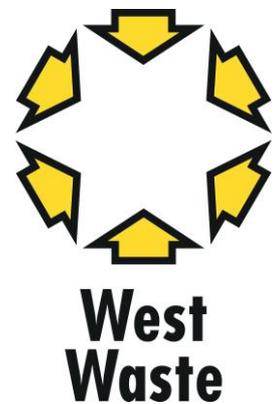


West London Waste Authority

Business Plan 2016-2019



Role of the Authority

The Authority exists to provide waste treatment and disposal services to the six constituent boroughs of Brent, Ealing, Harrow, Hillingdon, Hounslow and Richmond upon Thames. Our statutory duties are to arrange for -

- Facilities for the receipt and recycling or disposal of the waste which is collected by the boroughs;
- The provision of household reuse and recycling centres (HRRC's) and the transport and disposal of the waste received at those sites; and
- The storage and disposal of the abandoned vehicles which are removed by the boroughs.

Joint Waste Management Strategy

In 2006 the Authority and the boroughs agreed a joint municipal waste management strategy (JWMS). An addendum to the strategy was agreed by the Authority and boroughs in 2009 as part of the preparations for the residual waste services procurement. The JWMS provides the vision for the Authority's service delivery and is the foundation for this business plan. The government announced an intention to remove the requirement to have a JWMS under their red tape challenge of environmental legislation to reduce unnecessary burdens on business and public bodies. However, nothing came of this proposal and it remains a statutory requirement in two tier authorities.

An internal audit of the JWMS took place in 2013 which returned an amber/green level of assurance. The principal recommendation was that consideration should be given to the development and adoption of a new joint strategy. However, the Authority and the boroughs are required to be in conformity with the Mayor of London's Municipal Waste Management Strategy (MWMS), and it is therefore proposed to further update the existing strategy to comply with statutory requirements. There will be a new Mayor of London elected in May 2016, and it is anticipated that the MWMS will be reviewed later in 2016. Therefore as the current JWMS remains fit for purpose it is proposed to update it after the new Mayor's MWMS has been published.

Core Services

- Treatment of residual waste for disposal – the Authority has now put in place two major contracts to ensure that by 2017, based on current borough waste tonnages and performance projections, no residual waste will be going to landfill. In 2015, the amount of waste going to the Lakeside EfW plant increased to 90,000 tonnes via the Viridor Waste Processing Services Contract. Interim landfill services under the West London Residual Waste Services contract with West London Energy Recovery Ltd will continue, until the commissioning of the new Severnside Energy Recovery Centre SERC energy is completed in the summer of 2016.

- Treatment of organic waste – The contracts for the treatment of organic waste put in place in April 2014, were extended for two further years from 1st April 2016. These contracts continue to represent excellent value in terms of price, but cannot be further extended.
- Treatment of other waste – the Authority have in place a number of contracts and arrangements for other waste flows mainly received through the HRRCs. The HRRCs remain as very important facilities for the residents of west London and the Authority and boroughs need to find cost effective ways to move the management of waste brought to these sites up the waste hierarchy. Recycling of mattresses is now an established service and some excellent work has been done on the recycling of carpets, but there remain many challenges such as recycling of hard plastics.
- Provision of HRRCs – the statutory duty to arrange the provision of these important sites is with the Authority following the repeal of parts of the Refuse Disposal (Amenity) Act (1978). Interim arrangements were put in place in 2012 for the boroughs to continue to provide the sites, and the boroughs have indicated that they would like the current arrangements to continue, so new agreements up to 2020 will be put in place.
- Abandoned vehicles – the numbers of abandoned vehicles collected by the boroughs remains low. In late 2015, the long standing contractor for storage and disposal of abandoned vehicles was no longer able to provide the service. Alternative arrangements were put in place to ensure continuity of service to the boroughs, but the whole service provision arrangements need to be reviewed before procuring a new long term service provider.
- Waste Prevention – at the request of the boroughs the Authority took the lead on waste prevention and re-use from 2011. Much has been learnt about this relatively new service area. There is significant opportunity for environmental and cost savings by investing more in this area, but it is very difficult to measure the savings generated by specific schemes. The Authority has in place a Waste Prevention Strategy, which provides direction for the Business Plan, but this important area will need review as part of the overall JWMS review.

A look back at 2015/16

- Corporate governance issues – Two new Members have been appointed to the Authority in the last 12 months along with two Independent Members to assist, if required, with governance issues. All of these new members have received induction training. A new Clerk, Hugh Peart has been appointed. Four internal audit reviews have been completed, Income, Procurement and Contract Management, Asset & Inventory and Waste Management Data. These audits, all of which achieved reasonable assurance ratings, when combined with the programme of audits from 2015/16 complete a review of all of the Authority's key areas of control. Whilst some recommendations from the audits completed in January 2016 remain to be implemented, they reflect the strong governance policies and procedures that the Authority has put in place. There has been a focus on consultation and

engagement with the boroughs during a very challenging period of financial restraint for all of the constituent boroughs.

