

Notice of Meeting

EAST LONDON WASTE AUTHORITY

Monday, 6 April 2009 - Council Chamber, Civic Centre, Dagenham, 1:00 pm

Members: Councillor M E McKenzie (Chair); Councillor S Kelly (Deputy Chair); Councillor M Aaron, Councillor I Corbett, Councillor P Murphy, Councillor B Tebbutt, Councillor Mrs P A Twomey and Councillor A Weinberg

Declaration of Members' Interests: In accordance with the Constitution, Members are asked to declare any personal or prejudicial interest they may have in any matter which is to be considered at this meeting.

30 March 2009

R. A. Whiteman
Managing Director

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AGENDA

- 1. Apologies for Absence**
- 2. Minutes - To confirm as correct the minutes of the meeting held on 12 February 2009 (Pages 1 - 5)**
- 3. Budgetary Control to February 2009 (Pages 7 - 9)**
- 4. Contract Monitoring to February 2009 (Pages 11 - 18)**
- 5. Waste Management to February 09 (Pages 19 - 23)**
- 6. Service Delivery Plan 2010-11 to 2014-15 (Pages 25 - 32)**
- 7. London Waste and Recycling Board (Pages 33 - 38)**
- 8. Policies and Procedures - Code of Conduct (Pages 39 - 60)**
- 9. Any other public items which the Chair decides are urgent**
- 10. To consider whether it would be appropriate to pass a resolution pursuant to Section 100A(4) of the Local Government Act 1972**

Private Business

The public and press have a legal right to attend ELWA meetings except where business is confidential or certain other sensitive information is to be discussed. The items below relate to the business affairs of third parties and are therefore exempt under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended.

- 11. Any other confidential or exempt items which the Chair decides are urgent**

EAST LONDON WASTE AUTHORITY

Monday 12 February 2009

(1.10 - 2.58 pm)

Present: Councillor M E McKenzie; Councillor S Kelly, Councillor I. Corbett, Councillor Mrs P A Twomey and Councillor A Weinberg,

1629 Apologies

An apology for absence was received on behalf of Councillor M Aaron, Councillor P Murphy and Councillor B Tebbutt.

1630 Welcome and Introductions

Councillor McKenzie welcomed attendees to the meeting acknowledging the fact that Councillor Ian Corbett was the newly appointed Member for London Borough of Newham in place of Councillor Pat Sheekey.

1631 Minutes - To confirm as correct the minutes of the last meeting held on 24 November 2008

We have agreed the Minutes of our meeting held on 24 November 2008.

1632 Revenue and Capital Estimates and Levy 2009/10

The Finance Director set out the key issues of the report and it was important to take a 2/3 year view of strategies and service delivery. He highlighted the budget issues including use of reserves to bring down the levy increase to 6.5%, various risks, pressures on the Authority and the necessity to balance strategy and prudence

Issues of particular mention:-

- a general rise in the cost of waste disposal including higher taxation (eg £8 per tonne increase in landfill tax each of the next two years);
- the need to hold a reasonable level of reserves against foreseeable contract cost increases and against operational risks; and
- inflation increases.

The Finance Director also explained the position in respect of ELWA's lending.

We have considered the report concerning the estimates and the levy for 2009/10 and the underlying cost increases, legal background and levy apportionment, together with the particular issues that apply. We have also considered the issues relating to contingencies and reserves, including the risk analysis.

We have agreed:

- i) the revised estimates for 2008/09, totalling £43,979,000;
- ii) the revenue estimates for 2009/10 totalling £47,888,000 excluding contribution from reserves;

- iii) the adoption of new rates for commercial and industrial waste and disposal credits for abandoned vehicles for 2009/10 as follows:-

Commercial and Industrial Waste – recyclable	£70.00 per tonne
Commercial and Industrial Waste – other	£88.00 per tonne
- iv) the utilisation of the PFI Contract Reserve of £6,949,000 for 2009/10;
- v) a Contingency Reserve of £300,000 for 2009/10;
- vi) a contribution from Revenue Reserves of £2,279,000;
- vii) the levy basis for 2009/10 in the sum of £38,660,000;
- viii) the policy on Reserves and associated criteria for use in accordance with paragraphs 10 to 13 of the report; and
- ix) continuance of existing arrangements for the payment of the levy and funding of Constituent Councils in 2009/10.

The Finance Director thanked colleagues in the Constituent Councils for their co-operation in setting the Levy.

1633 Treasury Management Strategy 2008/09 and Prudential Code Indicators 2009/10 to 2010/12

We have received and noted the above report and the Finance Director's comments that the previous year had been exceptional for money and property markets. He added that procedures had been strictly adhered to and no major issues had arisen during the auditors review. A more short term strategy for lending had been adopted. We have agreed the Treasury Management Strategy and Policy Statement, the Prudential Indicators for Treasury Management, the Annual Investment Strategy and the Prudential Indicators for capital expenditure as set out in Appendices A to E of the report .

1634 Risk Strategy – Update for 2009/10

We have received the Executive Director's report and appendices, together with commentary on updating the strategic risks and operation risks registers. We have noted the Risk Strategy, approved the updated Strategic Risks and Operational Risks registers, noted the Net Risk Matrix and agreed to review the position annually. It was explained that the assessed operational risks associated with the closed landfill site had been increased as a result of a recent spate of break-ins and theft.

1635 Contract Monitoring to December 2008

We have received the Assistant Executive Director's report and appendices providing us with details on the monitoring, outcomes and actions taken with regards to the management of the IWMS contract for the period of December 2008.

We have received commentary on and noted the ongoing and additional onsite monitoring by ELWA officers as set out in the report, that there were reliability difficulties with the orange bag separation system, unfavourable market conditions impacted on materials being placed with re-processors and that financial penalties had been levied for operational non-conformances.

We have noted the recommendations.

1636 Waste Management to December 2008

We have received the Assistant Executive Director's report and Appendix together with commentary on the performance of Joint Waste Management Strategy and development of waste and recycling improvement initiatives and trials related to it for the period to December 2008. We have been advised that all boroughs are improving in relation to national performance indicators NI191 and NI192, waste arising fell well below projected figures and LATS allowances continued to be banked.

We have noted the overall reduction in waste arising and the positive impact on NI191 for the Boroughs, the general implications of the Climate Change Act and the Batteries Directive, noted the current situation regarding commodity markets.

We briefly discussed whether the Constituent Councils could consider a recycling scheme that actively involved children collecting small batteries and depositing them in collection boxes at their schools.

1637 IWMS Contract – Annual Budget & Service Delivery Plan (ABSDP) 2009/10*

Councillor Weinberg has declared an interest in this and the next item and we have agreed that the meeting can continue in his presence.

We have noted the main commentary on the ABSDP 2009/10, the revised Operational and Waste Flow summaries and the financial costs set out in the Appendices, together with the tabled confidential letter from Shanks, dated 27.01.08 (received 29.01.09). We have discussed at length the implications for and against approval of the revised ABSDP as well as the possibility of approval with a caveat. Concerns were raised about the Contractor's ability to reach recycling and composting targets, the continued difficulty related to the new orange bag Mrf at Jenkins Lane and in finding outlets for lower quality recyclates.

We have agreed to approve the revised ABSDP and asked for a report from Shanks in three months' time on recycling performances achieved in that period. We have asked the Board to take this matter forward. We have noted that other reports on the agenda deal with related issues including longer term service delivery plans and levy implications for 2009/10.

1638 IWMS Contract – Service Delivery Plan 2010/11 to 2014/15

We have received the Assistant Executive Director's report and Appendix together with commentary on strategic issues in respect of the medium term development of the IWMS Contract. He spoke of the obligation to agree the service delivery plan for the 5 year period commencing 1st April 2010 and the need to enhance the infrastructure for improved recycling and diversion from landfill in the future. He informed us of recommended policy changes, the joint waste planning process taking place between ELWA and the Constituent Councils that will be supported by London Remade at a cost of £34,000 and negotiations with the Contractor for the closure of the optibag systems. We considered whether the Constituent Councils should, separately from ELWA,

discuss their waste plans but agreed that London Remade work should continue in any event.

We have agreed the following recommendations:

- i) that a working group, under the Directors of Environment of the four Boroughs, consider the possible operational implications and timetabling of a strategic move to the separate collection of orange bags, and consequential closure of the optibag units at Frog Island and Jenkins Lane; and
- ii) subject to the outcome of (i) above, that the contractor's proposal to transfer optibag closure savings to the Authority is accepted in principle and that the transitional financial arrangements proposed in the report are agreed, in principle, in respect of the application of the optibag savings to support additional Borough costs.
- iii) that subject to an improvement in performance in the interim period, more negotiations take place with the Contractor during 2009 to inform the development of the 5 year Service Development Plan for consideration in the Autumn of 2009, subject to progress reports to each Authority Meeting; and
- iv) that expenditure of £34,000 is approved for the facilitation of a joint 5 year waste plan to build upon the conclusions of the Members Workshop in October 2008 facilitated by London Remade.

1639 Declaration of Interest*

In the light of his appointment by the Authority as a Director of ELWA Limited, Councillor Weinberg declared a non-pecuniary interest in the next item and was excused from the remainder of the meeting.

1640 ELWA Limited Board

We have received the Executive Director's report and Appendices, together with commentary, on ELWA Limited's Board meeting of 10 December 2008 and the requirements of Sections 175 to 177 of the Companies Act from 1st October 2008 in respect of conflict of interests. The legislation allows a director to continue to act provided the relevant Board has been notified of the conflicts that might arise and provided the relevant Board has the power to approve the conflicts.

We have noted the Minutes of the meeting dated 15 October, and the main points of discussion at the 10 December 2008 meeting of the ELWA Ltd Board and we have authorised the Clerk of the Authority to sign the Resolution as circulated. The Authority's approval was required because ELWA is one of the two shareholders in ELWA Ltd and it is the shareholders of a company that must enable the Board of the Company to approve potentially conflicting interests.

1641 Closed Landfill Sites – Aveley Methane Ltd (AML)

We have received the Assistant Executive Director's report on the current financial and operational position of the joint venture company for the extraction of landfill gas and conversion to energy at ELWA's Aveley 1 site. He reported that gas production had

fallen producing 16% less electricity over the year. He also reported that vandalism and plant failure had resulted in a projected £22,000 loss rather than a £4,000 operating profit. We have considered security and trespasser accident liability, long term gas management, the possibility of winding up the company and removal of the electricity generation equipment and possible disposal of the site. We have asked officers to look into the possibility of selling the land.

We have noted the uncertainties concerning the future of AML and the management of the Aveley 1 site and agreed to receive further reports during 2010.

1642 Governance Arrangements – Review

We have received and noted the Executive Director's report and Outline Specification relating to the arrangements for the governance review and seeking approval to consultants' fees as reported. We have approved the arrangements for conducting the review by specialist consultants, agreed to make arrangements, via the ELWA office, for interviews with the consultants and to receive a further report at our next meeting.

1643 Public and Press

We have resolved to exclude the public and press from the remainder of the meeting by reason of the nature of the business transacted included the detailed business affairs of third parties which are exempt from publication by virtue of paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 as amended.)

1644 Closed Landfill Strategy – Option Agreement with Thurrock TGDC

We have considered the Executive Director's report and Appendices and approved the recommendations as set out in that report.

*(*Part of this item was considered after a resolution had been passed to exclude the public and press from the remainder of the meeting as the information included in the detailed financial proposals of Shanks.east London in respect of the IWMS Contract which is exempt from publication by virtue of paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 as amended.)*

Chair:

Dated:

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(Contact Officers: Suzana Coco-Bassey: 020 8708 3735)

EAST LONDON WASTE AUTHORITY

06 APRIL 2009

FINANCE DIRECTOR'S REPORT

BUDGETARY CONTROL REPORT TO 28th FEBRUARY 2009	FOR INFORMATION
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1 Introduction

- 1.1 This budgetary control report compares ELWA's actual expenditure to the revised revenue estimates approved in February 2009 for the period April 2008 to February 2009. It is based on information supplied by Shanks East London and the four Constituent Councils.
- 1.2 Budgetary control reports are presented for monitoring and control purposes.

