990. He has a wide range of experience relevant to the post of General Manager, including in the areas of waste management legislation, recycling and reuse in the modern context, contemporary civic amenity site management, contract negotiation and management, general resource management, the operation of the Landfill Allowance Trading Scheme and the interface with constituent councils.

67. This appointment, however, left the post of Deputy General Manager vacant and, following advertisement and several stages of selection and interview, Mrs. Sharon Ross was appointed to the Deputy General Manager position. Sharon was previously employed as a senior officer at the Royal Borough of Kensington and Chelsea, and has been involved in the area of waste management and recycling since 1986. She has a wide range of experience that is relevant to the post, including extensive practical experience in waste management and contract monitoring, together with a broad knowledge of applicable legislation.

PERFORMANCE INDICATORS

68. From April 2000 Western Riverside Waste Authority had a duty to obtain Best Value in the provision of the services it provides and the Authority was formally required to demonstrate Best Value by undertaking fundamental reviews of its services. The Authority embraced the Best Value approach enthusiastically, not least because many of its features already formed part of its practice and policy and its commitment to obtaining value for money.
69. In 2008 the Government produced a new set of 198 national indicators which would be the *only* measures on which central government will performance manage outcomes delivered by local government working alone or in partnerships. From 1st April 2008, 185 of these indicators came into force (although only three apply to the Authority – see below); all other sets of indicators, including Best Value Performance Indicators and Performance Assessment Framework indicators, have now been abolished. Therefore 2007/08 was the last year that the Authority was required to produce a formal Best Value Performance Plan.
70. The Authority is now required to report on only three of the new national waste and recycling indicators, as follows:-
- i) Residual Household Waste Per Household,
 - ii) Percentage of Household Waste sent for Reuse, Recycling and Composting and
 - iii) Percentage of Municipal Waste Landfilled
71. Subject to audit and review by WasteDataFlow the anticipated outturn performance for each constituent council in 2008/09 against the three national waste and recycling indicators are shown in the table below:

Authority	2008/09 Outturn (subject to audit)		
	National Indicator 191 (kg)	National Indicator 192 (%)	National Indicator 193 (%)
Hammersmith and Fulham	751	27.87	N/A
Kensington and Chelsea	676	30.16	N/A
Lambeth	579	24.2	N/A
Wandsworth	551	26.57	N/A
CA Sites	N/A	29.1	N/A
WRWA Overall	639	27.58	78.16

* Included for comparative purposes not reported separately under the formal scheme.

72. The Authority is fully committed to achieving or bettering the national standards associated with the above indicators. Continuous improvement is allowed for within the structure of the Authority's Waste Management Services Agreement with Cory and the contractor may be required to assist in the conducting of reviews. Also, the

contractor is required to examine jointly with the Authority the scope for using market testing of any part of the services as a means of securing best value for the Authority.

73. During the year under review, the Authority completed its wide ranging Corporate Governance Review. The final stage (Stage 3) was reported to the November 2008 meeting and dealt with, amongst other things, updating of the Authority's constitution and standing orders, proposals for competitive tendering of a substantial element of Legal services and the management and competitive tendering of IT services.
74. The Authority will continue to monitor what services or aspects of the Authority's business may require review in the future.

A SUMMARY OF THE AUTHORITY'S OBJECTIVES

WASTE MANAGEMENT STRATEGY

75. The Authority's strategic approach has been established within the framework of the Riverside Waste Partnership with its constituent councils. In 2006/07 the Authority and its constituent council partners, except Lambeth, formally approved a joint municipal waste management strategy for the Riverside Waste Partnership.

Partnership

76. Working in co-operation with each other and the private and not-for-profit sectors, the Partnership has focussed on the needs of its residents and local businesses with the aim of providing a sustainable waste management service that will be an example of best practice in the capital.
77. The Strategy provides a solid framework for real progress towards meeting and exceeding the recycling targets set by Government in the Waste Strategy, and by the Mayor of London in his Mayor's Municipal Waste Management Strategy.
78. At the heart of this Strategy is the approach of investing in people as well as the infrastructure. Ultimately, it is the people living and working in the constituent boroughs who are the key to delivering the aims and objectives described in this document.
79. The key features of the strategy are that the Riverside Waste Partnership will establish integrated waste management systems which ensure the Best Practicable Environmental Option is pursued for each particular waste stream and that these:
- embrace the concepts of waste prevention;
 - seek to achieve a sustained reduction in the amount of waste arising
 - minimise the use of landfill;
 - increase, as far as is practicably possible, the amount of waste that is re-used, recycled and composted;
 - recover energy from waste that cannot be recycled or composted;
 - maximise the use of sustainable river transport;
 - assist in achieving regional self-sufficiency for the London area;

