



West London Waste Authority

Hugh Peart  
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20 March 2019

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### **West London Waste Authority**

A meeting of the West London Waste Authority will be held in Committee Room 5, Harrow Civic Centre, Station Road, Harrow, HA1 2XY on Friday 29 March 2019 at 10.00 am

### **MEMBERSHIP**

Councillor Graham Henson, London Borough of Harrow (Chair)  
Councillor Keith Burrows, London Borough of Hillingdon  
Councillor Martin Elengorn, London Borough of Richmond  
Councillor Guy Lambert, London Borough of Hounslow  
Councillor Mik Sabiers, London Borough of Ealing  
Councillor Krupa Sheth, London Borough of Brent

## **AGENDA**

### **PART I - ITEMS FOR CONSIDERATION WHILE THE PRESS AND PUBLIC ARE IN ATTENDANCE**

1. Apologies for absence
2. Declarations of interest

Members are reminded that if they have a pecuniary interest in any matter being discussed at the meeting they must declare the interest. They may not take part in any discussion or vote on a matter in which they have a pecuniary interest.

3. Minutes of the meeting held on 25 January 2019 **(Pages 3 - 6)**
4. Business Plan 2017- 2020 **(Pages 7 - 18)**
5. Annual Procurement Plan 2019/2020 **(Pages 19 - 22)**
6. Operations Update **(Pages 23 - 28)**
7. Projects Update **(Pages 29 - 32)**

8. Contracts Update *(Pages 33 - 34)*
9. Waste Minimisation Update *(Pages 35 - 40)*
10. Budget Monitoring Report Period 10 (January) *(Pages 41 - 46)*

## **PART II - ITEMS FOR CONSIDERATION AFTER THE EXCLUSION OF THE PRESS AND PUBLIC**

**Nil**

### **Recording and reporting on public meetings**

Please note that members of public can choose to record or report in other ways, on this public meeting. If you wish to do so then please read the Authority's protocol which can be found [online](#). Copies of the protocol are also available at the meeting.

The Authority asks that you avoid recording members of the audience who are not participants at the meeting. The Authority will seek to facilitate this. However, anyone attending a public meeting does so in the knowledge that recording may take place and that they may be part of that record.

Hugh Peart  
Clerk to the Authority

At a meeting of the West London Waste Authority held on Friday 25 January 2019 at 11.00 am at the Committee Room 5, Harrow Civic Centre, Station Road, Harrow, HA1 2XY.

**Present:**

Councillor Graham Henson (Chair)

Councillor Martin Elengorn, Councillor Guy Lambert, Councillor Mik Sabiers and Councillor Krupa Sheth

**Apologies for Absence**

Councillor Keith Burrows

**48. Apologies for absence**

Apologies for absence were received from Councillor Keith Burrows.

**49. Declarations of interest**

**RESOLVED:** There were no declarations of interest.

**50. Minutes of the meeting held on 7 December 2018**

**RESOLVED:** That the minutes of the meeting held on 7 December 2018 be taken as read and signed as a correct record subject to noting the following amendment:-

Minute 36 – Apologies for absence - The Clerk advised that Councillor Mik Sabiers had provided reasons for his non-attendance at the meeting and reported these to the Authority. In accordance with Standing Order 5, Members of the Authority agreed that the reasons provided were sufficient and therefore the six month rule did not apply.

**51. 2019/20 Budget**

Jay Patel, Head of Finance, introduced the report which set out the 2019/20 budget. He reported that it was intended to disburse reserves to constituent boroughs once the accounts had been finalised but that whilst properties were being valued there was still a risk around reserves.

In considering the budget a Member suggested that an organogram would be helpful and, in terms of risk, an additional column in the chart to explain how these were being dealt with.

**RESOLVED:** That (1) the 2019/20 budget for consultation with boroughs be approved;  
(2) the indicative Pay As You Throw (PAYT) rates set out in section 13 of the report and

resulting PAYT levy of £47.8 million be approved;

(3) the Fixed Cost Levy (FCL) of £13.0 million set out in section 14 of the report be approved;

(4) the recommended trade waste prices set out in section 15 of the report and delegated authority to the Treasurer to change these in year should the need arise be approved;

(5) the new proposed capital budgets set out in section 16 of the report be approved;

(6) the target level of reserves of £5.9 million to act as a buffer for managing risks and avoiding supplementary levies set out in section 17 of the report be approved.