2 Revenue Estimates

- 2.1 After eleven months of the financial year, there is an under-spend against the revised projection amounting to £275,000 with material variances explained below.
- 2.2 The payment to Shanks East London has fallen further than projected in the revised budget because tonnage levels in recent months have been even lower than anticipated. This has generated a further saving of £336,000. Similar trends as a result of reduced tonnage have also been noted with Tonnage mileage charges being lower than anticipated reflecting a further saving of £22,000.
- 2.3 As a consequence of further low interest rate cuts and the cautious approach currently adopted when lending, there is an adverse variance of £166,000 on interest receivable.
- 2.4 ELWA's original contingency sum for 2008/09 was £550,000. This comprised £200,000 for IWMS Contract negotiations, including insurance benchmarking or other unforeseen circumstances, £100,000 for Waste Regulation including Hazardous Waste, definitions of Household Waste and Disposal Credits to third parties, and £250,000 for an increased Communications Campaign. The contingency sum was revised down to £350,000 in the revised budget.

Actual drawings on the contingency are now projected to be to £340,000, being £150,000 for Communications, £55,000 for Waste Regulation, £35,000 for External Contract Monitoring and £100,000 for all other items including legal costs relating to contract negotiations.

- 2.5 Due to market conditions there have been no sales of surplus Landfill Allowance Trading Scheme (LATS) allowances although Officers keep this situation under review.
- 2.6 Any final revenue under-spend and unutilised contingency for the year will be carried forward. An under-spend was anticipated when setting the budget for 2009/10 and this has allowed the Authority to set a lower than anticipated levy in 2009/10.

3 Prudential Indicators and Treasury Management

- 3.1 The Authority sets Prudential Indicators covering borrowing, lending and capital expenditure limits. These are monitored by the Finance Director on a monthly basis and the Authority remains within the limits set by the Prudential Indicators.
- 3.2 The Treasury Management Strategy, including borrowing and investment strategies, is approved by Members on an annual basis. The current Treasury Management Strategy was agreed by Members at your meeting in February 2009. Within this, the investment strategy defines a comprehensive and rigorous range of credit rating criteria. These criteria have been fully observed. Given the current uncertainty in the financial markets, a cautious lending policy continues to be operated on a day-to-day basis.

4 Recommendation

- 4.1 Members are asked to note this report.

Geoff Pearce
FINANCE DIRECTOR

Appendix	
A	Budget Monitoring Statement to 28 th February 2009
Background papers	
None	

EAST LONDON WASTE AUTHORITY

BUDGET MONITORING STATEMENT TO 28th FEBRUARY 2009

	Original Budget 2008/09 £'000	Revised Budget 2008/09 £'000	Profiled Budget (Revised) to 28.02.09 £'000	Expenditure to 28.02.09 £'000	Variance to 28.02.09 £'000
<u>EXPENDITURE</u>					
<u>Employee and Support Services</u>	461	461	423	430	7
<u>Premises Related Expenditure</u>	151	130	119	106	(13)
<u>Transport Related Expenditure</u>	14	7	6	2	(4)
<u>Supplies and Services</u>					
Payments to Shanks.East London	47,701	46,660	42,772	42,436	(336)
Other (inc cost of Support Costs)	583	531	487	529	42
<u>Third Party Payments</u>					
Disposal Credits	100	113	104	104	0
Recycling Initiatives	205	205	188	188	0
Tonne Mileage	600	525	481	459	(22)
Rent payable - property leases	267	267	245	217	(28)
<u>Capital Financing Costs</u>	256	256	235	245	10
TOTAL GROSS EXPENDITURE	50,338	49,155	45,060	44,716	(344)
<u>Income</u>					
Commercial Waste Charges	(3,988)	(3,988)	(3,656)	(3,747)	(91)
Bank Interest Receivable	(1,430)	(1,518)	(1,392)	(1,226)	166
Other Income	(20)	(20)	(18)	(43)	(25)
TOTAL INCOME	(5,438)	(5,526)	(5,066)	(5,016)	50
Contingency Allocated	550	350	321	340	19
NET EXPENDITURE ON SERVICES	45,450	43,979	40,315	40,040	(275)
PFI Grant Receivable	(4,355)	(4,355)	(3,992)	(3,992)	0
Transfer to PFI Contract Reserve	4,355	4,355	3,992	3,992	0
Levy Receivable	(36,300)	(36,300)	(33,275)	(33,275)	0
Transfer from PFI Contract Reserve	(7,400)	(7,400)	(6,783)	(6,783)	0
Contribution from Reserves	(1,750)	(1,750)	(1,604)	(1,604)	0
REVENUE SURPLUS FOR PERIOD	0	(1,471)	(1,347)	(1,622)	(275)

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*(Contact Officer: Mark Ash - Tel. 020 8270 4997)***EAST LONDON WASTE AUTHORITY****06 APRIL 2009****ASSISTANT EXECUTIVE DIRECTOR'S REPORT**

CONTRACT MONITORING – FEBRUARY 2009	FOR INFORMATION
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1 Purpose

- 1.1. To provide an update on the monitoring, outcomes and actions taken with regards to the management of the IWMS contract for the period of February 2009.

2 Monitoring by ELWA and Borough staff

- 2.1 Appendix A shows that for February all Bring site audits were carried out as planned by ELWA officers. However ELWA officers missed one inspection of Jenkins Lane which affected the inspection rate against indicators 5 and 9.
- 2.2 Indicator 3 on Appendix A shows that there were sixteen non conformances raised against the contractor in relation to non service of bring sites. This is unusually high for a February but was caused by the inability to service the Bring Sites due to inclement weather. However in the majority of cases the contractor responded to these non conformances and rectified the issues within the timeframe allowed under the contract specification and only 6 penalties in respect of Bring Sites was levied.
- 2.3 All RRC sites were fully available during February despite the long period of bad weather at the start of the month.
- 2.4 The revised collection arrangements due to the snow and ice meant that Shanks had to adapt to the Boroughs differing collection arrangements and work a series of pull ups. Some Boroughs did not operate a pull up system and collected higher volumes on a normal collection day. This put the BioMRFs under considerable pressure as in some cases there were 900 tonnes delivered to a single plant in one day which equates to 150% of the design capacity. As a result the optibag processes were overwhelmed and some recycle material was lost.
- 2.5 Despite these irregular delivery patterns there were relatively few delays to Borough vehicles at the sites.

3 Notifications received by Shanks

- 3.1 There were two significant notifications received by the contractor regarding occurrences that would have an adverse impact on operational delivery.
- 3.2 An electrical problem caused a breakdown of the optical separation process on one line at Jenkins Lane for 2 days. Attempts were made to maximise the use of the remaining line but inevitably this had a negative impact on the ability to recover orange bags from commingled waste.
- 3.3 The second notification was regarding a fire in the orange bag MRF at Jenkins Lane. The fire began as a result of a design fault in the bag splitter at the front of

the process which allowed a build up of material to become heated and begin to smoulder. Some of this smouldering material was then transferred via conveyor to the trommel whereby this material became mixed with other material and ignited causing a fire.

- 3.4 An investigation was carried out resulting in the equipment supplier carrying out modifications to the machinery and additional low level sprinklers were installed.
- 3.5 The fire resulted in the orange bag MRF being closed for one week and contingency plans put in place to process the orange bags via a third party. As a result of these contingency plans there was no loss of recycling.

4 Issues arising out of monitoring

4.1 Positive outcomes

- a) All the RRC sites and key facilities were open and operational during the period of inclement weather.
- b) The contractor responded well to the Boroughs revised collection arrangements and penalties were relatively low.

4.2 Other Monitoring Outcomes

- 4.2.1 The recycling performance for February was 19.7%. This is the highest monthly recycling performance achieved in 2008/9 since June. The reasons for the improved performance can be attributed to:
 - a) Bring sites performing broadly in line with projections;
 - b) movement of stock from orange bag MRF at Jenkins Lane particularly with the development of a new market for low grade mixed paper;
 - c) re establishment of market for BioMRF metals (575 tonnes despatched);
 - d) Fines material from the BioMRF continuing to go for composting;

4.4 Remedial actions following Monitoring.

- 4.3.1 Increased monitoring of maintenance – In addition to contractual self monitoring information ELWA officers now receive details of maintenance activities relating to the optical separation processes.
- 4.3.2 Financial penalties for poor operational performance - Appendix D shows the penalties levied on the contractor as per the payment mechanism for contractual non conformances. The level of penalties levied this month has decreased from January and reflects the improved performance of the contractor.

5 Conclusion

- 5.1 February was a particularly difficult month for the contractor due to inclement weather, a fire at Jenkins Lane and further breakdowns of the optibag units.

- 5.2 Some improvement in the markets and ongoing efforts by the contractor has enabled low grade mixed paper and metal from the BioMRFs to be placed to markets.
- 5.3 Detailed analysis of the orange bags separation process is ongoing resulting in close monitoring by officers.
- 5.4 Financial performance deductions are still applied where operational performance falls short of contractual expectations.

6 Recommendations

6.1 Members are recommended to:-

- i) note this report.

MARK ASH
ASSISTANT EXECUTIVE DIRECTOR

Appendices	
A	Facility Monitoring Indicators
B	Recycling, Composting and Diversion Indicators
C	Contract Monitoring Indicators
D	Performance Deduction Indicators
Background Papers	
None	

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Indicator Number	IWMS - Facility Monitoring Indicators <small>(arising from Borough and ELWA monitoring)</small>	Performance acceptable												Month on Month		
		Improvement Required														
		Quarter 2			Quarter 3			Quarter 4			KEY	✓				
Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	✓	✗						
	Bring Sites															
1	% of completed audits against planned audits (ELWA)	170%	225%	130%	200%	140%	130%					240%	260%			✓
2	% of completed audits against planned audits (constituent councils)	100%	100%	50%	99%	100%	97%					75%	100%			✓
3	Number of non conformances raised against contractor	5	13	6	6	4	6					20	16			✗
4	Number of non conformances raised against constituent councils	1	3	1	0	1	0					0	1			✓
	RRC Sites															
5	% of completed audits against planned audits (ELWA)	125%	100%	125%	100%	100%	125%					100%	75%			✗
6	% of completed audits against planned audits (constituent councils)	90%	100%	100%	125%	112%	87%					70%	See Below			
7	Number of incidences of weighbridge unavailable	0	0	0	0	0	0					0	0			✓
8	Number of other non conformances recorded on audits.	0	0	0	0	0	0					0	0			✓
	Key Facilities															
9	% of completed audits against planned audits (ELWA)	150%	133%	200%	100%	100%	133%					100%	67%			✗
10	Number of incidences of weighbridge unavailable	0	0	0	0	0	0					0	0			✓
11	Number of other non conformances recorded on audits.	0	0	0	0	0	0					0	0			✓