- Organisational review – The Authority agreed a restructuring of the staff in March 2015 to reflect the reduction in direct operations following the letting of the WLRWS contract. Implementation of the new structure began in the summer of 2015. Unfortunately the appointment of the new Managing Director did not take place as planned, but will be completed in 2016.
- Financial Control – This remains strong and forward financial planning during the year has highlighted the significant long terms benefits of the West London Residual Waste Services Contract. Over the term of the contract, the effects of pricing inflation are significantly dampened, the Authority will become debt free and a healthy cash balance will be maintained throughout the period mitigating any liquidity risk. In addition to this, over the short term costs and levies to Boroughs are also reduced. The Financial Regulations were also updated and training on the new policies and procedures rolled out to all staff.
- Contracts and Operations – All of the Authority’s contracts continued to deliver good value for money and met service requirements in year. The benchmarking of the Authority’s contracts against the WRAP annual gate fee survey was evidence of continued value for money. The West London Residual Waste Services Contract interim services have been satisfactory. The refurbishment of the railway transfer stations are nearing completion, and the new SERC plant has only a very minor delay of 18 days in a two and a half year construction and commissioning programme. New two year contracts for the treatment of wood waste and recycling of mattresses commenced in April 2016. Two boroughs introduced significant service changes in year, both separating the collection of food and garden waste that had previously been co-collected. The Authority successfully managed the changes to the organics treatment contracts to deliver beneficial savings to the boroughs concerned.
- Waste Minimisation and Prevention – all parts of the annual Waste Prevention Action Plan were successfully delivered. The team attended 94 events and spoke to 6006 residents. The team made extensive use of social media with a reach of 8.5 million contacts. The excellent work of the team was recognised by award of the Local Authority Recycling Advisory Committee’s Best Team of the Year title.

Challenges over the next three years

- Completion of the organisational review – the appointment of the new Managing Director will be the final key step in the change to the structure of the Authority. There will need to be a period of managed change to ensure that the benefits of the review are realised by the Authority and the constituent boroughs.

- Circular Economy –the EU proposals for the move to a circular economy announced in December 2015 will bring significant challenges to the way local authorities manage waste in the future. The long term target of 65% recycling by 2030 will require partnership working with the constituent boroughs.
- Influencing behaviour change – the EU proposals for the Circular Economy also placed greater emphasis on behaviour change in particular, prioritising waste minimisation and increasing re-use. The Authority has already established a waste prevention team and this needs further development and resourcing to deliver on the challenges ahead including a move away from annual funding review to a longer term 3 – 5 year programme approach.
- The adoption of the West London Waste Plan (WLWP) in 2015 presents an opportunity for the Authority to work in partnership with the boroughs to develop the sites identified in the WLWP. The Authority would like to facilitate the development of in area facilities for the treatment of organic waste and a range of recycling processes for mattresses, carpets, etc. by offering longer contracts and waste streams in partnership with the boroughs sites for development. Not only will this deliver economic savings and security of outlets, but will also provide in area jobs and potential income for site use to the boroughs.
- Local authority funding pressures – the Authority is effectively wholly funded by levy on the constituent boroughs. Government have announced that austerity measures will be in place up to 2020, and therefore significant efficiency savings need to be found. The Authority's focus on financial control, its long term financial planning and its key contract dampening the impact of pricing inflation will provide boroughs better certainty around costs and will contribute towards / help boroughs better manage the delivery of these savings.

Key themes

Considering the challenges identified above and the outputs from the joint borough workshop held in June 2013, the key themes for this business plan have been identified as follows:

- Strategy and Governance - The announcement of the EU proposals for the circular economy and their transposition into UK legislation will be a key theme for the next two years. There will also be a new Mayor of London who will review the regional municipal waste management strategy, along with associated environmental policies. The new Managing Director will need to lead the Authority's response to any consultations on changes, working with both the constituent boroughs and other joint waste disposal authorities. The joint waste management strategy will need to be refreshed and set out a work programme to reduce the environmental impact of our waste streams, whilst maintaining best value for residents of west London.
- Waste Prevention and reuse - the Authority will deliver the waste prevention strategy agreed in 2010 focusing on reducing food waste, increasing the reuse of textiles and electrical equipment, reuse of furniture and promotion of reusable nappies. The strategy will be incorporated as a key part of the revised joint waste management strategy, but still be

delivered through annual action plans aimed at saving money for both boroughs and residents.

