



MERSEYSIDE RECYCLING & WASTE AUTHORITY

**MERSEYSIDE... A PLACE
WHERE NOTHING IS WASTED**

MRWA PERFORMANCE REPORT

Quarter 3 Oct to Dec

2013 - 2014

Section 1 – Summary

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Section 1 - Summary

Summary of Performance against Targets set within the Corporate Plan

Improvement Target Corporate Aim 1: Operations	Target Description	Target 2013/14 (unless stated)	Q3 Performance 2013/14	Is the performance on target?
To deliver the performance targets specified in the Authority's waste contracts as a minimum	HWRC Recycling and Composting	52.91%	63.47%	✓
	HWRC Diversion Rate	64.02%	70.58%	✓
	KCM Diversion Rate	90.00%	92.74%	✓
	Organic Waste Diversion Rate	95.00%	99.85%	✓
Household Waste Recycling (Merseyside Only)	Merseyside Performance including MRWA & Districts	37.04%	37.04% (annual forecast)	✓

Improvement Target Corporate Aim 2: Governance & Resources	Target Description	Target 2013/14 (unless stated)	Q3 Performance 2013/14	Is the performance on target?
Sickness	To manage sickness absence to within the top quartile of local authorities	2.76%	5.09% (annual forecast)	✗
Education	To ensure that Veolia facilitate visits to the Recycling Discovery Centres	6500 Visitors (2013)	6605 Visitors (Jan – Dec 13)	✓

Improvement Target Corporate Aim 3: Partnership	Target Description	Target 2013/14 (unless stated)	Q3 Performance for 2013/14	Is the performance on target?
Household Waste (Merseyside Only)	To reduce total waste arisings (Before Re-Use, Recycling or Treatment)	1,180 Kg/Household (by 2030)	1,004 Kg/Household (annual forecast)	

Section 2 - CommentaryCorporate Aim 1- Operations***To deliver the performance targets specified in the Authority's waste contracts as a minimum***

During Quarter 3 the Waste Management and Recycling Contract (WMRC) has continued to demonstrate excellent recycling performance.

In particular, the Household Waste Recycling Centres achieved a recycling and composting rate of 63.47%, an increase of 9.18% against the same period last year. Considering the first three quarters of this year the HWRCs have achieved a recycling and composting rate of 65.95% and by the end of the year are expected to substantially surpass the annual target of 52.91%.

During the first three quarters of this year HWRCs have diverted (includes reuse, recycling, composting and rubble) an impressive 73.70% of waste from landfill and are again expected to substantially surpass the annual diversion target of 64.02%.

MRWA provide two Material Recycling Facilities via the WMRC to allow the recycling of kerbside collected dry recyclable comingled materials delivered by Merseyside Councils. During Quarter 3 MRF Service performance was 92.74% diversion, Veolia are expected to surpass the annual Diversion Target of 90%.

Neil Spencer – Assistant Contracts ManagerCorporate Aim 2 – Sickness***To manage sickness absence to within the top quartile of local authorities***

“The Authority continues to manage its sickness absence through the Sickness Absence Policy and Procedures. The current figure of 5.09% is higher than the current Local Authority target figure of 2.76% and is in part due to long term sickness absence. The Authority is a relatively small employer and as such long term sickness absence has a greater impact on the overall sickness absence percentages. This can be illustrated by excluding long term sickness which gives a revised figure of 1.89%. Continued use of the Sickness Absence Procedure coupled with appropriate intervention through Health and Wellbeing initiatives will enable the Authority to manage sickness absence more effectively”.

Paula Pocock – Assistant Corporate Services ManagerCorporate Aim 3 – Partnership***To reduce the total waste arisings per household to 1,180kgs by 2030***

“The amount of household waste produced on Merseyside continues to decline in 2013/14 with a 1.53% reduction in household waste arisings in the first half of the year compared to the same period in 2012/13. The current forecast per head of population is 1004kg which compares to 1074kg in the previous year and a long term target of containing waste growth to 1180kg by 2030.”