## **52. 2018/19 Budget Monitoring Report Period 8 (November)**

Jay Patel, Head of Finance, introduced the report which provided an update on financial and operational matters.

Members welcomed the report and commented that increasing recycling in the boroughs was necessary as there were increased levels of refuse. Flats were a significant issue in terms of levels of recycling, including food waste recycling. A Member commented that the government's proposed move toward offering free garden waste collections may be a disincentive to composting.

**RESOLVED:** That (1) the current financial position in 2018/19 and Key Performance Indicators be noted;

(2) it be noted that no financial decisions had been taken under the Scheme of Delegation to officers.

## **53. Treasury Management Update including 2019/20 Plan**

Jay Patel, Head of Finance, introduced the report which provided the treasury management plan for 2019/20. He advised that officers were considering whether the Authority's interest rates could be mitigated but that, if this were to be pursued, consultants would need to be engaged.

**RESOLVED:** That (1) the treasury management plan for 2019/20 be approved;

(2) the prudential indicators and minimum revenue provision, as set out in section 3 of the report, be adopted.

## **54. Joint Municipal Waste Management Strategy Development**

Emma Beal, Managing Director, introduced the report which provided details of the development of a new Joint Municipal Waste Management Strategy for the Authority and the constituent boroughs for the years 2020-2035.

In outlining the content of the report and the key milestones, Emma Beal drew Members' attention to the newly published resources and waste strategy and three consultations expected shortly:-

- Deposit Return Scheme
- Packaging Extended Producer Responsibility
- Consistency and metrics

**RESOLVED:** That the report be noted.

## 55. Operations Update

Sarah Ellis, Operations Manager, introduced the report which provided an update on the Authority's operations. She made particular reference to waste management over Christmas which had been positive due to the plans and daily tracker put in place by SUEZ. There had, however, been considerable amounts of recycling included in the waste.

Sarah Ellis reported that it was proving difficult to receive three quotations for construction works at Twyford following the recent fire and therefore officers may seek a waiver.

**RESOLVED:** That the report be noted.

## 56. Projects Update

Peter Tilston, Projects Director, introduced the report which provided an update on the Authority's efficiency and Joint working projects.

Members welcomed the initiatives set out in the report. In terms of emerging markets and recyclables, officers advised that these countries were looking to improve quality standards and that China, for example, only wished to receive high quality recyclables.

**RESOLVED:** That the report be noted.

## 57. Contracts Update

Sarah Ellis, Operations Manager, introduced the report which provided an update on the Authority's various waste treatment arrangements and procurements. She reminded Members of the invitation to visit the Food Waste Treatment site on 12 February 2019 and added that visits to other facilities could be arranged.

In terms of the tender for Abandoned Vehicles Collection, Storage and Disposal Contract, Sarah Ellis advised Members that it had been issued on 25 January 2019, not 15 January as stated at paragraph 8 of the report.

Members discussed the disposal of mattresses noting that the mattress composition would affect the type of technology for disposal. A Member suggested that consideration should be given to increase the fine for dumping mattresses to £1,000.

**RESOLVED:** That (1) the report be noted;  
(2) the award of contracts for mattress recycling and abandoned vehicles be delegated to the Managing Director following consultation with the Chair and Chief Technical Adviser.

## 58. Waste Minimisation Update

Mildred Jeakins, Waste Minimisation Manager, introduced the report which provided an update on the Authority's Waste Minimisation activities.

The focus was now rolling the food waste recycling the service out to flats IN Richmond and it was proving popular; Harrow was rolling food waste recycling out to 17,000 flats. The WEEE project report would be presented at the next meeting but it had become apparent that these items needed to be collected when the householder was ready or to offer a short collection period in order to provide a focus.

In response to a Member's question about rolling food waste recycling in flats out to all

constituent boroughs, Emma Beal advised that the food waste projects were taking place in every borough and had commenced in Brent in 2018.

**RESOLVED:** That the report be noted.

**59. Any Other Urgent Business**

Members agreed to receive an urgent oral update from Emma Beal, Managing Director, who reported that the purchase of two transfer stations had been completed which was an excellent development for the Authority.

**60. EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED:** That in accordance with Part I of Schedule 12A to the Local Government Act 1972, the press and public be excluded from the meeting for the following item(s) for the reasons set out below:

<u>Item</u>	<u>Title</u>	<u>Reason</u>
14.	Contracts Update	Information under paragraph 3 (contains information relating to the financial or business affairs of any particular person (including the authority holding that information)).