- Market shaping, commissioning and managing services - the Authority will seek to maximise quality and minimise the price of all of its service contracts. Priority will be given to completing the mobilisation of the new residual waste services contract, but existing contracts will also be reviewed. In particular, the opportunities to use the next re-tendering to develop in-area organic and other waste treatment facilities using borough owned sites in the West London Waste Plan will be explored to reduce future costs and to maximise added social benefit.
- Managing people and change - the period of this business plan will see the final changes to the Authority staffing structure, with the move from operational to commissioning services. The future success of the Authority relies upon developing and improving our staff to deliver on a significant change agenda.

Detailed actions under each theme are shown in the tables that follow.

Business Plan: Delivery Schedule: 2016/17 – 2018/19

Business Plan Objective:	<p>Strategy and Governance</p> <p><i>To refresh the joint waste strategy to address the EU proposals for the Circular Economy. To strengthen the borough partnership's confidence in the financial and operational ability of the Authority to lead on this issue.</i></p>
<p>Statement of intent: The joint waste management strategy will be refreshed to address the requirements of the EU proposals for the Circular Economy and include a strong focus on waste minimisation, prevention and reuse.</p>	

Key activities	Owner / Lead	Timescales	Outcomes from activities
Review and update Joint Municipal Waste Management Strategy	Managing Director	June 2017	To agree a joint plan with the boroughs to deliver the requirements of the Circular Economy
To review the provision of ICT services ahead of relocation to new Head Office premises in June 2018	Head of Finance and Performance	June 2017	ICT currently provided via Ealing a change of service provider would require 12 months' notice and reprocurement
Review the Communications Strategy including improvements to our website and increased use of Facebook, twitter etc.	Waste Minimisation Coordinator	April 2017	Partners and residents better engaged and involved in influencing waste minimisation
Complete HRRC agreements with constituent boroughs	Managing Director	April 2017	Draft agreement with boroughs for completion
Develop partnerships with wider public and private sector bodies to demonstrate West London as market leader	Managing Director	December 2018	WLWA to be viewed as a role model in waste management sector

Key activities	Owner / Lead	Timescales	Outcomes from activities
Provide a robust and supported solution for the management of the Authority's waste data	Head of Finance and Performance	March 2017	Implement new waste data management system
To comply with changing accounting requirements reducing timescales for publishing accounts	Head of Finance and Performance	July 2018	Publish 2017/18 audited final accounts by 31 July 2018
To continue reviewing the levy setting policy so boroughs pay for services based on the volume of waste they dispose instead of apportioning costs using the relative council tax base	Head of Finance and Performance	January 2018	Move costs which relate to the amount of waste disposed by boroughs from FCL to PAYT (e.g. cost of HRRC waste) and levy accordingly

Relevant Performance Indicators for Organisational Review and Development

<i>PI Ref</i>	<i>PI Description</i>
KPI 10	Average days to pay creditors
KPI 11	Trade debt as proportion of non-levy income
AUDIT KPIs	Internal audit – progress with recommendations

Business Plan: Delivery Schedule: 2016/17 – 2018/19

Business Plan Objective:	<p>WASTE PREVENTION AND REUSE <i>To deliver a comprehensive waste prevention strategy and waste minimisation campaign to support achievement of 50% recycling by 2020 and the proposed new target of 65% recycling by 2030</i></p>
<p>Statement of Intent: The Authority will deliver the waste prevention strategy agreed in 2010 focusing on reducing food waste, increasing the reuse of textiles and electrical equipment, reuse of furniture and promotion of reusable nappies. The strategy will be delivered with annual action plans aimed at saving money for both boroughs and residents.</p>	

Key activities	Owner / Lead	Timescales	Outcomes from activities
In consultation with partners, develop new targets for reducing waste growth to align with national and regional policies	Waste Minimisation Co-ordinator	December 2016	Waste Prevention Action Plan 2017
Review, evaluate and update Municipal Waste Prevention Strategy for West London	Waste Minimisation Co-ordinator	June 2018	Waste prevention activities to be included in revised Joint Municipal Waste Strategy
Coordinate and deliver resident and business awareness campaigns promoting: <ul style="list-style-type: none"> • Practical methods of limiting food waste • Increasing waste food composting • Reusing textiles • Reusing WEEE • Local reuse and recycling centres • Use of washable nappies 	Waste Minimisation Co-ordinator	On-going	<ul style="list-style-type: none"> • Engaging information available on our website to help residents reduce their waste for these target materials • Joint projects delivered with constituent boroughs and local groups • Reports/data available to shape further activities in west London and other areas

Key activities	Owner / Lead	Timescales	Outcomes from activities
Implement a programme of waste minimisation projects including: <ul style="list-style-type: none"> • Love Food Hate Waste • Home composting • Swishing • Attendance at events 			Reduced waste for disposal
To identify and submit applications for grant funding for waste prevention, minimisation and reuse schemes	Senior Waste Minimisation Officer	On-going	Stretching of waste minimisation budget to allow for further activities