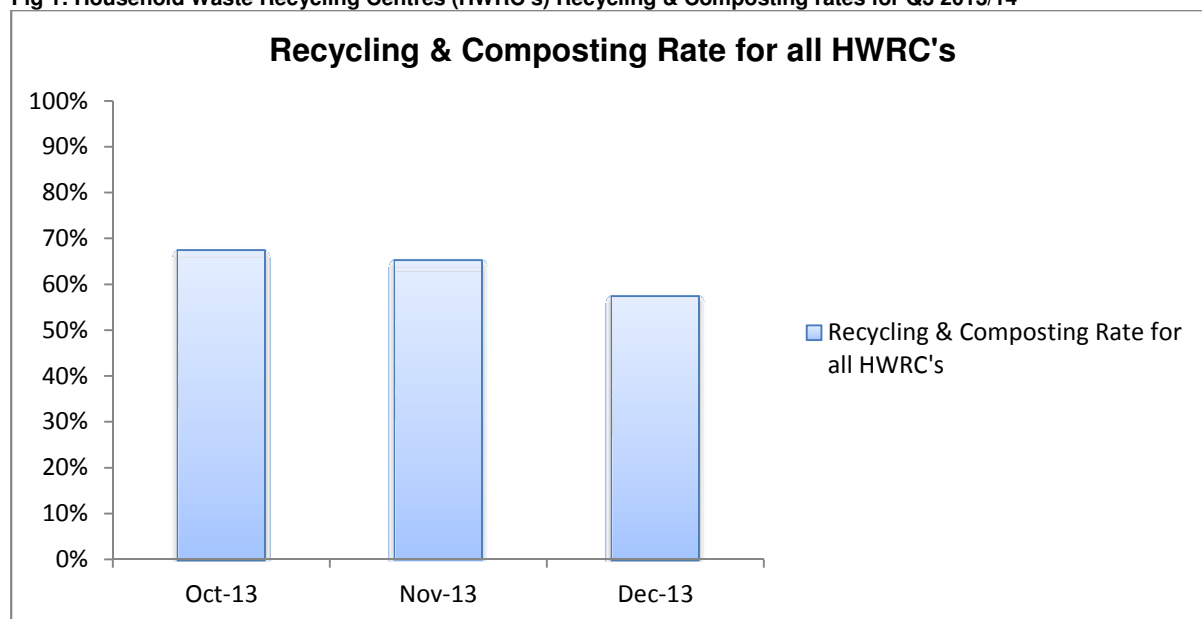
Mandy Valentine –Corporate Services Manager

Section 3 – Detailed Analysis

Corporate Aim 1- Operations

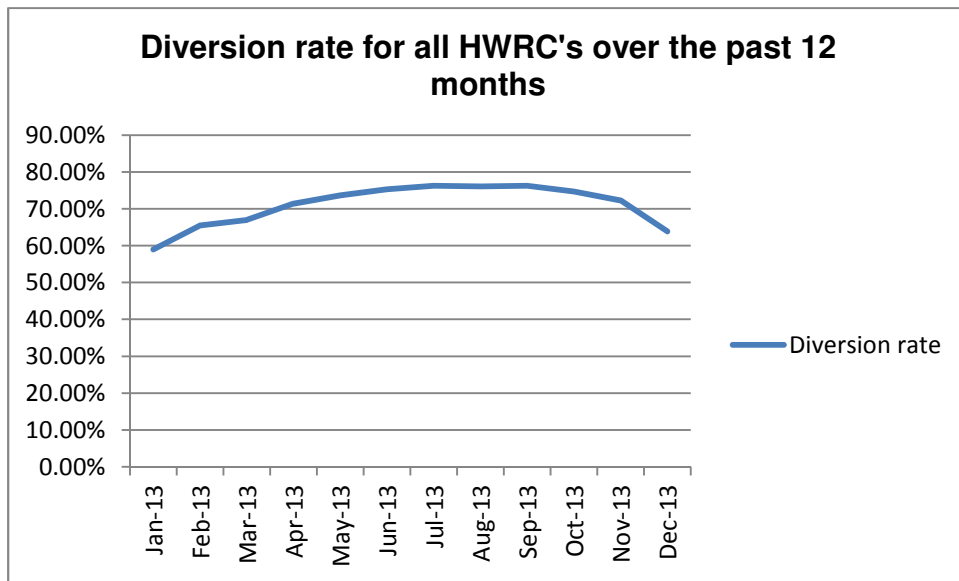
To deliver the performance targets specified in the Authority’s waste contracts as a minimum

Fig 1: Household Waste Recycling Centres (HWRC's) Recycling & Composting rates for Q3 2013/14



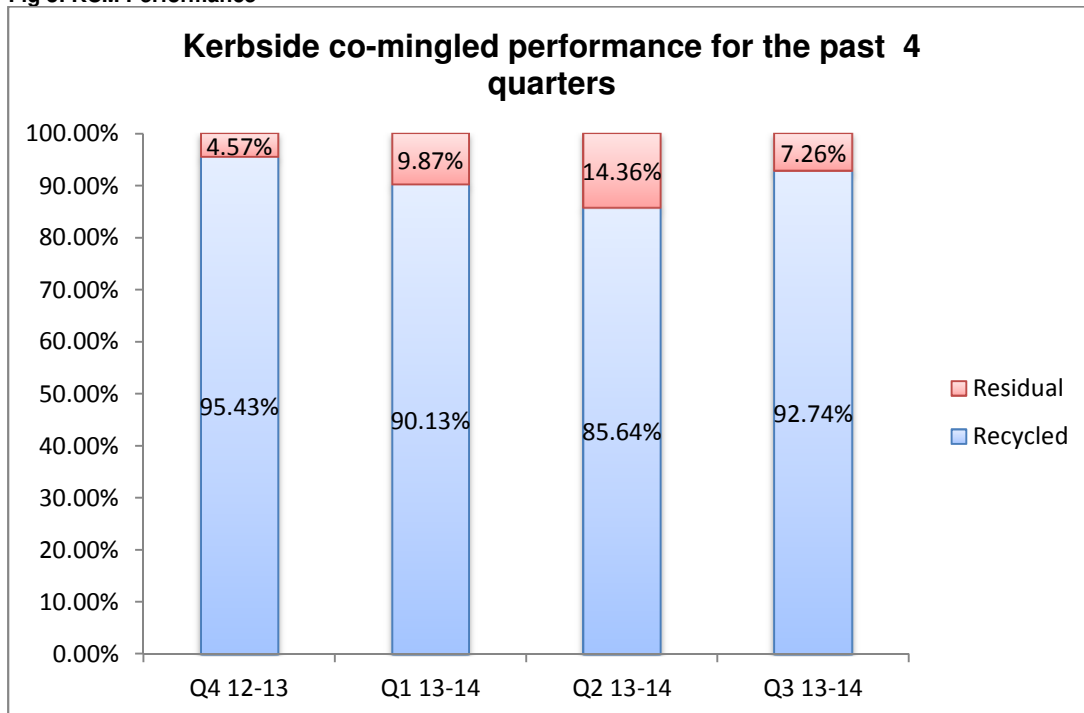
- The above graph shows the combined recycling and composting rate for the 16 HWRC's in Merseyside and Halton by month for Q3 2013/14.
- During Q3 Ravenhead HWRC closed for refurbishment and as such there is no data for this site for November and December.
- The combined recycling & composting rate for the HWRC's for Q3 is 63.47% against a target of 52.91% for the year.