Information for indicator 6 was not available at time of report

Indicator Number	Indicator	July		August		September		October		November		December		January		February		YTD		Performance
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
		Target achieved or bettered Less than target but within 10% More than 10% below target																		
KEY																				
Quarter 2- 2008/09																				
Quarter 3 2008/09																				
Quarter 4 2008/09																				
1	Contract waste tonnage (tonnes)	45,322	44,549	46,124	40,781	43,822	41,423	42,192	41,382	41,805	35,700	37,040	36,231	41,886	37,722	36,286	32,668	466,594	441,487	✓
2	% Shanks primary recycling and primary composting	23%	18.7%	23%	18.0%	23%	19.4%	23%	17.9%	22%	18.1%	21%	17.3%	22%	18.8%	22%	19.7%	2.2%	18.7%	✓
3	% Shanks Contract waste Diversion from landfill	40%	57%	40%	58%	40%	56%	40%	60%	40%	65%	40%	57%	40%	47%	40%	55%	40%	57%	✓
4	LATS performance (tonnes BMW/landfills)	20,075	14,288	20,075	12,094	20,075	13,418	20,075	12,139	20,075	9,319	20,075	11,478	20,075	14,707	20,075	10,832	220,825	137,853	✓
5	Bring Site Recyclates (tonnes)	792	745	806	663	763	643	734	614	727	448	640	488	728	630	626	610	8,122	7,002	✓
6	Orange Bag Recyclates (tonnes)	1,338	915	1,338	952	1,338	919	1,338	20	1,338	836	1,338	700	1,338	1,200	1,338	1,168	15,594	9,461	✓
7	Ilford Recyclates (tonnes)	920	857	937	824	886	860	852	911	844	743	840	743	846	850	727	670	9,431	9,293	✓
8	Borough Recycling (Green, Fridges etc) (tonnes)	399	829	405	850	387	1,110	375	850	373	585	338	390	373	300	332	145	4,151	7,280	✓
9	CA Waste Recyclates Processed (tonnes)	3,545	2,424	3,449	2,228	3,040	2,760	2,530	2,850	2,304	2,156	1,583	1,587	1,959	1,630	1,633	1,675	28,767	26,835	✓
10	RRC Mf Recycling Tonnage (tonnes)	736	808	749	400	709	394	785	430	788	500	684	500	789	575	679	443	7,723	5,872	✓
11	Jenkins Lane Bulky Recycled (tonnes)					280	0	250	246	246	0	218	0	248	10	214	0	1,439	10	✓
12	BioMf - Metals (tonnes)	842	670	857	579	812	617	780	652	773	82	660	300	774	100	666	575	8,634	5,660	✓
13	BioMf Glass & Stone (tonnes)	1,038	580	1,057	610	1,001	598	962	736	953	538	859	420	955	550	821	420	10,949	6,291	✓
14	Bio Mf Composting (tonnes)	884	515	900	250	974	149	936	327	927	590	816	1,050	1,045	1,150	899	722	7,381	4,753	✓
15	Total (tonnes)	10,482	8,343	10,488	7,354	10,171	8,050	9,552	7,380	9,272	6,478	7,889	6,285	9,055	7,085	7,393	6,428	101,891	82,357	✓

Indicator Number	IWMS - Contract Monitoring Indicators <small>(arising from self monitoring information from shanks and ELWA targeted monitoring)</small>	Quarter 2			Quarter 3			Quarter 4			Comments
		Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	
	Self monitoring information from Shanks										
1	Number of occurrences of non contract waste being prioritised over contract waste.	0	0	0	0	0	0	0	0	0	
2	Number of Environmental non conformances	0	0	0	0	0	0	0	0	0	
3	Number of Accidents involving Members of Public	2	5	1	0	0	0	0	0	0	
4	Number of Public complaints received	1	4	0	0	0	2	0	0	0	
5	Number of occurrences of unavailability of sites.	0	0	0	0	0	0	0	0	0	
6	Number of ad hoc / immediate notifications received from contractor.	0	1	0	0	1	2	1	5		
	ELWA contract monitoring information										
7	Number of incidences of procedures not being followed during outages as per ABSDP.	Not Monitored	2	0	0	0	1	0	0	0	
8	Number of improvement issues raised	Not Monitored	3	2	0	0	0	0	0	0	
9	Number of improvement issues closed	Not Monitored	1	0	0	0	0	5	0	0	
10	Number of non conformances escalated	Not Monitored	2	2	0	0	0	0	0	0	
11	Number of complaints received from WCA.	1	0	0	0	0	0	0	0	0	
	Special contract performance targeted monitoring (2008/09)										
		Acceptable Y / N									
12	BioMRF composting output	N	N	N	N	N	Y	Y	Y	Y	
13	BioMRF glass output	N	N	Y	Y	N	N	Y	N	N	Output levels poor from Frog Island
14	Optibag performance	N	N	Y	Y	N	N	Y	N	N	Output levels affected by breakdowns and poor weather
15	BioMRF metals output	N	N	Y	Y	N	N	N	Y	Y	Improved market for this material for February

Indicator Number	Performance Deduction Indicators (arising from payment mechanism in contract)	Rectification period	Quarter 2			Quarter 3			Quarter 4			(YTD) 2008/09	Comment Number
			Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09		
A1	Failure to accept contract waste delivered by WCA	None	0	0	0	0	0	0	0	0	0	0	
A2	Failure to accept contract waste delivered by the public.	None	0	0	0	0	0	0	0	0	0	0	
A3	Failure to accurately distinguish, weigh and record waste.	None	0	0	0	0	0	0	0	0	0	0	
A4	Failure to achieve turnaround times for WCA vehicles.	None	23	43	39	39	51	141	90	54	616		
A6	Failure to weigh an authorised vehicle within 10 minutes of arrival.	None	0	0	0	0	0	0	0	1	0	0	
A7	Failure to achieve turnaround times for public vehicles at RRCs.	None	0	0	0	0	0	0	0	0	0	0	
A8	Failure to prevent a queue at entrance to RRC sites.	None	5	6	1	0	0	0	0	1	84		
A9	Failure to prevent tipping of commercial / industrial waste at RRCs.	None	0	0	0	0	0	0	0	0	0	0	
A10	Failure to prevent unauthorised tipping of waste at RRC sites.	None	0	0	0	0	0	0	0	0	0	0	
A11	Minor infringement of H&S procedures.	30 Mins	0	0	0	0	0	0	0	0	0	0	
A12	Material breach of H&S procedures.	None	0	0	0	0	0	0	0	0	0	0	
A15	Failure to empty or service a bring site in accordance with spec.	1 Day	5	6	0	1	6	0	2	6	35		
A16	Non provision of CELO (rectification period applies)	2-3 Months	0	0	0	0	0	0	0	0	0	0	
A18	Failure to provide a contractor representative.	None	0	0	0	0	0	0	0	0	0	0	
A19	Failure to deliver orange bags in accordance with the ABSDP.	2 Weeks	0	0	0	0	0	0	0	0	0	0	
A20	Failure to deliver orange bags to a household.	1 Week	0	0	0	0	0	0	0	0	0	0	
B1	Failure to transport contract waste in enclosed containers.	None	0	0	0	0	0	0	0	0	0	0	
B4	Failure to observe any H&S related procedures relating to transportation of waste.	5 Days	0	0	0	0	0	0	0	0	0	0	
C1	Failure to rectify breaches of planning or licencing conditions.	2 Weeks	0	0	0	0	0	0	0	0	0	0	
C3	Failure to take reasonable efforts to limit fugitive emissions.	None	0	0	0	0	0	0	0	0	0	0	
D	Failure to comply with any administrative requirement (D1-D9).	Various	0	1	0	0	0	0	1	0	2		

*(Contact Officer: Mark Ash - Tel. 020 8270 4997)***EAST LONDON WASTE AUTHORITY****06 APRIL 2009****ASSISTANT EXECUTIVE DIRECTOR'S REPORT**

WASTE MANAGEMENT – FEBRUARY 2009	FOR INFORMATION
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1 Purpose

- 1.1. To report on the performance of the Joint Waste Management Strategy (JWMS) contract for the period to February.
- 1.2. To report on the development of waste and recycling improvement initiatives and trials related to the JWMS.

2 Performance against New National Performance Framework

- 2.1 Appendix A shows the four Boroughs' individual performance against NI 191 Residual Household waste per household, NI 192 Household waste composted and recycled and NI 193 Municipal waste landfilled up to January 2009.
- 2.2 Points to note are :
 - a) The continuation of a significant downturn in waste volumes since the third quarter of 2008/09 has contributed to both Havering and Newham bettering their performance with regards to NI 191.
 - b) Although the calculation for February has not yet been completed the lower than anticipated wasted volumes in February (as detailed in 3.1 below) should ensure that this trend continues.
 - c) Barking and Dagenham and Redbridge achieved a recycling and composting rate above the targets they set with GOL for NI192. Havering were slightly short of their target by 0.8% whilst Newham continue to be under their targets by approximately 5%.
 - d) Despite a poor diversion performance in January primarily caused by the planned maintenance works on the cements kilns ELWA is continuing to perform well against indicator NI 193 (Municipal waste landfilled).

3 Background information

- 3.1 Waste arisings in January and February were 37,722 and 32,668 tonnes respectively. Both of these tonnage figures represent a 10% lower waste arising than anticipated in each month in the Annual Budget and Service and Delivery Plan (ABSDP). This continues the downward trend as reported to Members in the December report where the tonnages for the whole third quarter 2008/09 were 7% lower than anticipated.

4 Service Impacts

4.1 New consultation on Definition of Municipal Waste

- 4.1.1 In 2007 DEFRA consulted on changing the definition of Municipal waste to clarify uncertainties. DEFRA's preference was to amend the definition used in the Waste Emissions Trading Act (WET Act 2003). Most consultees agreed with this approach.
- 4.1.2 Since the original consultation DEFRA have been considering the precise wording to be used in the definition to ensure that it does deliver the desired outcome. DEFRA has stated that as the wording has 'moved on' from the original consultation DEFRA feels the need for a second consultation. In addition DEFRA intends to use the second consultation to address additional related issues.
- 4.1.3 The consultation will have a 12 week duration and will commence in the spring of 2009. Depending on the outcome it is anticipated that the regulations will be laid later in 2009. As this change in definition will be made part way through a LATS scheme year the change will not apply until the 2010/11 scheme year.
- 4.1.4 A further report will be submitted to the Authority when full details of the consultation are known and any implications for the Authority will be reported.

4.2 Markets for SRF

- 4.2.1 DEFRA has started to investigate the markets for SRF. It has published a document entitled 'PFI FAQ' where DEFRA explains that it is developing both producer and end markets for SRF.
- 4.2.2 The driver for this initiative is that DEFRA wants to make intermediate technologies such as MBT, Autoclave, and Anaerobic Digestion a genuine waste management option for Authorities. The three technologies mentioned all have SRF as an output and PFI credit allocation criteria states that projects using intermediate technologies must demonstrate clear, realistic disposal solutions for output residues.
- 4.2.3 The DEFRA study comes in the wake of
- a) the delay of Wiltshire County Council plans to build an MBT facility, as Lafarge Aggregates (the main cement kiln for the SRF outputs of the planned MBT plant), slowed production due to a downturn in the construction industry;
 - b) Norfolk changed it's technology choice from MBT to energy from waste due to fears over securing markets for the outputs.
- 4.2.4 In addition to this the Novera gasification plant, which signed supply contracts for SRF with Shanks, is looking increasingly unlikely to go ahead. Discussions are already underway between ELWA officers and Shanks to ensure that long term outlets for SRF from the ELWA facilities are secured.

4.3 Markets for recycle materials

- 4.3.1 Demand for high grade mixed paper remains stable and there is some upward movement on the price for Newsprint. Shanks have successfully developed an outlet for the low grade mixed paper from the orange bags. There are reports that elsewhere in the country post MRF materials such as this are still not going to a recycling destination.
- 4.3.2 The market for cardboard showed some signs of recovery in recent months however the market may be affected by the announcement that DS Smith has proposed to close a paper machine (which is primarily fed with cardboard) at Kemsley in Kent.
- 4.3.3 In February Shanks re established a market for the low grade mixed metals from the BioMRFs. February is the first month since October that any significant quantities of this material have been despatched.
- 4.3.4 Markets for glass, dirty wood and fines material from the BioMRF remain stable.