**61. Contracts Update**

**RESOLVED:** That the Managing Director, following consultation with the Chair and Chief Technical Adviser, be authorised to award a concession contract for the Twyford Household Reuse and Recycling Centre and waste transfer station.

**The meeting finished at 12.18 pm.**

The minute taker at this meeting was Alison Atherton.

WEST LONDON WASTE AUTHORITY

Report of the Managing Director

29<sup>th</sup> March 2019

**Business Plan 2017 - 2020**

**SUMMARY**

This report provides details of the Authority's Business Plan for the year 2018/19. It provides a list of the key activities started in 2017 which using the strength of the Borough Partnership shapes our approach to market risk and maximising assets.

**RECOMMENDATION(S)**

The Authority is asked to:-

- 1) *Note the progress made in 2018-19*
- 2) *Approve the updates in the Business Plan 2017-20*

**1. Background** –West London Waste has the statutory responsibility to arrange for facilities for the receipt and recycling, treatment or disposal of the waste collected by the boroughs, provision of Household Re-use and Recycling Centres (HRRCs), and the transport and disposal of the waste received at those sites. The Authority and Boroughs manage approximately 650,000 tonnes of waste per annum including waste streams for reuse, recycling, composting, waste treatment and disposal.

The Authority and Boroughs committed in 2005 to a joint municipal waste management strategy (JMWMS) which has reduced total waste per head of population, reduced waste for disposal and increased recycling and composting. The specific policy aims of the joint strategy have largely been delivered, the remaining target to be achieved by 2020 is the aim to recycle and compost 50% of municipal waste which is very challenging given Local Authority funding pressures, ongoing volatility in recycling markets and the effect of waste minimisation / circular economy activity.

**2. Future Joint Strategy** – West London Waste and Boroughs are working on a number of projects, which, along with the London Environment Strategy and the Resources and Waste Strategy are shaping a new Joint Municipal Waste Management Strategy (JMWMS) for West London. The updated JMWMS will also take into consideration: increasing commercial recycling, regional growth including the old oak common development, Heathrow expansion, HS2 and Crossrail and planning for a circular economy. Existing and proposed Authority contracts support the development of a commercial waste collection strategy and the development of infrastructure to serve commercial waste in London is hampered by a lack of publicly available commercial waste data.

**3. 50% recycling and composting by 2020** - In support of JMWMS Policy 3, waste minimisation proposals aim to remove waste from the residual waste to; achieve a permanent waste reduction, increase recycling and increase composting. Increasing the collection of food waste for composting from houses and flats is expected to have the biggest impact.

**4. Added Value** – In support of JMWMS Policy 7 to provide waste management services that offer good value, that provide customer satisfaction and which meet and exceed legislative

requirements, and Policy 8, which is a commitment to work together to achieve the aims of the strategy and to share equitably the costs and rewards of achieving its aims. Six areas were confirmed in 2018 where Officers can lead activity to increase efficiency and improve negotiating positions:

- Waste data inputting, analysis and reporting,
- Waste Minimisation including increasing food waste recycling, improved recycling from flats and increasing the quality of dry mixed recycling,
- Joint procurement of dry mixed recycling offtake through a Materials Recycling Facility from 2020,
- Developing a masterplan of waste management sites, a harmonised HWRC and Transfer Station offer for residents and local tradespeople,
- Joint procurements and marketing of waste and recycling materials, and
- A joint collections strategy which aligns with the joint waste disposal strategy

**5. Borough Partnership** – As part of the Authority’s commitment to collaboration and transparency, borough officers will be included in information sharing, project development and invited to comment through the Borough Partnership Meetings and Environment Directors Board.

**6. Financial Implications** – Financial provision has been included within the approved 2019-2020 budget for business plan activities.

**7. Risk Management** – None.

**8. Health and Safety Implications** – Health and Safety considerations form part of the project development process.

**9. Legal Implications** – None

**10. Impact on Joint Municipal Waste Management Strategy** – included in the report.

Background Papers	
Contact Officers	Emma Beal, Managing Director <span style="float: right;">020 8825 9488</span> <a href="mailto:emmabeal@westlondonwaste.gov.uk">emmabeal@westlondonwaste.gov.uk</a> Keith Townsend, Chief Technical Advisor WLWA <span style="float: right;">020 8825 9551</span> <a href="mailto:TownsenK@ealing.gov.uk">TownsenK@ealing.gov.uk</a>



# West London Waste Authority Business Plan 2017-2020

- updated March 2019



## Section 1: Role and Services

Since the creation of West London Waste Authority in 1986 we have provided waste treatment and disposal services to the six boroughs of Brent, Ealing, Harrow, Hillingdon, Hounslow and Richmond upon Thames.