Fig 2: HWRC Diversion Rates by Month for the past 12 Months



- The graph above shows the HWRC tonnage diverted (Recycled, composted and reused) from landfill for the past 12 months for the 16 HWRC's across Merseyside & Halton.
- The target for diversion from landfill for 2013/14 is 64.02%. For Quarter 3 the combined diversion rate for all HWRC's is 70.58%.
- Ravenhead HWRC closed for refurbishment in October 2013 therefore there is no data for the site for November and December.
- It should be noted that 'HWRC Diversion from landfill' includes rubble, whereas HWRC recycling shown in other charts does not.

Fig 3: KCM Performance

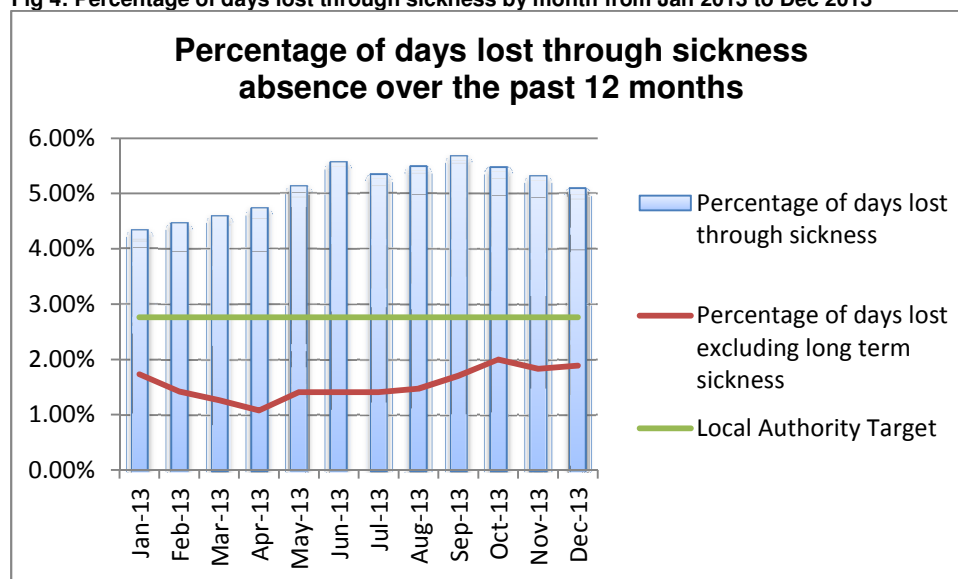


- The above chart shows the KCM (comingled) performance by quarter for the past 4 quarters.
- For Quarter 3 2013/14 the percentage of waste recycled was 92.74%. The annual target for waste diverted from landfill via the MRF service for 2013/14 is 90%.
- Veolia are expected to exceed the annual Diversion Target of 90%.

Corporate Aim 2 – Resources

To manage sickness absence to within the top quartile of local authorities

Fig 4: Percentage of days lost through sickness by month from Jan 2013 to Dec 2013



- The above graph highlights the percentage of days lost through sickness from Jan 2013 to Dec 2013. Each monthly reporting figure is calculated on a rolling 12 month basis (e.g. the sickness statistic for June 2013 covers July 2012 to June 2013).
- The Authority's target is based on published figures for local authority sickness levels and is set at 2.76% for 2013/14.
- The current figure for sickness for December 2013 is 5.09%. When long term sickness is excluded the figure is reduced to 1.89%.
- The level of long term sickness within the Authority is now starting to decline with the December figure of 5.09% being the lowest since April 2013.