- minimise disruption to others and involve a “good neighbour” approach to the management of waste facilities ; and
 - represent all round Best Value for the local community without excessive cost.
80. The Authority's strategy complies with the Government's waste hierarchy which is as follows (with the most environmentally-friendly options towards the top):-

The Government’s Waste Hierarchy

Reduction

Re-use

Recycling & Composting

Recovering Energy from Waste

Disposal

Flexibility and an Integrated Approach

81. In order to achieve its objectives, the Authority has entered into a waste management services contract which supports the principle of sustainability for the proposed contract period. The contract provides the most economically advantageous solution while at the same time allowing for a flexible mix of waste management elements which will include waste minimisation, materials recycling and composting, Energy from Waste, and the continued use of landfill where appropriate (including special treatment of hazardous wastes). These are being augmented by a vigorous programme of waste minimisation and recycling information initiatives, designed to get the public on side in achieving real reductions in the amount of waste requiring final disposal.

Current Contractual Commitments

82. There is now just one waste management contract awarded by the Authority, which is the waste management services contract with Cory Environmental Ltd. referred to in paragraph 5 above.
83. No contracts were let by the Authority in 2008/09 or are planned to be let by the Authority in 2009/10 which will have an impact on either the Authority’s workforce or that of its sub-contractors.

SUMMARY OF KEY OBJECTIVES

84. The Authority’s key strategic objectives are set out overleaf:-

- (i) *To contribute to the overall goal of sustainable development as set out in the Earth Summit of 1992 by choosing the Best Practical Environmental Option for the transport and post collection waste management of waste by the Authority. This will involve a solution which provides:-*
- (a) *an efficient and dependable disposal method giving value for money;*
 - (b) *acceptably low impact on the environment in terms of transport, processing and post collection waste management; and*
 - (c) *the maximum amount of recycling and re-use possible, subject to such activities being justifiable in terms of cost and benefit.*
- (ii) *To reduce the amount of waste going to landfill and thereby comply with the Government's implementation of the EU landfill directive.*
- (iii) *To encourage and facilitate increased recycling and re-use of waste products by members of the public, together with commercial and other concerns.*
- (iv) *To assist in educating and informing the public about waste management issues.*

Key objectives for 2009/10

85. The Authority's key objectives for 2009/10 are as follows:-

- (a) Co-operate with Cory in finalising all issues relating to the construction works on the Belvedere EfW facility.
- (b) Recycle Western Riverside II – Complete the following Additional Work Programme Projects: Review of planning procedures, Estates Recycling, Work with non-domestic users of household waste, Communicating with New Movers, Waste Audits and a Doorstepping campaign.
- (c) Co-operate with Cory in finalising all issues relating to the construction works on the MRF project.
- (d) Endeavour to achieve the top quartile in terms of performance against national standards for relevant waste management structure.
- (e) To co-operate with the London Waste and Recycling Board on the development of pan-London and area-based waste management initiatives.

Performance monitoring

86. The Authority uses the following means to monitor its performance:

- (a) Weighbridge data. This data, collated daily, weekly, monthly, quarterly and annually, is analysed to establish tonnage throughputs for each:

- user and/or category of user;
 - type of waste; and
 - waste destination
- (b) Statutory and Local Indicators. These indicators are monitored over varying periods but all are updated and assessed in line with Authority meetings.
- (c) Benchmarking performance against that of other statutory joint waste disposal authorities.
- (d) The Authority's consolidated budget monitoring report and the regular financial reports to Members three times per year.

A SUMMARY OF CURRENT PERFORMANCE

WASTE TRENDS

87. The tonnage handled by the Authority since 2001/02 is as detailed overleaf. The key feature has been a steady increase in the total amount of Municipal Waste being recycled by the Authority and its constituent councils whilst the overall tonnage level has shown evidence of decline.
88. The tonnage of dry recyclables has almost doubled from over 48,000 tonnes in 2001/02 to over 93,000 tonnes in 2008/09 primarily as a consequence of the constituent councils introducing kerbside collection schemes for co-mingled “orange” recyclables. This change in collection method means that the Authority now handles 99% of the recycled material collected by the constituent councils.
89. In common with statutory waste disposal authorities across London there was a marked reduction in total waste managed in the 2008/09 financial year. Therefore general waste tonnages in 2008/09 were lower than budgeted and no growth is projected for 2009/10 or 2010/11. This can be attributed mainly to the effects of the economic downturn.