Our statutory duties are to arrange:

- Facilities for the receipt and recycling, treatment or disposal of the waste which is collected by the boroughs;
- The provision of Household Re-use and Recycling Centres (HRRCs) and the transport and disposal of the waste received at those sites; and
- The storage and disposal of abandoned vehicles, which are removed by the boroughs.



By undertaking these statutory duties efficiently, in partnership with the boroughs and other stakeholders we will deliver our purpose to be leaders in treating waste as a valuable resource.

## Partnership

WLWA's structure includes a number of mechanisms to ensure close working with our stakeholders. Meetings and boards give all partners formal opportunities to provide input, monitor and challenge progress of the key activities contained in this business plan and risks and opportunities as they arise.

- **Borough Partnership Meetings:** Held 5 times a year prior to the Authority meetings with elected members these will support progress of projects, review and refresh the action plans within the JMWMS and review Authority reports.
- **Project Boards:** These are formed to support the delivery of new infrastructure. Frequency and composition reflect the needs of the project up to a maximum of one per month.
- **Contract Meetings:** Are held with all contractors to review performance and identify efficiencies and explore opportunities. For the Authority's largest contract a Stakeholder Liaison Committee is held with senior management from both sides to discuss projects, opportunities and service provision at a strategic level.

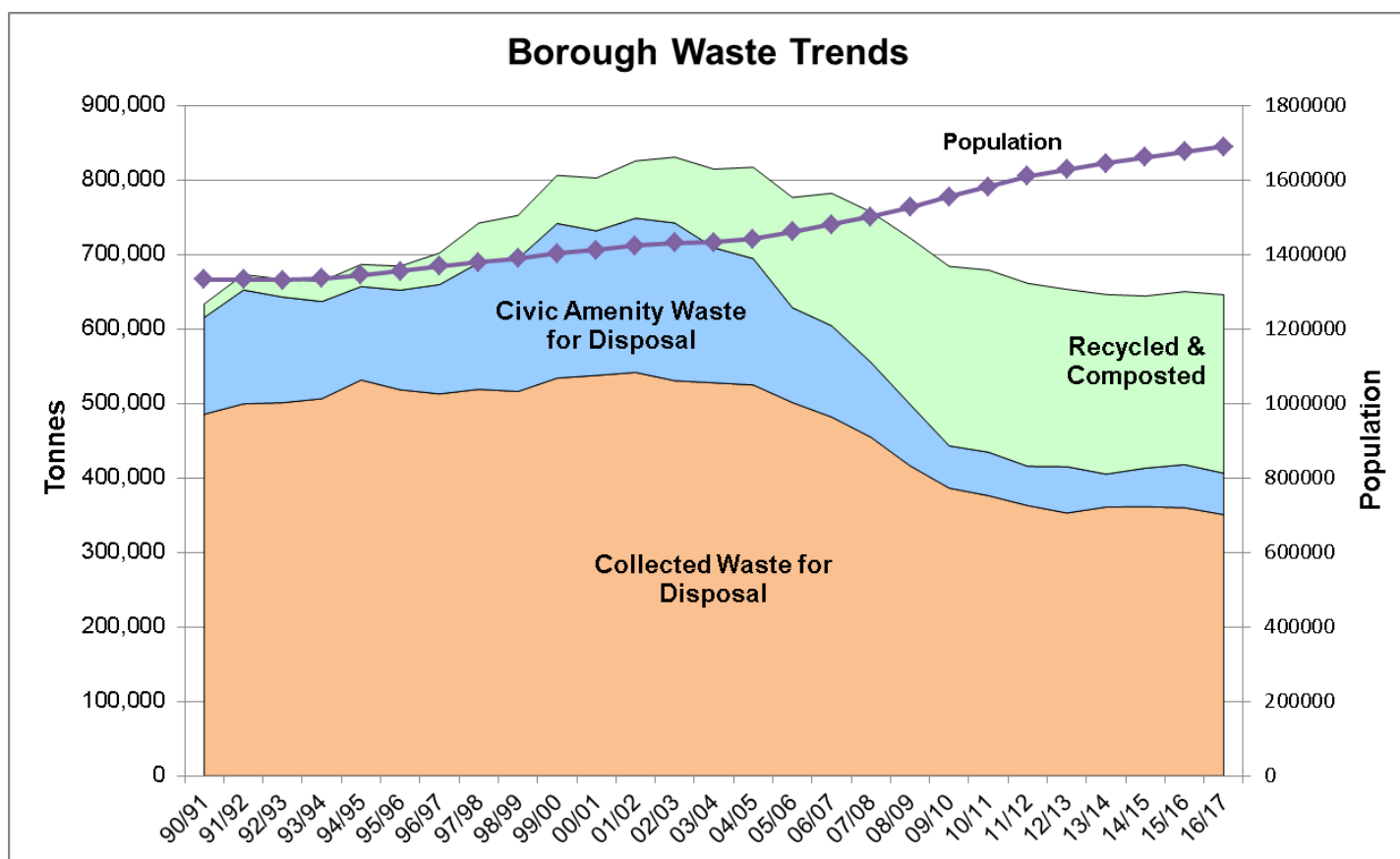
## Strategy

The joint municipal waste management strategy (JMWMS) agreed by WLWA and the six boroughs provides the vision for the Authority's service delivery to achieve our purpose. It is the foundation for this business plan.

The current strategy was first agreed in 2006 with an addendum agreed in 2009 as part of the preparations for the residual waste services procurement and expires in 2020. The most recent review of the action plans was completed in September 2017.

During the period of the current JMWMS the amount of waste produced per head of population has reduced

- Waste minimisation has resulted in less waste being received by the Authority
- Increased recycling and composting (collected and at HRRCs) has resulted in greater complexity of service
- Population has increased



## Core Services

- Waste Minimisation – the Authority has combined prevention and re-use activity with recycling to provide simple, strong messages aimed at behaviour change which will increase sustainability and reduce cost. This is in line with circular economy and sustainable development goals.

- Household Reuse and Recycling Centres – the HWRCs and transfer stations remain very important facilities for the residents of west London, giving householders and local traders the ability to sort waste, thus prioritising reuse, recycling and composting over treatment and disposal. Interim arrangements were put in place in 2012 for the boroughs to continue to provide the sites.