Table 1: Sickness in Days per Employee

	Days lost through sickness	Days lost excluding long term sickness	Local Authority Target
Dec-13			
Percentage	5.09%	1.89%	2.76%
Number (per Person)	12.13	3.92	6.89

Table 1 above incorporates the past 12 months, (Jan 2013 to Dec 2013)

- The above table looks at the number of days lost per employee.
- The percentage of days lost through sickness for Quarter 3 is 5.09%. When long term sickness is excluded from this figure the sickness level is reduced to 1.89%.
- The overall levels of sickness are higher than the Local Authority target of 2.76%.

To deliver educational opportunities at the Authority's facilities

Table 2: Educational opportunities from 1st October to 31st December 2013

Q3 Oct - Dec 2013		Number of People	Number of events
Veolia Educational Target 6500	Schools Bidston	52	1
	Community to Bidston MRF	28	1
	Schools Gillmoss	1079	158
	Community to Gillmoss	81	7
	Outreach	316	23
	Other (Veolia staff etc)	236	3
	Total	1810	80
Eco Centre Target 5750	Schools to Eco Centre	392	14
	Adults to Eco Centre	60	0
	Outreach	1215	0
	Total	1667	14
	Opportunities to see on Concourse. Note: not towards target	107877	
MRWA Target 9,000	Waste Preventiion Engagement (including LFHW)	1509	9
	Education & Awareness	392	7
	Total	1901	16
	Opportunities to see at events Note: not towards target	7000	
Other Delivery Organisations	Waste Prevention Engagement	0	0
	Programme engagement	4	1
	Total	4	1

- The above table shows the number of people who were directly engaged with through Veolia's Educational programme, the Eco Centre, MRWA waste prevention engagement and other delivery organisations.

Table 3: Veolia Educational Visit Performance from January to December 2013

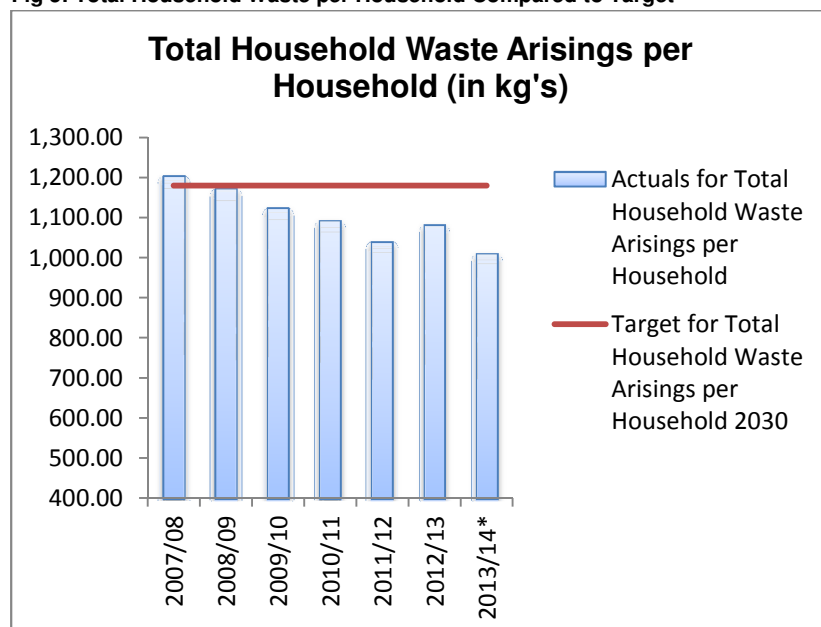
	Actual	Target	Visits
Jan-13	313	540	11
Feb-13	585	542	21
Mar-13	599	542	27
Apr-13	453	542	23
May-13	729	542	27
Jun-13	906	542	25
Jul-13	747	542	23
Aug-13	253	542	12
Sep-13	210	542	8
Oct-13	839	542	37
Nov-13	830	542	33
Dec-13	141	540	10
	6605	6500	257

- The above table shows Veolia’s educational performance against target by month from January 2013 to December 2013.
- Veolia have exceeded the target of 6500 by engaging with 6605 members of the public.

Corporate Aim 3 - Partnership

To reduce total household waste across Merseyside per household to 1180kg by 2030.