COST APPORTIONMENT

90. The Authority’s costs/levy requirements are driven by the weight and composition of waste collected by constituent councils and, until the 2009/10 financial year, the split between household and commercial tonnages was established by the Authority’s waste survey and other assessments made between 1997/98 and 2004/05. However, in 2006 Defra introduced a revised default basis, principally linked to household tonnages, for levy apportionment by statutory Waste Disposal Authorities. The substantial link to tonnages benefits higher council tax, lower tonnage boroughs.
91. While apportionment of costs under the revised default basis better reflects the use of Authority services, it retains deficiencies in that no distinction is made between the costs of managing individual waste streams. Also there is a delay of up to two years between individual authorities effecting waste reductions and receiving any financial benefit. The Authority therefore consulted constituent councils on moving to direct apportionment of costs for separately identifiable waste streams individually with a residual levy apportioned on the basis of council tax Band D for non-tonnage related Authority overheads, including administration and civic amenity waste.
92. Following approval at the Authority meeting in November 2008, officers, in conjunction with constituent council technical, legal and finance officers secured an agreement to introduce a direct tonnage cost apportionment system from 2009/10. This is based on differential rates for individual waste streams, to replace the current default

levy element apportioned on historic household tonnages. All five parties agreed the change at the Authority's meeting in February 2009.

93. The new agreement does not distinguish between household and commercial waste. All waste delivered by constituent councils is subject to a rate per tonne to reflect the estimated cost to the Authority in the year of account. Civic amenity waste and Authority overheads is, as under the statutory default arrangements, apportioned among constituent councils on the basis of council tax-bases.

WASTE TONNAGES

Boroughs' Household Tonnages (Allowances)		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
		Outturn	Outturn	Outturn	Outturn	Outturn	Outturn	Outturn	Outturn
		Tonnes	Tonnes	Tonnes	Tonnes	Tonnes	Tonnes	Tonnes	Tonnes
General	Hammersmith and Fulham	66,993	66,954	67,302	71,164	76,356	77,318	78,744	78,744
	Kensington and Chelsea	67,000	67,103	67,514	72,615	78,931	79,927	80,887	80,887
	Lambeth	100,911	101,620	102,586	108,578	115,753	117,684	120,365	120,365
	Wandsworth	101,147	101,439	102,141	108,622	115,130	115,490	112,560	108,024
		<u>336,051</u>	<u>337,116</u>	<u>339,543</u>	<u>360,979</u>	<u>386,170</u>	<u>390,419</u>	<u>392,556</u>	<u>388,020</u>
Clinical	Hammersmith and Fulham	71	71	77	78	82	89	95	87
	Kensington and Chelsea	11	7	5	5	7	4	4	3
	Lambeth	50	50	50	50	50	70	71	71
	Wandsworth	61	49	49	47	50	49	48	47
		<u>193</u>	<u>177</u>	<u>181</u>	<u>180</u>	<u>189</u>	<u>212</u>	<u>218</u>	<u>208</u>
Boroughs' Chargeable Tonnage									
General	Hammersmith and Fulham	23,093	22,235	19,588	18,497	11,731	10,660	7,741	3,865
	Kensington and Chelsea	43,145	27,667	22,183	18,311	13,545	14,288	11,296	7,152
	Lambeth	34,627	47,355	38,490	39,934	32,198	29,005	23,301	11,778
	Wandsworth	32,614	33,687	30,623	17,442	2,804	1,642	1,863	1,864
		<u>133,479</u>	<u>130,944</u>	<u>110,884</u>	<u>94,184</u>	<u>60,278</u>	<u>55,595</u>	<u>44,201</u>	<u>24,659</u>
Clinical	Hammersmith and Fulham	0	0	0	0	0	0	0	0
	Kensington and Chelsea	0	0	0	0	0	0	0	0
	Lambeth	13	13	15	24	29	14	14	19
	Wandsworth	0	0	0	0	0	0	0	0
		<u>13</u>	<u>13</u>	<u>15</u>	<u>24</u>	<u>29</u>	<u>14</u>	<u>14</u>	<u>19</u>
Inert	Hammersmith and Fulham	6,644	7,112	3,382	64	5	13	1	0
	Kensington and Chelsea	18	44	0	0	2	3	0	6
	Lambeth	156	176	99	191	55	39	29	17
	Wandsworth	1,080	1,110	790	816	872	697	3	3
		<u>7,898</u>	<u>8,442</u>	<u>4,271</u>	<u>1,071</u>	<u>934</u>	<u>752</u>	<u>33</u>	<u>26</u>
Civic Amenity Waste	29,303	31,496	32,110	35,272	35,896	37,553	35,774	35,421	
Total Waste Managed	<u>506,937</u>	<u>508,188</u>	<u>487,004</u>	<u>491,710</u>	<u>483,496</u>	<u>484,545</u>	<u>472,796</u>	<u>448,353</u>	
Recycled Tonnages*									
Boroughs Direct	16,647	17,772	10,620	1,322	990	0	0	0	
Boroughs via WRWA	15,822	16,991	34,980	60,374	72,407	81,144	88,991	89,352	
WRWA CA Site	2,076	2,901	2,915	3,232	3,971	4,231	4,402	4,338	
Total Recycled	<u>34,545</u>	<u>37,664</u>	<u>48,515</u>	<u>64,928</u>	<u>77,368</u>	<u>85,375</u>	<u>93,393</u>	<u>93,690</u>	