5 LATS performance

- 5.1 ELWA continues to bank LATS credits and remains significantly under the allocation given to them for 2008/09 and will therefore, at the end of the scheme year, have surplus LATS credits.
- 5.2 There is unlikely to be an opportunity to trade these credits as the majority of the WDA's have sufficient allowances to meet their 2008/09 targets. Therefore although the banked credits have a potential value without a buyer this cannot be realised. Any surplus LATS banked at the end of the 2008/09 year will be removed and the account set back to zero because the Government have specified that 2009/10 is a target year.
- 5.3 ELWA's target for 2009/10 is to landfill less than 211,793 tonnes of Biodegradable Municipal Waste. The forecast model shows that if the diversion rate in the 2009/10 ABSDP is achieved then ELWA will have a surplus LATS benefit in 2009/10 of 63,741 tonnes which it could sell if there was a stronger market for them in 2009/10.
- 5.4 The targets for all WDA's reduces year on year which should see a market developing. The strength of the market depends on the timing of new infrastructure projects coming on line. ELWA officers will continue to explore the market for trading opportunities.

6 Trials and Initiatives

- 6.1 Havering are now past the mid point of their trials for separately collected orange bags. Before the trial commenced a composition study was undertaken to establish a baseline for materials contained within the orange bags. It was agreed to re run these studies at the mid point of the trial and six months after to measure behaviour change and the effect of the trials.
- 6.2 The repeat studies are to be completed during April 2009 and the data will be used as the basis to establish the recycling and contamination content and will update the formulae for apportionment of recycling to the Boroughs from the orange bags.

7 Conclusion

- 7.1 With the exception of Newham all Boroughs are performing broadly in line with their targets agreed with GOL, ELWA continue to perform well in relation to NI193.
- 7.2 Waste arisings in January and February are lower than ABSDP projections by a greater margin than the last quarter of 2008/9.
- 7.3 Whilst LATS allowances continue to be banked and there remains no market for trading for 2008/09 there may be an opportunity for future years. The new definition of Municipal Waste may have an impact on the calculation of LATS credits.
- 7.4 Markets for recycle materials appears to be recovering however the continuing economic downturn still creates some volatility and fluctuations.

8 Recommendations

- 8.1 It is recommended that Members:
- i) Note this report;
 - ii) note that future reports will detail the new definitions relating to household and municipal waste and outline any implications for the Authority;

Mark Ash
ASSISTANT EXECUTIVE DIRECTOR

Appendix	
A	National Indicator table
Background Papers	
	None

National Indicator Performance		KEY												YTD Performance								
		Quarter 1- 2008/09				Quarter 2- 2008/09				Quarter 3- 2008/09						QTR 4						
Indicator Number	Indicator	April	May	June	July	August	September	October	November	December	January	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Cumulative YTD		
1	NI 191 Residual Household waste per household (LBBB)	77	90	79	78	75	71	75	61	65	66	23.5%	26.2%	23.5%	24.7%	23.5%	26.0%	23.5%	24.2%	671	--	
2	NI 191 Residual Household waste per household (LBH)	77	81	70	74	68	67	71	58	61	62	27%	26.5%	27%	22.9%	24.5%	27%	26.5%	27%	689	✓	
3	NI 191 Residual Household waste per household (LBN) (See Note 1 below)	82	100	89	95	84	89	84	83	80	84	20%	15.2%	20%	15.8%	14.0%	20%	13.6%	20%	854	✓	
4	NI 191 Residual Household waste per household (LBR)	62	71	63	70	64	64	63	55	61	61	23.5%	26.2%	23.5%	24.7%	23.5%	26.0%	23.5%	24.2%	634	--	
5	NI 192 Household waste recycled and composted (LBBB)	21.0%	23.5%	26.1%	25.3%	23.6%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	26.2%	23.5%	23.5%	23.5%	24.7%	23.5%	23.5%	24.2%	24.2%	✓
6	NI 192 Household waste recycled and composted (LBH)	23.1%	27.6%	30.7%	26.5%	27%	27%	27%	27%	27%	27%	27%	26.5%	27%	22.9%	24.5%	27%	26.5%	27%	26.2%	26.2%	✓
7	NI 192 Household waste recycled and composted (LBN)	17.7%	11.8%	13.1%	14.3%	13.6%	20%	20%	20%	20%	20%	20%	15.2%	20%	15.8%	14.0%	20%	13.6%	20%	15.2%	15.2%	✗
8	NI 192 Household waste recycled and composted (LBR)	25.3%	26.4%	28.9%	26.1%	25.9%	25%	25%	25%	25.2%	25%	25%	26.2%	25%	27.0%	21.7%	25%	24.5%	25%	25.8%	25.8%	✓
9	NI 193 Municipal waste landfilled (ELWA) (See Note 2 below)	48%	41%	40%	43%	60%	60%	60%	60%	42%	43%	43%	44%	60%	40%	43%	60%	53%	60%	43%	43%	✓

All data subject to ratification from Waste Data Flow

Note 1 - Local target based on Waste Strategy 2007

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*(Contact Officer: Tony Jarvis - Tel. 020 8270 4965)***EAST LONDON WASTE AUTHORITY****06 APRIL 2009****EXECUTIVE DIRECTOR'S REPORT**

SERVICE DELIVERY PLAN 2010/11 TO 2014/15 (FIVE YEAR)	FOR APPROVAL
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1. Purpose

- 1.1. To consider further a number of issues in the development of the Service Delivery Plan (SDP) 2010/11 to 2014/15.

2. Background

- 2.1. The 5 year Service Delivery Plan is a contractual document between ELWA and ELWA Ltd. It will be submitted by ELWA Ltd to ELWA in its final form in the Autumn of 2009. Prior to the final submission ELWA, Shanks and the Boroughs will need to consider and agree the contents of the SDP. The important point here is that this new plan is the first to be prepared following the completion of the infrastructure contractually required under the IWMS Contract. It is also during and immediately after this period that recycling and diversion from landfill targets increase (see paragraph below). Therefore it is likely the new infrastructure and new ways of working will have to be considered.

- 2.2. In relation to the development of the 5 year Plan Members have considered and agreed a number of important steps:-

- a) the recommendation by ELWA to the Boroughs in respect to the main policy issues for the separate collection of recycling and waste minimisation;
- b) the acceptance, in principle, of the contractor's proposal to pass back their savings arising from the possible cessation of opti-bag processing;
- c) the employment of London Remade to support the development of the 5 year Service Delivery Plan in ELWA and support each of the Boroughs in the development of their input into this plan.

- 2.3. After some consideration and debate Members also agreed at the last meeting, the Annual Budget and Service Delivery Plan for 2009/10. The 2009/10 Plan does not contain any significant developments over and above 2008/09 but mainly seeks to maximise the benefit of the existing infrastructure and arrangements.

3. Strategy Background

- 3.1. Members requested, at the last meeting, clarification of the Authority's Strategy.
- 3.2. The Authority's original Joint Waste Management Strategy was approved by ELWA and its Constituent Councils in 1996.
- 3.3. This strategy, and the targets within it, formed the basis of procurement of the current IWMS Contract.

- 3.4. In 2005, 3 years after the IWMS Contract had been signed, the Authority and its Constituent Councils carried out a fundamental review of the strategy, including community consultation, in order to meet new requirements under the Waste and Emissions Trading Act. A revised Joint Waste Management Strategy was approved by ELWA and the Constituent Councils in 2006. This is attached at Appendix A.
- 3.5. The revised strategy confirmed the original recycling and diversion from landfill targets in the 1996 strategy but also added some additional targets from the Waste & Emissions Trading Act in respect of the new limitations on the landfilling of biodegradable waste. In simple terms the strategy is to achieve 25% recycling now, 30% recycling in 2010 and 33% recycling in 2015. In respect of diversion from landfill the strategy is to achieve 40% now, 45% in 2010 and 67% in 2015.
- 3.6. Action Plans were agreed for ELWA and each Constituent Council. The action Plan includes the suggestion that ELWA should review the strategy again in 2010 to include, for example, the Mayor's Municipal Strategy. The new Mayor's Waste Strategy is currently under consideration at City Hall at the present time.
- 3.7. The current work on the 5 year SDP for 2010/11 – 2014/15 will provide an interim review of ELWA's medium term strategy. Further work on a long term strategy will be appropriate when the Mayor has published his new Waste Strategy. This would also provide the appropriate opportunity to consider the longer term implications of the Governments Waste Strategy 2007 (last considered 25/07/07).
- 4. Issues for consideration in the next 5 year SDP – The Climate Change Agenda**
- 4.1. The Climate Change Agenda is becoming an increasingly important consideration in medium term planning and will feature strongly in the Mayor's new Waste Strategy when published.
- 4.2. ELWA commenced some preliminary work on carbon studies in 2008, when Members received the first (Phase A) report from the specialist firm ERM. This was a theoretical carbon study of different refuse collection systems. The theoretical studies confirmed the appropriateness of the approach being considered, by Barking & Dagenham for their new pilot areas for containerised waste and the separate collection of orange bags.
- 4.3. Further Phases were approved at that time and Officers and ERM have recently agreed the Specification for a study of the carbon implications of the different collection methods actually adopted in trials within Barking & Dagenham and Havering and also on a study of different disposal options for residual waste from the Bio-Mrfs.
- 4.4. Further reports on the points will follow in due course.
- 5. Issues for consideration in the next 5 year SDP – Partnership Communications**
- 5.1. The ELWA Partnership Communications Group were successful in applying to the Waste and Resources Action Programme (WRAP) for resources for an independent evaluation of the effectiveness of communications across ELWA and the impact on recycling performance.

5.2 WRAP's final report (57 pages) was received in early January. There were a number of significant points in their recommendations but the fundamental points were:-

- a) there should be more of a partnership approach to communications activities across the four Boroughs;
- b) there should be a more strategic spending plan;
- c) further resources should be allocated (e.g. to match that being spent with successful results in other areas); and
- d) recycling performance would increase if these recommendations were implemented.

5.3 This is now a three year communications strategy, and a detailed year 1 work plan that will provide the communications strand of 2009/10 ADSDP. The Strategy is intended to both guide the communications produced through the ELWA Communications Board, but also guide the work of the 4 borough based waste and recycling communication and engagement teams.

5.4 The strategy is aligned to the aspirations of the boroughs for service change and moreover a substantial increase in resident commitment, awareness and participation in recycling and waste minimisation.

6. Issues for considering in the next 5 year SDP – the separate collection of Orange Bag recycling

6.1. The possible separate collection of orange bags is under various stages of consideration within the Boroughs.

6.2. Further to the decision at the last Authority meeting, the Directors of Environment are appraising the operational and timetabling implications of the separate collection of orange bags.

6.3. The contractor is fully engaged and co-operating with those discussions to resolve some of the outstanding operational difficulties, in addition to providing the financial support explained in the last report.

6.4. The separate collection of orange bags would provide a significant improvement in current performance and provide a little more flexibility for further developments during the course of the 5 year SDP.

7. Issues for Consideration in the next 5 years SDP – Borough Waste Plans 2010/11 to 2014/15

7.1. London Remade have been engaged to support the preparation of a joined-up waste plan for the medium term (Minute 1614).

7.2. The intention is to bring together during the summer of 2009, the medium term waste plans for each of the Boroughs, ELWA's strategy and Shanks' 5 year SDP.

7.3. The timetable for this work is that London Remade will be meeting each Borough in March and draft Borough plans will be completed by mid May. It is necessary to keep to a strict timetable for the preparation of Borough plans so that they can be included in the contractual plans to be submitted by the contractor in the summer.