Fig 5: Total Household Waste per Household Compared to Target

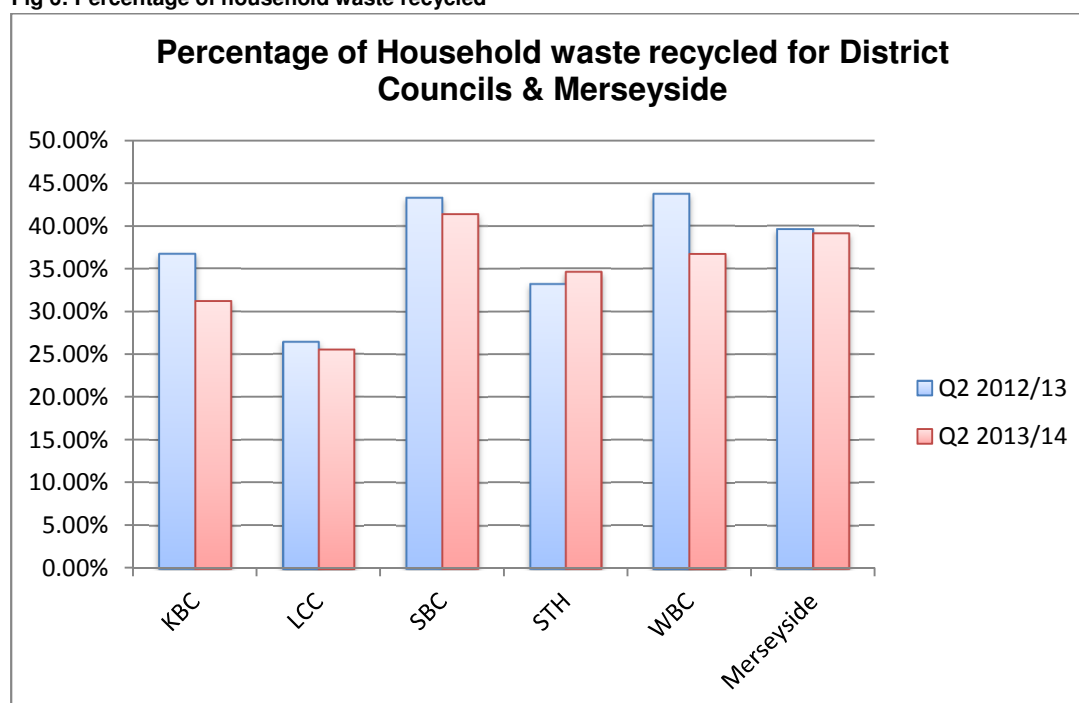


- This target is drawn from the Joint Recycling & Waste Management Strategy for Merseyside which has a target of reducing the total amount of waste arisings produced per household on Merseyside by 8% by 2030.

- The graph above shows that Merseyside has seen a reduction in the kg of household waste per household since 2007/8. For 2012/13 there was a slight increase but was still within the target set.
- The figures for 2013/14* are a forecast (1,004kg per household), and whilst performance is comfortably within target, the challenge for Merseyside will be to limit any increases in waste arisings in the coming years. Whilst arisings have steadily reduced in recent years, historically waste had increased by 3% per year.
- The targets set in the Joint Recycling & Waste Management Strategy for Merseyside is to reduce the total amount of waste arisings produced per household on Merseyside to (1,227 kg by 2020 and 1,180kg by 2030).

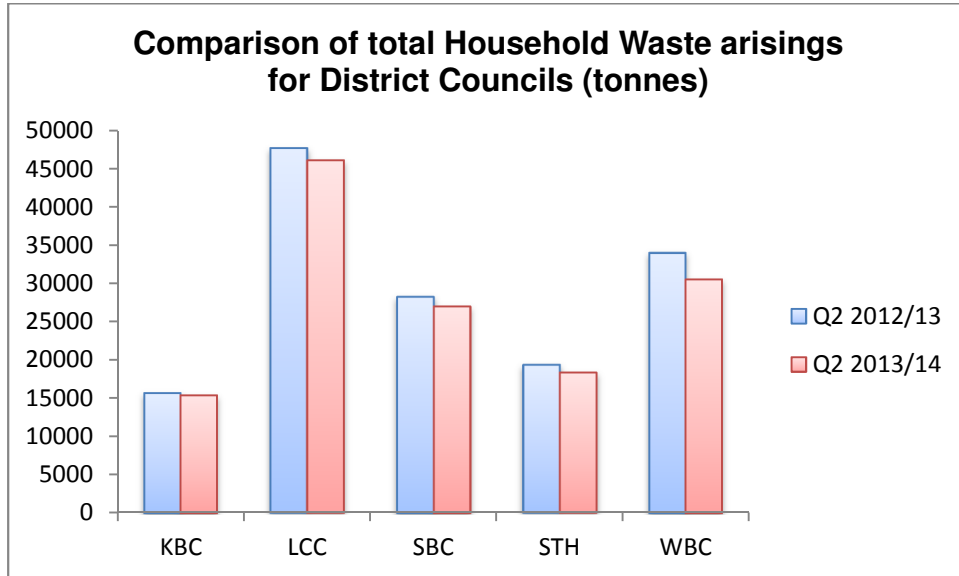
FIGURES 6, 7 AND 8 BELOW USE THE LATEST DATA AVAILABLE FROM WASTEDATAFLOW WHICH IS QUARTER 2