- Recycling – the Authority is developing systems which will enable joint procurement of recycling materials to bring economies of scale. We are prioritising the value extraction of recycling from all of our waste streams and improving the quality of recycling materials offered to market.
- Composting / Anaerobic Digestion – New contracts for the treatment of organic waste have been put in place from April 2018.
- Energy from Waste – the Authority has in place two major contracts which ensure that for the contract duration 96% of residual waste is diverted from landfill.

## Section 2: 2018/19 in review

**Corporate Governance** – The Authority’s membership changed in 2018 with four new members joining following Council elections in May. One independent members assists with the audit committee twice per year. There has been ongoing project development, consultation and engagement with the boroughs throughout the year. Four internal audit reviews have been completed providing assurance about the Authority’s key areas of control and they reflect the strong governance policies and procedures that have been put in place.

**Organisational review** – The management structure combines contracts and operations management to ensure we lead best practice and continuous improvement through all of our services. A new projects team is delivering strategic joint projects to offer synergy and efficiency to the constituent boroughs. Continued development of project management skills in the waste minimisation team and the ongoing management improvements at Twyford will assist delivery of the challenges ahead of us.

**Financial Control** – The Authority has in place a solid financial framework and strong forward financial planning. Both internal and external audits provide assurance of effective financial control and robust systems and processes in operation. There is a rigorous annual budgeting process and regular scrutiny through budget monitoring and reporting to the Authority. Longer term financial planning also continues to show how the major contracts reduce the impact of price inflation over the long term and support future infrastructure investment.

**Contracts and Operations** – All of the Authority’s contracts continued to deliver good value for money and have met service requirements in year. Improvements at the transfer stations have resulted in high operating hours at Severnside Energy Recovery Centre . The new long term food waste treatment service is producing renewable energy and will create new infrastructure for gas powered vehicles. The organic and transport contracts have

mobilised and operate well. At the Authority's Twyford Waste Transfer Station efficiency projects to; reduce transport costs by splitting bulky and black bag waste, maximise the amount of recycling from trade waste and HWRC waste have been successfully rolled out, as well as the restructure of the management of site. Finally, a joint contracts register has been created.

**Projects** –The Authority has developed joint MRF strategy which has been adopted by boroughs, with a project board being created to oversee the development of procurement strategy and support projects.