Relevant Performance Indicators for Waste Prevention and Reuse

<i>PI Ref</i>	<i>PI Description</i>
KPI1	Total waste handled by Authority (tonnes)
KPI2	Total waste % difference from forecast
KPI3	Total waste % difference from previous year
KPI4	Landfill diversion rate
KPI5	Twyford percentage of waste diverted for reuse, recycling and composting
KPI13	Number of visitors to our website
KPI14	Social media reach (twitter and Facebook)
KPI15	Number of people attending Authority events

Business Plan: Delivery Schedule: 2016/17 – 2018/19

Business Plan Objective:	<p>MARKET SHAPING, COMMISSIONING AND MANAGING SERVICES</p> <p>To deliver value for money through the completion of the mobilisation of the residual waste services contract, market testing and procuring waste and recycling service contracts, and exploring innovate approaches to partnership working.</p>
<p>Statement of intent: The Authority will seek to maximise quality and minimise the price of all of its service contracts.</p> <p>Priority will be given to completion of the commissioning of the full services of the West London Residual Waste Services contract, but existing contracts will also be reviewed. In particular, the opportunities to use the next re-tendering to develop in-area organic and other waste treatment facilities will be explored to reduce future costs and to maximise added social benefit.</p>	

Key activities	Owner / Lead	Timescales	Outcomes from activities
Complete the mobilisation of WLRWS contract to full service including the completion and commissioning of the key and other facilities	Senior Assistant Director (Operations)	August 2016	Reduced costs for waste disposal diversion of waste away from landfill Continuous service improvements
Monitor the effectiveness of Contract Management policies and procedures	Contracts Manager	April 2017	Systematic approach to contract management Proactive management of change Detailed records of all meetings, changes to contracts, etc.
Review current arrangements for wood, mattress, carpet recycling, plastics, etc.	Contracts Manager and Operations Manager	April 2017	Report to Authority as part of the Annual Procurement Plan. Consider market development approaches
Review Organics Waste treatment options ahead of next re-tendering, explore opportunities to develop in-area facilities move this so it follows on from the retender organic contract	Contracts Manager	December 2016	Informed decision making on extention of existing contracts or retendering

Key activities	Owner / Lead	Timescales	Outcomes from activities
Review all other waste treatment contracts for efficiency savings	Contracts Manager	September 2016	To deliver efficiency savings and reduce environmental impact
Work with the constituent boroughs to facilitate the development of in area waste reuse, recycling and treatment plants for new materials such as carpets, textiles, etc. on the designated waste sites in the West London Waste Plan	Managing Director	March 2017	Identification of options for borough owned sites approved in the West London Waste Plan to treat Authority waste streams
Shape national and regional waste strategy and policy	Director	On-going	WLWA seen as a leader in waste strategy development Response to consultations on policy proposals
To develop and deliver the programme of maintenance for Twyford Waste Transfer Station	Operations Manager	March 2017	Programme of works agreed by June 2016, works completed by March 2017
To construct new organic waste bulking facilities at Victoria Road Waste Transfer Station	Contracts Manager	November 2017	Planning consent in place by January 2017, facility operational by November 2017

Relevant Performance Indicators for Market Shaping, Commissioning and Managing Services

<i>PI Ref</i>	<i>PI Description</i>
KPI1	Total waste handled by Authority (tonnes)
KPI2	Total waste % difference from forecast
KPI3	Total waste % difference from previous year
KPI6	RIDDOR reported incidents at contractor delivery points
KPI7	Recycling rate for residual waste
KPI8	Recycling rate for IBA/APCR

Business Plan: Delivery Schedule: 2015/16 – 2016/17

Business Plan Objective:	<p>MANAGING PEOPLE AND CHANGE To create an effective and efficient Authority operating model by leading the transfer of staff to the RWS partner and creating a high performing commissioning and expert and business support operations.</p>
<p>Statement of intent: The period of this business plan will see substantial change for the authority staffing structure, with the move from operational to commissioning services. The future success of the Authority relies upon developing and improving our staff to deliver on a significant change agenda.</p>	

Key activities	Owner / Lead	Timescales	Outcomes from activities
Management of sickness absence to 7 days per FTE	Managing Director	April 2017	Improved efficiency Reduced costs
Complete the implementation of the review of the structure of Authority	Director and WLWA officers	September 2016	
Review and implement annual health and safety plan	Senior Assistant Director (Operations)	March 2017	Authority complies with the principles of HSG65 Safe work environments and practices
Secure new Head Office and relocate employees	Head of Finance and Performance	July 2018	To deal with the expiry of the office lease and closure of offices by the landlord

Relevant Performance Indicators for Managing People and Change

<i>PI Ref</i>	<i>PI Description</i>
KPI9	Number of accidents involving Authority staff
KPI12	Average number of sick days per employee per year