Fig 6: Percentage of household waste recycled



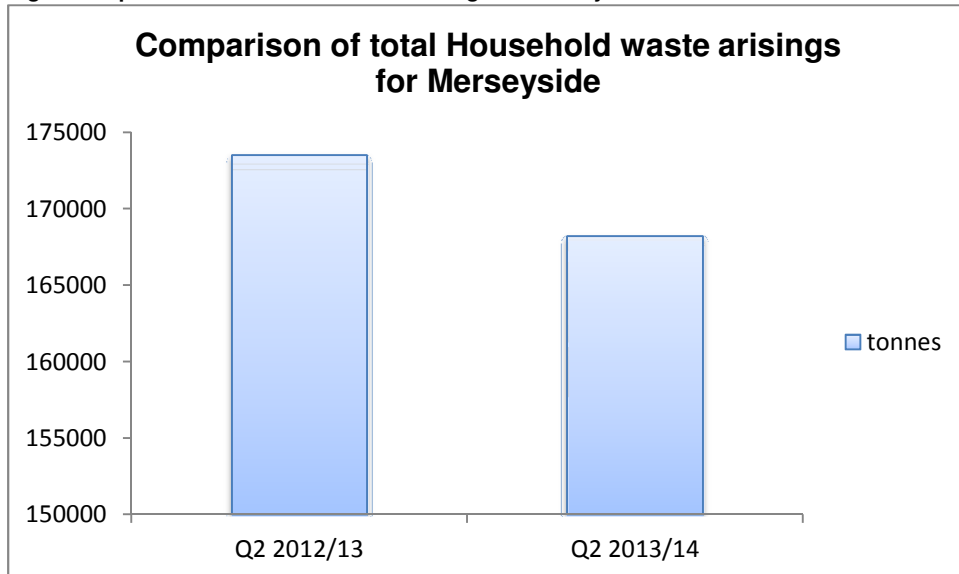
- The above chart shows a comparison of the percentage of household waste recycled for each of the District Councils and Merseyside for Quarter 2 in 2012/13 and Q2 in 2013/14.
- All have shown a decrease in the amount of household waste recycled when comparing quarter 2 across the 2 years with the exception of St Helens. The percentage of household waste recycled for St Helens increased from 33.2% in Q2 2012/13 to 34.6% in Q2 2013/14.
- WBC has the biggest difference between the two years with a decrease of 16.02%. This could be attributable to the introduction of the charging scheme that was introduced in April 2013 for green waste across the borough.
- It is important to note that performance is only for the period July to September 2013 and therefore does not show the impact of the managed weekly collections introduced in Knowsley and Liverpool in October. With this in mind, Merseyside is currently forecasted to meet its annual target of 37.04%.
- Data taken from Wastedataflow.

Fig 7: Comparison of Household waste arisings for District Councils



- The above chart shows that all District Councils saw a reduction in household waste arisings when comparing data for Q2 in 2012/13 to Q2 in 2013/14.
- Data taken from Wastedataflow.

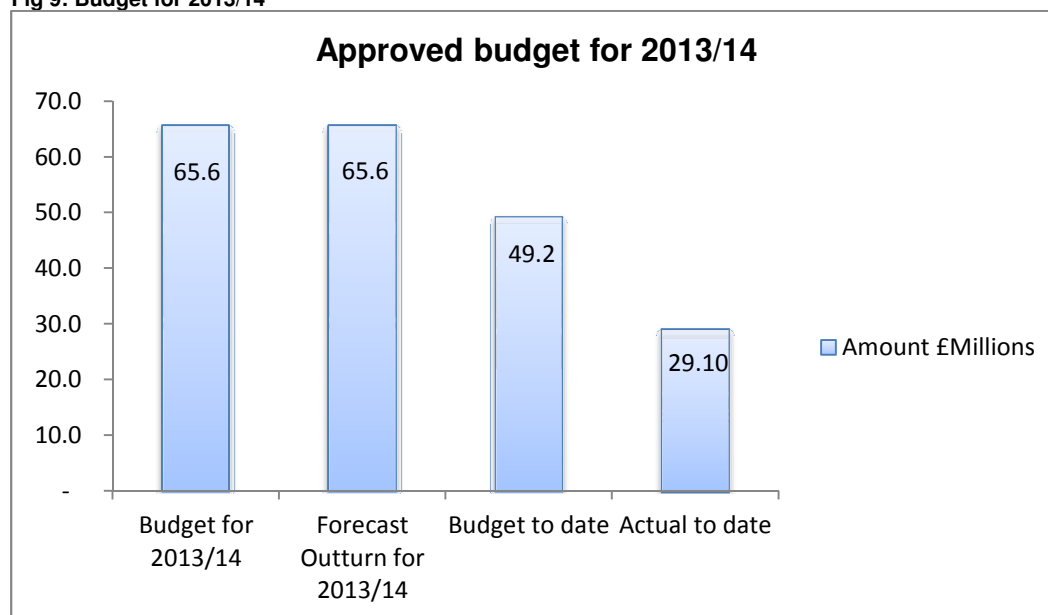
Fig 8: Comparison of Household waste arisings for Merseyside



- When comparing the data for Quarter 2 across two years the total household waste arising for Merseyside has decreased from 173,528 tonnes in Q2 2012/13 to 168,169 tonnes for Q2 in 20103/14.
- Data taken from Wastedataflow.

Financial Information

Fig 9: Budget for 2013/14



- Actual spend year to date is below year to date budget but consistent with previous years. It is expected that the budget will be spent by year end.