8. Issues for Consideration in the next 5 year SDP – The Contractors' proposals

- 8.1. The Management Board agreed that ELWA and Shanks representatives meet to open a dialogue about medium term planning and specifically the higher recycling targets from 2010/11.
- 8.2. The first of these ('Roundtable') meetings took place on the 21st January and was used to set the scene and present the opening positions for each party. Shanks also brought forward a specific infrastructure development proposal.
- 8.3. Shanks have been developing a proposal to provide new infrastructure in East London to treat residual waste that is currently landfilled.
- 8.4. At this stage the proposal is being discussed in confidence because it is not finalised and the independent technical evaluations necessary to get funding have not been undertaken. However a site has been identified and initial consultations with stakeholders have taken place.
- 8.5. Subject to technical evaluations, planning consents, and funding approvals the new plant could be operational in 2011 or 2012 and at that time would improve ELWA's recycling performance and increase ELWA's divisions from landfill.
- 8.6. The capital cost to Shanks would be significant and it is possible that ELWA could be asked to increase the supplements currently payable under the Payment Mechanism in the IWMS Contract in order to make the project viable. (Note: in principle the Authority had approved in 2005 an increase in supplements to support the Novera gasification project, had it progressed).
- 8.7. The Authority would benefit from some involvement in the technical evaluation of this project and it is suggested that a sum of £20k is allocated from the contingency for this, should it become appropriate.
- 8.8. Further reports on this proposal will be submitted.
- 8.9. Shanks have also been asked to put forward other proposals in order to meet the higher targets in 2010/11, and beyond, in the 5 year Plan.

9. Financial Implications

- 9.1. The 5 year Service Delivery Plan commencing 1st April 2010 will in total cover expenditure of approximately £200m over the 5 years. It is the responsibility of the Authority to ensure that these sums are spent in achieving maximum certainty, reliability and performance.
- 9.2. The cost of not agreeing a viable and effective waste plan which minimises landfill and optimises recycling performance could be very high.
- 9.3. Resources for the various aspects of this report have already been allocated including the Communications Strategy, the Climate Change work and support from London Remade for the preparation of the 5 year plan.
- 9.4. The financial implications of the separate collection of orange bags were reported to the last meeting. There are also financial implications for the boroughs which are being considered separately by the Boroughs.

9.5. The Contractor's proposals will in due course need to be fully financially assessed. At this stage the only additional provision requested is to provide resources up to £20k, if required, to undertake some independent technical assessment of the project. This sum could be met from the contingency.

10. Recommendations

10.1. It is recommended that the following is noted:-

- i) the Authority's current waste strategy as set out in paragraph 3 and in Appendix A;
- ii) the ongoing assessment of the operational and timetabling implications of the possible separate collection of orange bags;
- iii) the roundtable meetings with the contractor to develop the 5 year SDP for 2010/11 to 2014/15 including the contractor's proposed new infrastructure development.

10.2. It is recommended that the following is approved:-

- i) a sum of £20,000 is made available from the contingency to provide, if required, some independent assessment of the contractor's infrastructure proposal.

Tony Jarvis
EXECUTIVE DIRECTOR

Appendix			
A	The Joint Waste Management Strategy		
Background papers			
A	24/11/2008	Report & Minute 1625	Service Delivery Plan 2010/11 to 2014/15 (5 Year)
B	02/02/2009	Report & Minute 1638	Service Delivery Plan 2010/11 to 2014/15 (5 Year) – including London Remade, round table and Optibag
C	29/09/2008	Report & Minute 1608	Carbon Counting
D	23/06/2008	Confidential Report & Minute 1584	Waste & Recycling Performance (Part II)
E	07/04/2008	Report & Minute 1565	Waste and Recycling Performance

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Joint Municipal Waste Management Strategy for the East London Waste Authority Area

Headline Strategy and Statement of Policies as required under the Waste and Emissions Trading Act (2003) S32

This strategy sets out how East London Waste Authority together with London Boroughs of Barking and Dagenham, Havering, Newham and Redbridge intend to manage municipal solid waste.

Our vision is:

“To provide an effective and efficient waste management service that is environmentally acceptable and delivers services that local people value”

Our objectives are to:

- (i) *Provide reliable and achievable services in terms of managing and disposing of the waste*
- (ii) *Provide services that are environmentally and economically sustainable in terms of:*
 - *Encouraging waste minimisation initiatives*
 - *Seeking to maximise waste recycling and composting opportunities potentially supported by*
 - *energy recovery*
 - *Meeting national recycling and recovery targets whilst recognising regional waste strategies*
 - *Complying with legislation on waste management*
 - *Contributing to local economic development*
- (iii) *Help promote the most cost effective delivery of services*
- (iv) *Ensure that the services shall be sufficiently diverse and flexible and not dependent upon a single method of waste treatment*
- (v) *Reduce biodegradable waste landfilled in order to meet the requirements of the Waste and*

Emissions Trading Act

Our joint targets are:

- *To stabilise or reduce the level of waste generated to below 515 kg per year per head of population.*
- *To achieve and where possible exceed, statutory recycling and composting standards (See box 1)*

- *To recycle or compost 25% of our waste from April 2005, 30% from April 2010, and 33% from April 2015*
- *To divert from landfill 40% of waste from April 2007, 45% from April 2010, 67% from April 2015*
- *To reduce biodegradable municipal waste sent to landfill to below 210,000 tonnes per year from April 2009, 140,000 tonnes per year from April 2012 and 100,000 tonnes per year from April 2019*
- *To find the best methods to serve all households with a recycling collection of at least four materials by 2008*

We will achieve this by working in partnership across the councils, with our contractors and with

other stakeholders, putting in place incentives to achieve targets where we can. The strategy review process conducted in 2005 indicated that we should focus on increasing recycling, improving the efficiencies of the Bio-MRF plants and on investigating advanced thermal treatments of residual waste.

The strategy has been prepared in consultation with the public and with stakeholders and takes account of government guidance and the Mayor of London's current Municipal Waste Management Strategy. It will inform the joint waste planning framework for the four Constituent Councils.

This strategy will be kept under review including issues resulting from the review of the National Waste Strategy or the Mayor's Municipal Waste Management Strategy

*(Contact Officer: Tony Jarvis - Tel. 020 8270 4965)***EAST LONDON WASTE AUTHORITY****06 APRIL 2009****EXECUTIVE DIRECTOR'S REPORT**

LONDON WASTE AND RECYCLING BOARD	FOR CONSIDERATION
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1. Purpose

- 1.1. To consider the submission of "Expressions of Interest" to the London Waste and Recycling Board (LWaRB).

2. Background

- 2.1. The LWaRB is a statutory board set up in July under the Chairmanship of the Mayor of London with the objective of promoting and encouraging the production of less waste, increasing the proportion of waste that is re-used or recycled and the use of methods of collection, treatment and disposal of waste which are less harmful to the environment.
- 2.2. Part of the Board's remit is the administration and allocation of the London Waste and Recycling Fund comprising £84m over the 3 years to 2011/12.

3. The LWaRB Outline Priorities Plan

- 3.1. The priorities for funding are set out in Appendix A with activities supporting recycling and energy being the highest priorities. Partnership bids are preferred. Waste collection infrastructure is not a priority for the LWaRB.

4. The Proposed ELWA Approach

- 4.1. The LWaRB are inviting bids on a rolling basis but the first tranche of bids will be considered in May 2009. To be included in that first tranche Outline Expressions of Interest will need to be submitted to the LWaRB by 31st March 2009.
- 4.2. The ELWA approach to bidding has been discussed at a recent Directors of Environment meeting and the recent Project Team meeting.
- 4.3. The conclusion of those meetings was that:
- a) ELWA would submit a general expression of interest which reflected the strategic intentions of the partners but would refer to a number of specific expressions of interest within that strategy from the partners. The main thrust of the general strategy would be moving towards the government's aspirations in the English Waste Strategy 2007.
 - b) Shanks would submit a specific expression of interest in respect of some aspects of their infrastructure project.
 - c) The Boroughs would submit specific expressions of interest (via a lead Borough) concerning collection issues.

4.4. At the time of writing this report the individual submissions to the LWaRB had not been finally drafted.

5. Financial Implications

5.1. The external cost of preparing outline Expressions of Interest will be less than £2,000 for each of the possible ELWA Partnership bids. However, significant in-house resources would also need to be committed to this task of preparing bids.

5.2. Further costs might arise in developing those into final bids and a contingency of perhaps a further £5,000 might be required for that.

5.3. These sums can be met within existing ELWA budgets.

5.4. It is unlikely that the LWaRB will provide 100% funding for successful bids and therefore further reports would be required prior to implementation should final bids be approved.

6. Recommendations

6.1. It is recommended that:-

- i) the bidding arrangements for the new LWaRB are noted;
- ii) the ELWA partnership approach set out in paragraph 4 is approved;
- iii) further reports are submitted in due course.

Tony Jarvis
EXECUTIVE DIRECTOR

Appendix			
A	Dec 2008	Outline Priorities Plan	Summary paper of the outline Priorities Plan for the London Waste and Recycling Board
Background papers			
	None		

Summary paper of the outline Priorities Plan for the London Waste and Recycling Board

Context

In accordance with the Order (article 15), the London Waste and Recycling Board (the 'Board') must prepare a document by 31 March each year during the life of the London Waste and Recycling Fund (the 'Fund'). The document must include the Board's priorities and set out the Board's strategy for disbursing the Fund over the following twelve month period.

Purpose

This paper summarises a presentation given by the Board's Policy Committee to the second official meeting of the Board (11 December 2008) and sets out the mechanism the Board will adopt in the identification of its central priorities and delivery approach for the life of the Fund.

Based on the approvals given by the Board on the 11 December 2008 the Board will develop its 2009/10 Priorities Plan, under article 15 of the Order, for sign off by the Board on 12 February 2009.

1: Proposed Approach to the Challenge

In line with the themes developed and agreed at the Board's awayday, it is proposed that the Board should adopt a commercial approach, that is, the challenge of tackling London's discarded resources should be seen as a business opportunity, and the monies at the Board's disposal should be seen as the investment funds.

The Board agreed to achieve its objectives through the following initiatives and proposed approaches:

- Waste generated in London should be viewed as a resource asset to be 'mined', not a liability to be disposed of and destroyed.
- The adoption of a commercial outlook focused on end market demands that will seek to identify resource materials to match that demand requirement.
- Move away from the classic definition and segmentation of London's waste arisings of municipal, commercial and industrial (C&I) and construction and demolition (C&D) to focus on priority resource material streams arising across the *total* waste in London

In keeping with these key themes, the Board will effectively have two operating divisions:

- a) focused on the end user (Manufacturer and/or Producer)
- b) focused on the energy end user as the market demands.

Against this backdrop, the Board would look to:

- a) Create products from resource supply chains to satisfy manufacturer or producer end use requirements; or
- b) Use the embedded calorific value to displace fossil carbon.

1.1: Priority resource material streams

To date the Board has identified the following priority resource material streams arising across London's total discarded resources:

- Food
- Wood
- Mixed plastic

- Metal
- Textiles
- Paper & board

The key determinants for these priority resource material streams are:

- Economic cost
- Tonnage
- *Embedded 'output' energy value*
- *CO2 avoidance and climate change mitigation*

1.2: Outline priority plan and options

The Board will:

- Not fund projects which will happen anyway;
- Require that funded projects and/or programmes must have a compelling business and investment case that deliver tangible outputs and/or outcomes that:
 - a) Demonstrate evidence of collaborative working across boundaries;
 - b) Develop solutions predicated on positive environmental impacts.
- Consider a range of potentially flexible commercial funding solutions, to include
 - a) equity;
 - b) debt; or
 - c) guarantee support, or
 - d) grants by exception only.
- Engage in proactive relationships with its 'customer base'. This includes;
 - Facilitating partnerships;
 - Breaking down market barriers;
 - Programme management
 - Potential help and assistance building supply chains;
 - Potential help and assistance with putting projects together;
 - Potential help and assistance in overcoming procurement barriers.

