

EAST LONDON WASTE AUTHORITY

27 SEPTEMBER 2010

HEAD OF OPERATIONS' REPORT

CONTRACT MONITORING – JULY 2010	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 to July 2010.

2 Monitoring by ELWA and Borough staff

- 2.1 All contract monitoring requirements of the bring sites by Borough and ELWA Officers were completed satisfactorily in July. Any non conformances raised against the contractor (Shanks) were rectified within the periods allowed under the contract and as a result no penalties were applied in relation to the bring sites.
- 2.2 All contract monitoring requirements of the Reuse and Recycling Centres by Borough and ELWA Officers were completed satisfactorily in July. No non conformances were raised during these site audits.
- 2.3 All contract monitoring requirements of the Key Facilities by ELWA Officers were completed satisfactorily in July. No non conformances were raised during these site audits.

3 Notifications received from Shanks

- 3.1 There were four notifications received from Shanks in relation to the breakdowns at Jenkins Lane that resulted in a loss of recycling. Two of these breakdowns were as a result of large pieces of metal from the waste becoming jammed in the infeed conveyors causing them to snap. As a result of these breakdowns approximately 460 tonnes of commingled material could not be processed through the optibag units.
- 3.2 There were two public complaints in July. Both of these complaints have been investigated by Shanks and have been satisfactorily concluded.
- 3.3 There were no accidents involving the public in July.

4 Issues arising out of monitoring

- 4.1 The contractual recycling performance is stable but remains 1% below the contractual target of 27%.
- 4.2 The survival bag MRF at Jenkins Lane continues to perform well and in line with expectations, as does the Borough recycling collections and green waste in particular. However there are a number of areas that fall short of expectations and in particular the performance of the Biological Materials Recycling Facility (BioMRF) at Frog Island.

4.3 To illustrate the point in 4.2 the table below provides an illustration of a comparison of the Jenkins Lane BioMRF against the Frog Island BioMRF and in particular glass and stone.

Output Type	Jenkins Lane (Output as a % of input)	Frog Island (Output as a % of input)
Metals	2.2%	3.9%
Glass & Stone	2.7%	0.2%
Compost	6.3%	5.3%

4.4 Frog Island BioMRF continues to have problems with two of the lines not drying the waste adequately. As previously reported to the Authority this wet material causes problems in the refinement section as the 'wet' waste can not be mechanically separated into the correct fractions. This has a detrimental effect on diversion performance and also the recycling performance as glass & stone and fines fraction for composting could not be generated in sufficient quantities.

4.5 The contractor has provided assurances that they have now fully resolved the issue however the outputs of the refinement section at Frog Island do not reflect this.

4.6 Diversion from landfill performance is also below targets by 7% for year to date. This is of particular concern as it results in increased landfill tax payments and creates a budgetary pressure. Shanks are exploring additional markets for SRF and have provided assurances that the annual diversion from landfill performance will be met.

4.7 Remedial actions following Monitoring.

- (a) Financial penalties invoked - Appendix C shows the penalties levied on Shanks as per the payment mechanism for contractual non conformances. Penalties were levied for failing to achieve turnaround times for collections vehicles and unusually a penalty was levied for a material breach of health and safety procedures. The total financial penalty levied for specific non conformances for the month was approximately £2,649.

5 Conclusion

5.1 Monitoring of the facilities by Borough and ELWA officers is being carried out to a satisfactory level and remedial actions are being taken in accordance with rectifications periods by the contractor.

5.2 Recycling performance remains below contractual target levels as does diversion from landfill performance.

5.3 Other avenues for increasing the supply of Solid Recovered Fuel (SRF) are being explored by the contractor.

6 Recommendations

6.1 Members are recommended to:-

- (a) note this report.

Mark Ash
HEAD OF OPERATIONS

Appendices	
A	Facility Monitoring indicators
B	Recycling, composting and diversion indicators
C	Contract monitoring and performance deduction indicators
Background Papers	
None	