Table 4: Approved Capital Programme & Expenditure for 2013/14

	Capital Programme for 2013/14 (£)	Capital Expenditure to date 2013/14 (£)
HWRC Development Programme	1,058,000	144,364
WTS Improvement Programme	200,000	3,215
Closed Landfill Sites	125,000	35,722
New Site Acquisition		
Total	1,383,000	183,301

- The majority of planned capital expenditure for 2013/14 relates to the redevelopment of Ravenhead HWRC, Burtonhead Road. The works commenced in November 2013 with a scheduled completion date for mid March 2014. The £144k expenditure above represents the value of works completed up to December 2013.
- Capital expenditure is still expected to be £1.383m for 13/14. The main variance at Quarter 3 is due to the Redevelopment of Ravenhead (£1.0m). This project has now started and payments have been made in Quarter 4.

Fig 10: Predicted Levels of Reserves at the end of 2013/14

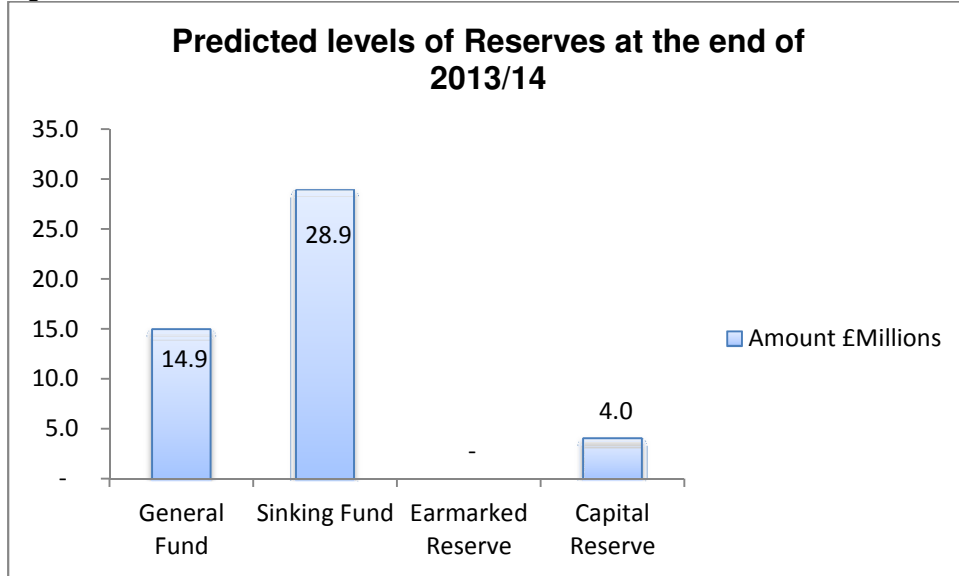
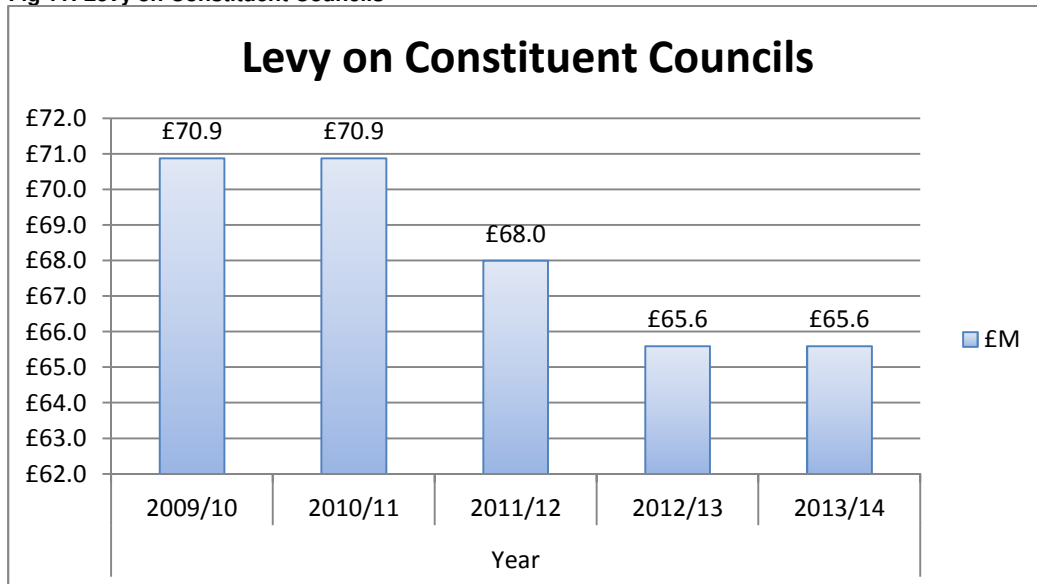


Fig 11: Levy on Constituent Councils



- It can be seen from the 5 year trend that the Levy has reduced from £70,872k to £65,591k.
- Please note in real terms the Levy Total has reduced year on year

Section 4 – Special Focus Report

Special Focus Report: Resource Recovery Contract

The purpose of this special focus report is to present an overview of the principal features of the Authority's Resource Recovery Contract, including how the contract fits in with the Authority's existing waste management arrangements.

Introduction

On 23rd December 2013, the Authority completed the procurement of its Resource Recovery Contract (RRC) by signing a 30 year contract with SITA Sembcorp UK Ltd.