1.3: Measurement of tangible outcomes

The Board will adopt a set of tangible outcomes, predicated on the following measures:

- Economic value (Disposal savings) or economic uplift (Jobs, regeneration) or both;
- Tonnage diverted from landfill;
- Increased reuse and recycling;
- Private sector leverage in of capital assets;
- Exemplar projects (Product and Energy);
- Technology evolution; and
- Climate Change mitigation.

1.4: Outline funding profile

In developing the Priorities Plan the Board considered the weighting of its Fund in respect of the priority resource material streams and the intervention opportunities identified.

The Board agreed the adoption of an approach that gives rise to both quick wins and a clearly identifiable legacy that will have a long term beneficial impact for London.

The Board agreed the following apportionment, in terms of emphasis (not quantum) of the Fund:

Intervention	Target Market	Potential Actions	Impact on Tonnage	Impact on Energy / Climate Change	Total Impact	Indicative Funding Priorities
Minimisation	<ul style="list-style-type: none"> • Consumers and waste producers 	<ul style="list-style-type: none"> • Campaigns • Advice • Producer Responsibility & Smart production 	Low	High due to avoided energy impact	Low	£
Reuse	<ul style="list-style-type: none"> • Consumers • Business 	<ul style="list-style-type: none"> • Campaigns • Infrastructure and capacity building • Building confidence • Reuse standard • Government procurement 	Low to Medium difficult to measure	High due to avoided energy impact	Medium	££
Recycling	<ul style="list-style-type: none"> • Product and Commodity users 	<ul style="list-style-type: none"> • Campaigns (£1.5m R for L) • Breaking down market barriers • Market development & demand • Infrastructure and capacity building • Government procurement 	Medium to High	Medium	High	£££
Energy	<ul style="list-style-type: none"> • Energy producers and users 	<ul style="list-style-type: none"> • Energy supply risk mitigation • Decentralised energy • Technology evolution • Infrastructure and capacity 	High	Material and Technology specific –Medium to High	High	£££

2: Stakeholder Benefits

The benefits of the outline priorities plan to the Borough and the Business community are outlined below:

London Local Authorities:

- Long term legacy benefits as opposed to short term support.
- Diversified and credible outlet choices.
- Lower financial costs (direct and indirect) through avoided landfill tax and gate fees.
- Resilience to future market shocks and market prices.
- Active participation in projects plus financial upside through public/private sector involvement.
- Assists with regulatory compliance (e.g. LATS, LAAs).
- Reduction in carbon footprint (NI 85 & 86).
- Creating positive public perception in response to public demand.
- Local economic development and new jobs.

Business Community

- Market stability for price, supply and costs leading to lower financial costs leading to potential uplift in bottom line.
- Shared Risk exposure.
- Business planning certainty creating an investment opportunity.
- Energy security.
- Simplified logistics leading to less administration.
- Closed loop supply chains providing security.
- Mitigates regulatory impacts (i.e. landfill tax, CRC, packaging).
- Enhanced corporate social responsibility.

Benefits to Londoners

- London leadership.
- Value uplift in London's environmental economy.
- Job creation.
- Market led convenience to increase re-use and recycling.
- Shared participation and benefits.
- Increased confidence in local authorities and community leadership.

3: Next Steps

The Board will be presented with the 2009/10 Priorities Plan for approval at the meeting on February 12. This will have developed the themes above further, provide more details of the Fund distribution strategy and mechanism, proposals for stakeholder engagement and the longer term structure that the Board will have to develop to support these activities.

(Contact Officer: Ruth Gibson: Tel. 020 8227 2355 / Dawn Chatterton: Tel: 020 8270 4989)

EAST LONDON WASTE AUTHORITY

06 APRIL 2009

HUMAN RESOURCES MANAGER / SECRETARY'S REPORT

POLICIES AND PROCEDURES - CODE OF CONDUCT	FOR APPROVAL
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1 Purpose

- 1.1 To approve the Code of Conduct for ELWA employees.

2. Background

- 2.1 The Human Resources Manager and Executive Director reported to the Authority on 26th November 2007 that a Draft Code of Conduct is being developed.
- 2.2 In the last Annual Governance Report by the District Auditor in September 2008 the Auditor assessed the value for money arrangements of the Authority as adequate in all areas and therefore issued an unqualified conclusion. The Auditor also identified areas where arrangements could be strengthened, particularly as these will feature more prominently in future years' value for money conclusion criteria.
- 2.3 The Authority became an employer body on 1 June 2007. As at 31 March 2008, the Authority's Constitution had not been updated to reflect this change in status. The Constitution refers to staff being bound by the Code of Conduct at their employing body, which was formerly the London Borough from which they were seconded.

3 Current Guidance on Codes of Conduct

- 3.1 The Department of Communities and Local Government are currently consulting on Codes of Conduct for Local Authority Members and Employees.

4 Financial Implications

- 4.1 There are no additional financial implications arising from the adoption of the code of conduct.

5 Risk Assessment

- 5.1 Failure to have an appropriate code of conduct in place could lead to the Authority being exposed to claims for compensation or subject to charges of illegality.

6 Recommendations

6.1 Members are recommended to:-

- i) Approve the attached Draft Code of Conduct
- ii) Review the Draft Code when the Department for Communities and Local Government issue their final guidelines at the conclusion of the current Consultation.

Ruth Gibson
HUMAN RESOURCES MANAGER /
Dawn Chatterton
SECRETARY

Appendix

A Draft ELWA Code of Conduct

Background papers

26/11/07	Report to Authority 26/11/08	Employment Policies Report including List of Policies and Proposed Deadlines at Appendix A
Sept2008	Audit 2007/08	Annual Governance Report
Oct 2008	A consultation from Department for Communities and Local Government	Communities in control: Real people, real power Code of conduct for local authority members and employees

DRAFT EMPLOYEES CODE OF CONDUCT**1. Introduction**

- 1.1 The public is entitled to expect the highest standards of conduct from all employees who work for the East London Waste Authority (ELWA). In recognition of this, and to avoid uncertainty in the matter, ELWA has adopted this Code of Conduct (the Code) which sets out the guidelines to help maintain and improve standards.
- 1.2 Equally, the Code is designed to protect employees from misunderstanding or criticism which may be unjustly levelled at them.
- 1.3 The Code is applicable to all ELWA employees, who share responsibility for its effectiveness. Adherence to its provisions is therefore a condition of employment for all and any breach of the Code may result in action being taken under ELWA's Disciplinary Procedure.

2. General Standards

- 2.1 Employees are expected to give the highest possible standard of service to the public and, where it is part of their duties, to provide appropriate advice to members, directors and fellow employees with impartiality.
- 2.2 Employees are expected to bring to the attention of the Executive Director, Assistant Executive Director (ELWA) or Human Resources Manager (at the London Borough of Barking and Dagenham) any concerns about the provision of services by the Authority.
- 2.3 Employees must report to the appropriate level of Management (listed in 2.2 above) any impropriety, breach, or suspected breach of this Code.
- 2.4 Any employee who, in good faith, reports an impropriety, breach or suspected breach of the Code, may do so without fear of consequence.
- 2.5 Equally however, employees are reminded that allegations or accusations which are deemed to be malicious will be subject to investigation under ELWA's Disciplinary Procedures.

3. Constitution

- 3.1 Employees should abide by the Constitution.

4. Health and Safety

- 4.1 Employees have a responsibility to comply with Health and Safety guidelines as outlined in their Contracts of Employment. This applies to both the workplace and on operational 3rd party sites.

5. Use of Financial Resources

- 5.1 Employees must ensure that public funds entrusted to them are used in a responsible and lawful manner. They should strive to ensure value for money to the local community and to avoid any risk of legal challenge to the Authority.

5.2 Employees must abide by Financial Rules and appropriate financial procedures.

6. Disclosure of Information

6.1 The Data Protection Act 1984 places a legal requirement on all employees to refrain from disclosing, or making use of for their private advantage, or the advantage of any third party, any information held on a computer and not available to the public which they may acquire during the course of their employment with the Authority.

6.2 The law requires that certain types of information must be available to auditors, government departments, service users and the public: employees should seek advice about which information may be disclosed, in which circumstances, and must act accordingly.

6.3 Employees must not use any information obtained in the course of their employment for personal gain or benefit, nor pass this on to others who might use it in such a way, except where such disclosure is required or sanctioned by the law.

7. Off Duty Hours and Outside Commitments

7.1 Employees' off duty hours are their personal concern but they must not put themselves in a position where official duty and private interests conflict.

7.2 Private work which might involve any dealings with the Authority must be disclosed and can only be done with the express consent of the Managing Director.

7.3 Employees graded on the Senior Officer level and above must not engage in any other business or take up any other appointment without the express consent of the Managing Director.

7.4 Employees must declare and record any financial interests which could conflict with the Authority's interests.

7.5 Employees must declare to the Managing Director any non-financial interests that they consider could bring about conflict with the Authority's interests, for example involvement with any organisation or pressure group which may seek to influence the Authority's policies; etc.

7.6 Employees must declare to the Managing Director membership of the Freemasons or any other organisation not open to the public without formal membership and commitment of allegiance and which has secrecy about rules or membership or conduct.

8. Political Neutrality

8.1 Employees serve the Authority as a whole. Employees who are required to advise political groups must do so in ways which do not compromise their political neutrality.

8.2 Employees, whether or not politically restricted, must follow every lawful expressed policy of the Authority and must not allow their own personal or political opinions to interfere with their work.

Note: The above requirements do not apply to political assistants appointed on fixed term contracts in accordance with the Local Government and Housing Act 1989.

9. Monitoring Officer

9.1 Employees must understand and support the role of the Monitoring Officer (see Constitution).

10. Chief Finance Officer (Section 151)

10.1 Employees must understand and support the role of ELWA's Finance Director.

11. Relationships

11.1 Employees must always remember their responsibilities to the local community and service users, and must ensure courteous, efficient and impartial service delivery at all times.

11.2 Employees must disclose all relationships of a business or private nature with external contractors, or potential contractors. Orders and contracts must be awarded on merit, by fair competition against other tenders, and no special favour shown to businesses run by, for example, friends, partners or relatives in the tendering process. Employees who engage or supervise contractors or have any other official relationship with contractors and have previously had or currently have a relationship in a private or domestic capacity with contractors, must declare that relationship.

11.3 All selections, appointments and promotions throughout ELWA's service are made purely on clear and justifiable job related criteria. In order to avoid any possible accusation of bias, employees who are related to, or have a close personal relationship outside work with an applicant, must not take part in the process.

11.4 Similarly, employees must not be involved in decisions relating to discipline or pay adjustments for any other employee who is a friend, partner or relative.

12. Equality Issues

12.1 All members of the local community, customers and other employees have a right to be treated with fairness and equality and all employees must ensure that policies relating to equality issues, as agreed by the Authority, are complied with in addition to the requirements of the law.

12.2 In particular, employees are reminded that discrimination against or harassment of an employee, a prospective employee, a client or member of the public, would come under ELWA's Disciplinary Procedure.

13. Supervision of Contracts

13.1 Employees involved in the tendering process and dealing with contractors must be clear on the separation of client and contractor roles. They must also exercise fairness and impartiality when dealing with all customers, suppliers, other contractors and sub-contractors.

13.2 Employees who are privy to confidential information on tenders or costs for either internal or external contractors must not disclose that information to any unauthorised party or organisation.

13.3 Employees must ensure that no special favour is shown to current or recent former employees or their partners, friends, relatives or associates, in awarding contracts to businesses run by them or employing them in a senior or relevant managerial capacity.