*recycling is included in tonnages in the first section of this table and also shown for information as a memorandum item.

AUDITORS' RECOMMENDATIONS

94. The former external Auditors, KPMG LLP, reviewed the Best Value Performance Plan for 2007/2008 and concluded that it was prepared in accordance with statutory requirements and that adequate arrangements were in place for the production of performance information for publication in the Plan.
95. The Authority is required to reproduce the Auditor's recommendations following the audit for the most recent financial year (in this case 2007/2008).
96. The Auditors issued an unqualified audit opinion on the Authority's accounts for 2007/2008. They also confirmed they have concluded that the Authority has adequate arrangements in place in relation to the value for money requirements. They further issued an unqualified "value for money" conclusion finding that the Authority had adequate arrangements for all of the following:-
 - Monitoring and scrutiny of performance;
 - Maintaining a sound system of internal control;
 - Managing its significant business risks;
 - Managing and improving value for money;
 - Ensuring that its spending matches its available resources;
 - Managing performance against budgets; and
 - Promoting and ensuring probity and propriety in the conduct of its business.
97. The Auditors also gave an unqualified opinion on the Authority's Best Value Performance Plan, confirming that the Plan met the statutory requirements.

FREEDOM OF INFORMATION AND ENVIRONMENTAL INFORMATION

98. Under the Freedom of Information Act 2000, the Authority is required to produce a publication scheme of information which is available to the public. The Authority agreed its scheme in December 2002 (a set out in Paper No. WRWA 428, available on the Authority's website). The Authority is required to review the scheme and it is considered that the annual report provides a suitable medium for the review, which is essential to providing a modern information service to the public as part of the Authority's overall Best Value approach.
99. Environmental Information Regulations establish an access regime, which allows people to request environmental information from public authorities and those bodies carrying out a public function. The Environmental Information Regulations 2004 came into force on 1st January 2005 (the same date that the Freedom of Information Act 2000 came fully into force).
100. For the sake of a consistent approach the Authority decided at its September 2004 meeting, Paper No. WRWA 478 to adopt the same approach to dealing with requests under the Environmental Information Regulations 2004 as that adopted for dealing with requests under the Freedom of Information Act 2000 requests.
101. The scheme has been reviewed and is considered still to be fully relevant in all respects. It is not felt that any new categories of information have arisen which need to be included in the scheme.

COMPLAINTS

102. The Annual Report is used to provide statistical information on complaints received during the year under review. In 2008/2009 the Authority received 16 complaints, all of which were responded to and, if necessary, actioned. The vast majority of these complaints concerned operational activities on the Smugglers Way C.A. site. It should be said that the Authority does receive more positive comments about the service it provides than negative comments.

Comments about this Annual Report may be submitted to:-

*The Clerk,
Western Riverside Waste Authority,
Town Hall,
Wandsworth High Street,
LONDON SW18 2PU*

Tel. 020 8871 7032

Website address: www.wrwa.gov.uk

**Published by Western Riverside Waste Authority
June 2009**