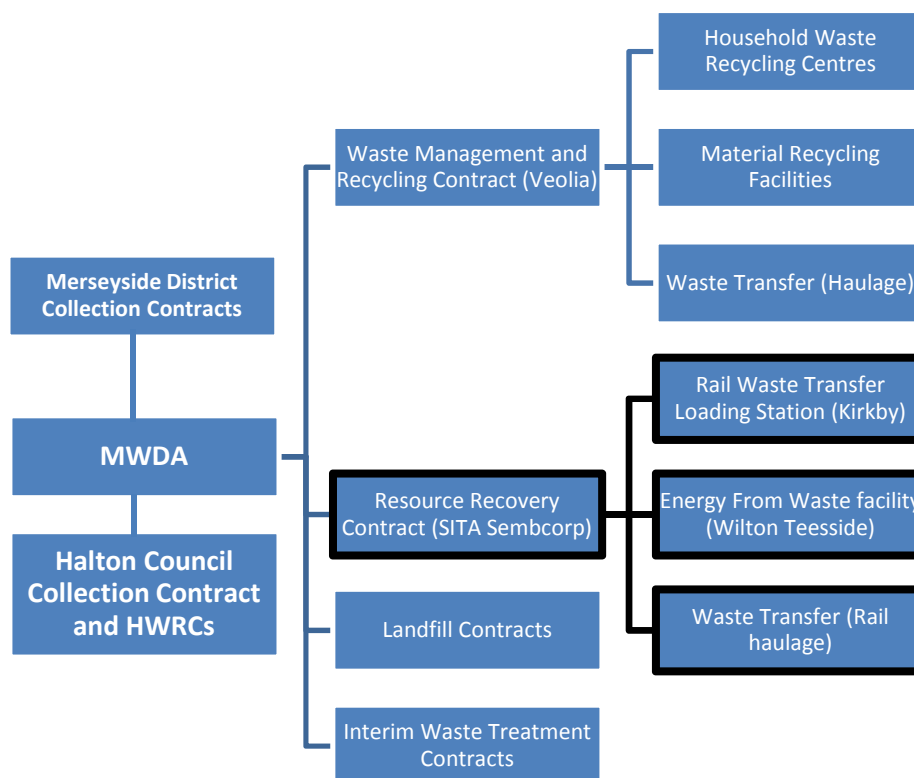
SITA Sembcorp is a 40:40:20 joint venture between: SITA UK Ltd, Sembcorp Utilities Ltd, and the ITOCHU Corporation.

- *SITA UK Ltd is a UK based subsidiary of SUEZ ENVIRONNMENT, employs about 5,500 people and handles around 8,000,000 tonnes of waste each year.*
- *Sembcorp Utilities UK Ltd is a subsidiary of Sembcorp Industries Ltd, a Singapore based energy, water and marine group, operating across six continents worldwide.*
- *ITOCHU Corporation, headquartered in Tokyo Japan has been involved in 4 energy from waste projects in the UK and through the contracts will be involved in about 20% of the annual waste volume treated by energy from waste facilities in the UK.*

The fundamental purpose of the RRC is to provide an efficient waste treatment and resource recovery service, provided in an environmentally and economically sustainable manner.

The RRC is one of a suite of arrangements put in place by the Authority to deliver its Municipal Waste Management Strategy "Resources", and will be managed by the Authority's Operations Group, alongside the existing arrangements.

The relationship between the RRC and existing contractual arrangements is shown below:



How the RRC fits with existing MWDA arrangements

Benefits of the contract

The contract, which is worth more than £1 billion and will involve new infrastructure worth over £250 million, is expected to deliver the following benefits:

- more than £100 million of savings to the Authority over current landfill costs;
- diversion of more than 92% of Merseyside and Halton’s residual waste from landfill;
- creation of 75 permanent jobs with hundreds of construction jobs during the build phase;
- generation of enough energy to power the equivalent of around 63,000 homes;
- a reduction of around 127,000 tonnes of CO² equivalent per year compared with landfill;
- by using rail haulage, removing the equivalent of 21,000 HGV journeys per year off the roads.

The facilities

Residual waste from Knowsley, Liverpool Sefton, St Helens, Wirral and Halton will be delivered either directly or via the Authority's Waste Management and Recycling Contract, to a new rail waste transfer loading station (TLS) based at an existing rail freight terminal in Kirkby. At the rail TLS it will be loaded onto trains and taken to a purpose built high efficiency Energy from Waste (EfW) plant at the Wilton International complex in Teesside.



Site of the rail Transfer Loading Station Kirkby.

The EfW plant (Known as Wilton 11) will process the waste producing 49 megawatts of energy – enough to power the equivalent of around 63,000 homes. The plant will also be able to provide heat to local industrial customers through a district heating system.



An Artist's illustration of the new EfW facility at Wilton (Wilton 11)

Construction of both the rail TLS and Wilton EfW will begin in 2014 and the EfW will begin processing waste in 2016.

Once the facilities are operational, the contract will enable Merseyside and Halton to divert more than 92% of residual waste from landfill.

For further information or to provide feedback on the contents of this performance report, please contact:

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