14. Confidentiality

14.1 Employees should adhere to any confidentiality clause in their contracts of employment and also in the IWMS contract between ELWA and ELWA Ltd. An extract of this is attached at Annex A.

15. Corruption

15.1 It is a serious criminal offence for employees corruptly to receive or give any gift, loan, fee, reward or advantage for doing, or not doing, anything or showing favour, or disfavour, to any person in their official capacity.

16. Gifts and Hospitality

16.1 Employees must treat with extreme caution any offer or gift, favour or hospitality that is made to them personally, as the organisation or person making the offer may be doing or seeking to do business with the Authority, or may be applying to the Authority for planning permission or some other kind of decision.

16.2 Employees must not accept significant personal gifts from contractors and outside suppliers, but may keep insignificant items of token value such as pens, diaries etc.

16.3 Employees must complete the hospitality book if accepting gifts from contractors and outside suppliers.

16.4 Offers of hospitality should only be accepted if there is a genuine need to impart information or represent the Authority in the community. Offers to attend purely social or sporting functions should be accepted only when these are part of the life of the community or where the Authority should be seen to be represented, and must always be properly authorised and recorded.

16.5 Acceptance by employees of hospitality through attendance at relevant conferences and courses is acceptable where it is clear the hospitality is corporate rather than personal, where the Authority gives consent in advance and where the Authority is satisfied that any purchasing decisions are not compromised. Where visits to inspect equipment, etc. are required, employees should ensure that authorities meet the cost of such visits to avoid jeopardising the integrity of subsequent purchasing decisions.

16.6 When receiving authorised hospitality employees should be particularly sensitive as to its timing in relation to decisions which the Authority may be taking affecting those providing the hospitality.

16.7 When hospitality has to be declined those making the offer should be courteously but firmly informed of the procedures and standards operating within the authority.

Note: Where there is any doubt about the significance of gifts or hospitality, or about the intentions of contractors and outside suppliers who make such offers, these should always be refused and the matter discussed with the appropriate level of management.

16.8 Guidance notes on Gifts and Hospitality are attached at Annex B.

17. Travel and subsistence expenses

17.1 If employees attend relevant conferences or events they should claim reasonable costs for accommodation, travel, food and refreshments in accordance with financial rules and guidelines. An extract from LBBG guidelines are attached at Annex C.

18. Sponsorship - Giving and Receiving

18.1 Where an outside organisation wishes to sponsor or is seeking to sponsor an ELWA activity, whether by invitation, tender, negotiation or voluntarily, the basic conventions concerning acceptance of gifts or hospitality apply. Particular care must be taken when dealing with contractors or potential contractors. Any sponsorship of significance should be cleared with the Managing Director.

18.2 Proposals concerning sponsorship by the Authority should be considered by the Managing Director.

19. IT equipment

19.1 Employees should follow guidelines for acceptable use of IT equipment.

20. Registration of Interests

20.1 In line with the Code, employees have a duty to disclose any interest, financial or otherwise, which may conflict with those of the Authority.

20.2 These interests will be recorded in ELWA's Register of Employees' Interests, which is confidential and not open to members of the public.

21. Whistle – Blowing

21.1 ELWA will take seriously any complaint or concern raised by employees, the public and/or clients. In keeping with the Code, serious or sensitive concerns about wrongdoings as described in Annex D may be raised by adhering to ELWA's policy on Whistle-Blowing.

Annexes		
A	Confidentiality	
B	Gifts and Hospitality Guidance notes	
C1	Expenses	
C2	Expenses – Car users	
D	Whistle blowing	
Other documents		
Document	Location of Hard copy	
A	Employment policies	Contract of employment
B	Employment policies – other	Administration Office
C	Constitution and Financial Rules	Administration Office
D	Register of Interest (gifts / hospitality)	Administration Office
E	Equality and Diversity	Contract of employment

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EXTRACT FROM IWMS CONTRACT (13.02.03)

65 Information and Confidentiality

65.1 Subject to the Authority's statutory responsibilities and Clause 44 (Information to be Submitted to Third Parties) the Parties shall keep confidential all matters relating to this Contract and Project Documents and shall use all reasonable endeavours to prevent their employees and agents from making any disclosure to any person of any matter relating to the Contract.

65.2 This Clause 65 shall not apply to:

- (a) any disclosure of information that is reasonably required by persons engaged in the performance of their obligations under the Contract;
- (b) any matter which a Party can demonstrate is already generally available and in the public domain otherwise than as a result of a breach of this Clause;
- (c) any disclosure (but then only on a need to know basis to the extent reasonably necessary to allow an informed determination to be made) to enable a determination to be made pursuant to the DRP;
- (d) any disclosure which is required by any Law (including any order of a court of competent jurisdiction) or the rules of any stock exchange or governmental or regulatory authority having the force of law;
- (e) any disclosure of information which is already lawfully in the possession of the receiving Party, prior to its disclosure by the disclosing Party;
- (f) any disclosure of information to the Funders or the Funders' professional advisers or insurance advisers or, where it is proposed that a person should or may provide funds (whether directly or indirectly and whether by loan, equity participation or otherwise) to the Contractor or the Funders (including those institutions involved in syndication) to that person or their advisers but only to the extent reasonably necessary to enable a decision to be taken on the proposal;
- (g) any disclosure by the Authority of information relating to the design, construction, operation and maintenance of the Project and such other information as may be reasonably required for the purpose of conducting a due diligence exercise to:
 - (i) any proposed Incoming Contractor, its advisers and lenders, should the Authority decide to re-tender the Contract;
 - (ii) any person in connection with Clause 29 (Best Value); or
 - (iii) any registration or recording of the Consents and property registration required;
- (h) any disclosure of information by the Authority to any other department, office or agency of the Government;

- (i) any disclosure by the Authority of any document or part thereof related to the Contract to which it is a party and which the Contractor (acting reasonably) has agreed with the Authority contains no Commercially Sensitive Information; and
- (j) any disclosure for the purpose of:
 - (i) the examination and certification of the Authority's or the Contractor's accounts; or
 - (ii) any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources.

65.3 Where disclosure is permitted under this Clause 65 (other than pursuant to Clause 65.2 above) the recipient of the information shall be placed under a binding obligation of confidentiality the same (mutatis mutandis) as that contained in this Contract.

65.4 For the purposes of the Audit Commission Act 1998, the Contractor acknowledges and agrees and shall procure that each Sub-contractor acknowledges and agrees that the Authority's auditors may examine such documents as such auditors are permitted by law to demand without consent in the exercise of and in compliance with their statutory powers which are owned, held or otherwise within the control of the Contractor and any Sub-contractor and may require the Contractor and any Sub-contractor to produce such oral or written explanations as he considers necessary. For the avoidance of doubt it is hereby declared that the carrying out of an examination under the Audit Commission Act 1998 and all relevant Legislation thereto in relation to the Contractor is not a function exercisable under this Contract.

65.5 The provisions and obligations set out in this Clause 65 shall survive and remain in force upon and following the termination of this Contract for a period of five (5) years.

65.6 The Contractor shall not make use of the Contract or any information issued or provided by or on behalf of the Authority in connection with the Contract otherwise than for the purpose of the Contract, except with the prior written consent of the Authority which it may withhold at its absolute discretion.

65.7 Where the Contractor, in carrying out its obligations under this Contract, is provided with information from or by a third party, the Contractor shall not disclose or make use of any such information otherwise than for the purpose for which it was provided, unless the Contractor has sought the prior written consent of that third party, and has obtained the prior written consent of the Authority.

65.8 On or before the Expiry Date, the Contractor shall ensure that all documents or computer records in its possession, custody or control, which contain information relating to Staff and users of the Waste Management Facilities including any documents in the possession, custody or control of a Sub-contractor, are delivered up to the Authority, and the Authority shall be entitled to make such reasonable checks and enquiries as are necessary to ensure that all records have been so delivered up.

GIFTS & HOSPITALITY GUIDANCE



It is not uncommon for suppliers to offer "thank you" gifts to staff by way of a gift or hospitality. As public employees we have to be very careful about how we respond to such offers, while, of course, not wanting to be discourteous.

The Authority's rule is that where gifts are offered to staff in their Authority role they should not be accepted if they have anything more than a token value (for example, bottles of wine, boxes of chocolates, flowers, pens, calendars, diaries, etc.) Money of any value must never be accepted.

More significant gifts should be refused where practicable to do so and where refusal would not offend. Where this is not possible the gift may be kept provided the value is considered to be worth less than £25, but a record must be entered in the gifts and hospitality register kept within each department.

Any gifts considered to be worth over £25 must be reported, in writing, to the Executive Director or Monitoring Officer, with a recommendation for their disposal in a manner which is not to the sole advantage of the person who received the gift. Again details must be recorded in the gifts and hospitality register.

Similarly, care must be taken with any hospitality which may be offered, particularly from customers or contractors. You should always consider the following tests of reasonableness:

- the scale and type of hospitality should not bring into question the motive of the person or organisation offering it. If there is any doubt at all about the motive, or if the hospitality could be viewed as intending to influence judgement, the hospitality must not be accepted;
- the proposed hospitality should be limited to those who have a relevant interest;
- the hospitality should be directly linked to Authority business and/or the well being of the community.

Tickets for major sporting events or the opera/ballet and so on are examples of hospitality which should never be accepted as this kind of activity has no relevance to Authority business. Meals are slightly different in that Authority business could be conducted during a meal, but be extremely careful if this type of offer comes your way as this could easily be perceived as a company or individual seeking to influence a situation or obtain preferential treatment.

Like gifts, any hospitality accepted must be recorded in the appropriate register.

Whilst this article is sent with the coming festive season in mind, please note that these rules apply all year round.

Regular monitoring of the register does take place. Also please note that these rules are in line with the Employees' Code of Conduct and the Authority's Conferences, Visits and Hospitality Rules. Anyone found to be in breach of these could be subject to action under the disciplinary procedures.

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HUMAN RESOURCES – Payment Matters – Guidance - March 2009

Staff Expenses

If employees incur additional expense in the course of their work, in respect of travel, meals or overnight accommodation should be reimbursed. You must provide appropriate evidence of this expenditure in order to receive full reimbursement. If receipts are not produced a claim can be made through the member of staff's salary, however the amount will be subject to National Insurance deductions.

Travel Expenses

If you required to travel to a place other than their normal place of work in the course of work (including undertaking training activities), they are entitled to receive reimbursement for any additional costs. If you are in receipt of a car allowance and choose to use your car for this journey that will be reimbursed using that system (also see Car Users) If you do not receive this allowance or choose not to use your car, the cost of second class public transport should be reimbursed to you for the journey. As mentioned above, tickets should always be retained.

Subsistence Allowance

If you are required to work (including undertaking training activities) in a place other than your normal place of work, which is outside of the Borough, you are entitled to receive a subsistence allowance. Receipts for subsistence should always be retained, there are however maximum levels of allowance as detailed below:

- Breakfast - £4.92
- Lunch - £6.77
- Afternoon Tea - £2.67
- Evening meal - £8.35

Managers will need to assess what allowances you should receive in accordance with the times that you are required to be at the different, out of Borough, place.

Overnight Accommodation

If you are required to make overnight stays in the course of you work (including undertaking training activities), you will be reimbursed out of pocket expenses, including travelling expenses, the cost of the overnight accommodation and subsistence allowances (as detailed above if not included in the overall cost of accommodation). These expenses should be approved in advance. As previously you should retain all receipts and tickets.

Forms and Letters

- [Travel Expenditure Claim Form](#)
- [Claim Form for Reimbursement of Interview Expenses](#)
- [Travelling Expenses and / or Subsistence Allowance Claim Form](#)

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Human Resources - Payment Matters – Guidance – March 2009

Car Users

Some employees will be required to use their car to assist in the efficient performance of their duties, if this is the case they will be entitled to receive an allowance for using their car. The Human Resource Manager can authorise the attachment of a car allowance to a post where appropriate. There are two types of allowance, the details of which are as follows:

Essential Car User Allowance

- Essential car users are those whose duties are of such a nature that it is essential for them to have a car at their disposal whenever required.
- Essential car users receive a monthly lump sum allowance and a payment for the miles they undertake in the course of performing their duties.
- The lump sum and payment per mile varies according to the engine capacity of the car, and is changed in accordance with the National pay increases.
- The lump sum is payable in full to all essential users regardless of their hours of work. This is a non-taxable element of pay and will be reported on your P11D.
- Where a car is not in use as a result of a mechanical defect or the absence of the employee through illness or maternity leave (providing the employee has stated their intention to return to work) the monthly lump sum should remain being paid in full for the month the car stopped being used, and for the following 3 months. For the next 3 months, if the car remains to be un-used, payments should be made at 50% of the monthly lump sum payment.
- Essential car users should submit a claim form for the mileage undertaken every month, even if they do not undertake any mileage they must still submit the form in order to activate the monthly lump sum.
- Mileage can only be claimed from the employee's place of work to the required destination.
- Employees must ensure that their car insurance has been arranged to provide cover for journeys undertaken in the course of performing their duties.

Casual Car User Allowance

- Casual car users are those for whom it is desirable that a car should be available when required.
- Casual car users receive a payment for the miles they undertake in the course of performing their duties.
- The payment per mile varies according to the engine capacity of the car, and is changed in accordance with the National pay increases.
- Casual car users should only claim for their mileage when they have made relevant journeys, if this is regularly, claims should be made on a monthly basis.
- Mileage can only be claimed from the employee's place of work to the required destination.

The Payroll section is currently in the process of reviewing several Payroll procedures, with particular attention to the way Car Mileage Claims are processed.

With effect from the 1st July 2007, the Payroll Department will be implementing a time limit on the date of claim submission in relation to the mileage having been undertaken of **3 calendar months**. This will mean that **any mileage undertaken more than 3 months prior to the date of the claim will not be included in the payment** of the claim.

The Head of Strategic Finance and Audit has further advised that Managers should be aware that when they authorise car mileage, they are confident that as, with any other payment, they have assurance that they are authorising a claim that is properly due and payable - that the claims accurately reflect journeys undertaken and that the employee is entitled to the payment. This assurance might be obtained by sample checking of mileage claimed, knowledge of the employees' movements and evidence that she/he is entitled to either essential or casual car allowance evidenced by the appropriate documents. Car mileage, as with any other council payment, will be subject to review by internal audit. But it is manager's responsibility to ensure that they are properly authorising claims.

Where is further advice available from?

- [Car Allowance Rates and NI Dispensation](#)
- [The Payroll Service](#)

PN.02 2006 May	ANTI FRAUD AND CORRUPTION STRATEGY Whistleblowing Procedure	
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1. Information for Employees and for People who have dealings with the Authority

The purpose of this procedure is to enable you to raise your concerns with the Authority in confidence without any fear of reprisal. We can learn a lot from what you tell us. Your information is important to us and we are looking to ensure that the highest standards of conduct and services are maintained. We therefore ask that you do not take your concerns outside the Authority other than as stated at the end of this leaflet. All outside enquiries about any investigation relating to your concern must be referred to the Finance Director. When raising your concern you must declare any personal interest you have in the matter.

This procedure will help employees to:

- Discuss in confidence with a Senior Officer, any concerns you may have regarding a serious malpractice in the Authority
- Seek reassurance that any proven malpractice will be stopped
- Be safe in the knowledge that you will not be victimised

2. What is Whistleblowing?

All of us at one time or another have concerns about what is happening at work or within a particular organisation. Usually these concerns are easily resolved. However, when they are about serious malpractice like financial irregularities, dangerous working conditions, discrimination or fraud, it can be difficult to know what to do.

You may be worried about raising such issues or may want to keep concerns to yourself, perhaps feeling that it is none of your business or that it is only a suspicion. You may feel that raising your concern would be disloyal to colleagues, managers or the organisation. You may decide to say something but find that you have spoken to the wrong person or raised the issue in the wrong way.

The Authority has therefore a procedure to enable you to raise your concerns about serious malpractice at an early stage. We want you to say something when it is a concern rather than wait for proof.

It is impossible to give an exhaustive list of the activities that constitute misconduct or malpractice but, broadly speaking, we would expect you to report the following:

- Criminal offences
- Failure to comply with legal obligations or miscarriages of justice
- Actions which endanger the health or safety of staff or the public
- Actions which cause damage to the environment
- Actions which are intended to conceal any of the above

If in doubt – raise it!

This procedure is a central part of the Authority's programme to improve the delivery of services to the public, and it provides us with an opportunity to address a potentially serious problem before it is too late. We will do everything possible to protect your confidentiality if required.

This procedure should not be confused with the Authority's Complaints Procedure which should be used where a customer has a specific complaint about the quality of service delivery, or the Grievance Procedure which should be used when an employee is aggrieved about their own employment situation.

3. As An Employee, How Do I Raise My Concerns?

Where you have a concern, we hope you will be able to raise it with your manager within the Authority or with the relevant Waste Manager, Chief Finance Officers, Chief Auditors or Chief Personnel Officers in your employing Constituent Council (Switchboard contact numbers are shown below). This may be done verbally or in writing.

If you feel unable to follow that route, because they are in some way involved, your concern may be discussed in confidence with, or addressed to, either of the following ELWA Chief Officers. Both are based in Lynton House, Ilford.

Alan Perry is the Chief Auditor of both the London Borough of Redbridge and ELWA:
Tel: 020 8708 3384 (24 hr answerphone)
e-mail: alan.perry@redbridge.gov.uk

Geoff Pearce is the Finance Director of both the London Borough of Redbridge and ELWA:
Tel: 020 8708 3588
Email: geoff.pearce@redbridge.gov.uk

4. As A Member Of The Public, How Do I Raise My Concerns?

Where you have a concern, we hope that you will be able to raise it at the relevant ELWA location. This may be done verbally or in writing. If you feel unable to do that because they are in some way involved, your concern may be discussed in confidence with, or addressed to, either of the following Chief Officers.

Alan Perry is the Chief Auditor of the London Borough of Redbridge and ELWA:
Tel: 020 8708 3384 (24 hr answerphone)
e-mail: alan.perry@redbridge.gov.uk

Geoff Pearce is the Finance Director of both the London Borough of Redbridge and ELWA:
Tel: 020 8708 3588
Email: geoff.pearce@redbridge.gov.uk

5. Whistleblowing Procedures

Separate to this (ELWA) Whistleblowing procedure, our Constituent Councils and our Contractor have their own Whistleblowing procedures. Copies of these can be obtained as follows:

London Borough of Barking and Dagenham	Tel: 020 8592 4500 www.lbbd.gov.uk
London Borough of Havering	Tel: 01708 434343 www.havering.gov.uk
London Borough of Newham	Tel: 020 8430 2000 www.newham.gov.uk
London Borough of Redbridge	Tel: 020 8554 5000 www.redbridge.gov.uk
Main Contractors - Shanks East London	Tel: 01708 634540 www.shanks.co.uk/eastlondon

6. What Happens Next?

Having alerted to us your concern, it is our responsibility to investigate the issue. The initial stage will be to discuss the issue with you, and then assess what further action may be taken. If you want feedback on the action we have taken we will contact you in due course, however if you wish to remain anonymous you can telephone us at a later date.

Where the issue cannot be resolved quickly i.e. it requires more detailed consideration either because of the complexity of the concern or the possibility of other proceedings, an investigation will be carried out under the direction of the Managing Director, Finance Director or the Chief Auditor for ELWA.

7. What Assurances Can Be Given To You?

All concerns raised under this procedure, regardless of their nature, will be treated seriously and sensitively by highly trained and experienced officers. Where practicable immediate steps will be taken to remedy the situation. However, the final outcome may take longer depending upon the issue that is raised.

We shall make every effort to keep your identity confidential if you wish this to be the case. If this is not possible, for example if you are required to give evidence/a formal statement, e.g. a court case or disciplinary hearing, you will be told and we will discuss this with you.

The earlier and more open the expression of a concern, the easier it will be for senior management to take action.

The Authority will not tolerate harassment or victimisation of anyone raising a concern under the procedure of good faith, regardless of whether or not it proves well-founded. If anyone tries to discourage you from coming forward to express a concern, we will treat this as a disciplinary offence. In the same way, we will deal severely with anyone who criticises or victimises you after a concern has been expressed. The Public Interest Disclosures Act became law in 1999 and gives a worker the right not to be victimised or dismissed because he/she has made a protected disclosure.

The Authority will monitor the effectiveness of the procedure and carry out an annual review.

8. What Can I Do To Help?

The purpose of this procedure is to enable you to raise your concerns with the Authority in confidence without any fear of reprisal. We can learn a lot from what you tell us. Your information is important to us and we are looking to ensure that the highest standards of conduct and services are maintained. We therefore ask that you do not take your concerns outside the Authority other than as stated at the end of this document. All outside enquiries about any investigation relating to your concern must be referred to the Chief Auditor or Finance Director. When raising your concern you must declare any personal interest you have in the matter.

9. What Happens If An Unfounded Malicious Concern is Raised?

Individuals are encouraged to come forward in good faith with genuine concerns in the knowledge that they will be taken seriously. If individuals raise malicious unfounded concerns, attempt to make mischief, or attempt to make a personal gain, this will also be taken seriously and may constitute a disciplinary offence or require some other form of penalty appropriate to the circumstances.

10. What Happens After the Concern Has Been Investigated?

You will be informed, where requested and subject to legal constraints, of the outcome of the action taken to resolve your concern.

Where action is not taken you will be given an explanation.

There will be an expectation on the managers of ELWA to minimise the risk of re-occurrence wherever possible.

11. What If I Am Unhappy With The Way In Which The Issue Has Been Investigated?

If you are not satisfied with the outcome of an investigation, we would prefer that you raised this with us, explaining why this is the case. Your concern will be looked at again if there is good reason to do so.

The Authority would prefer that a serious concern is raised responsibly rather than not at all. Despite our assurances, you may feel that it is more appropriate to raise your concern with an external organisation, such as a regulator. It is, of course, open for you to do so provided you have sufficient evidence to support your concern.

We strongly advise that before reporting your concern externally, you seek advice from one of the following:

- As an employee: Public Concern at Work, a registered charity which advises on serious malpractice within the work place, can be contacted on 020 7404 6609.
- As an employee: Your trade union.
- As a member of the public or an employee: The Audit Commission, 'prescribed persons' under the Public Interest Disclosure Act, have set up an Anti-fraud and Corruption Unit which can be contacted on 020 7630 1019.

While we cannot guarantee that we will respond to your concern in the way you might wish, we will try to handle the matter fairly and properly. By using this procedure, you will help us to achieve this.

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APPENDIX

Other Relevant Documents

This is Document 3 of the Anti Fraud and Corruption Strategy. Other documents within the Anti Fraud and Corruption Strategy are:

- Document 1: Statement and Principles (Reference PN.01)
- Document 2: Guidance for Staff (Reference GN.01)
- Document 3: This document (Reference PN.02)
- Document 4: Whistleblowing Procedure – Information for Managers (Reference GN.02)
- Document 5: Fraud Response Plan (Reference PN.03)
- Document 6: Extracts from the Integrated Waste Management Contract (Reference GN.03)
- Document 7: Copies of the Policy of Shanks Waste Management (Reference GN.04)