**Waste Minimisation** – This year, the Waste Minimisation Plan has focused on more collaborative projects to help our borough partners reduce cost, drive behaviour change and improve the quality of materials for recycling across the WLWA area. Achievements this year include a continued focus on delivering food waste intervention & recycling projects, launching a free reusable nappy loan pack for residents in our boroughs and successfully applying for funding to implement a WEEE collection trial project. In addition to new initiatives, the team has continued to promote the Reduce Reuse Recycle message to residents by attending over 100 events, speaking with over 6000 residents and engaging more with people online through our multiple social media channels.

## Section 3: The Future

WLWA is part of a dynamic sector. The composition of waste is changing, technological advances are altering the way society consumes and local government funding is under considerable pressure. The Mayor of London's London Environment Strategy and the UK Resources and Waste Strategy were published in 2018. Our business plan is influenced by a number of factors which are set out below.

### Challenges over the next year

- Local authority funding pressures – the Authority is effectively wholly funded by levy on the constituent boroughs and therefore significant savings need to be found. The Authority's focus on the value of materials, efficiency projects and financial control will provide certainty of per tonne costs for residual waste.
- Recycling targets – the Authority is striving to reach 50% recycling and composting by 2020 despite the volatility of recycling markets. It will be increasingly difficult to achieve weight based recycling targets due to:
  - pressure for increased quality of recycling materials,
  - reduced weight of recycling materials
  - fewer recycling materials available for capture due to waste minimisation activity, and
  - increasing population density,
- Data and Information – improving our capture and analysis of data will enable us to ensure future targets are appropriate, achievable and drive the right behaviour. The Authority needs access to good quality commercial waste data to be able to plan for the future.

- Market volatility – the Authority has adapted and streamlined its management structure to focus on project management, contract management and supply chain management. The waste disposal contracts bring financial stability but the recycling markets will experience continued volatility due to the market link to oil and other primary resources.
- Measuring behaviour change – measuring and understanding the barriers, triggers and motivators to behaviour change will enable the Authority to deliver our long term vision of preventing valuable materials becoming waste.

## **Key themes**

Considering the challenges identified above the key themes for this business plan have been identified as follows:

- Partnership - We will build resilient partnerships and share in the risk and reward of procurements and projects.
- Efficiency - We will minimise waste in all our activities by continuously improving our infrastructure, operations and contracts and encouraging others to treat waste as a valuable resource.
- Leadership and Communication - We will treat waste as a valuable resource and prepare for the future by examining data, challenging the status quo and communicating the results of our projects transparently.

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

**Business Plan: Delivery Schedule: 2017/18 – 2019/20**

<b>Business Plan Objective:</b>	<b><i>We will build resilient partnerships and share in the risk and reward of procurements and projects.</i></b>
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<b>Key activities</b>	<b>Owner / Lead</b>	<b>Timescales</b>	<b>Outcomes from activities</b>
Refresh Joint Municipal Waste Management Strategy	Managing Director	Sept 2017	Updated action plan in the JMWMS
Develop a comprehensive procurement plan for WLWA and Boroughs	Senior Contracts Manager	Sept 2017	Wider broader procurement list incorporating all waste materials
Create a masterplan for waste infrastructure, maximise the use of the authority's assets and potential, taking considered risks where appropriate.	Senior Contracts Manager	March 2020	Draft Waste Infrastructure Masterplan to be updated following publication of regional and national policies / strategies
Develop a harmonised HRRC and TS strategy	Operations Manager	March 2018	HWRC and TS blueprint and high level programme for delivery
Construct new organic waste and recycling bulking facilities at Victoria Road Waste Transfer Station	Operations Manager	Nov 2018	Planning consent in place <u>Project paused.</u>
Deliver the MRF strategy	<u>Projects Director</u>	March 2020	Joint specification, efficiency savings, updated business case, planning assessment, technical / infrastructure requirements, procurement options
Identify opportunities in recycling markets	Senior Contracts Manager	March 2020	Progress report as part of contracts and operational updates
Investigate development of a street sweepings recycling facility	<u>Projects Director</u>	March 2020	Business Case, planning assessment, technical requirements, specification, contract

**Business Plan: Delivery Schedule: 2017/18 – 2019/20**

<b>Business Plan Objective:</b>	<i>We will minimise waste in all our activities by continuously improving our infrastructure, operations and contracts and encouraging others to treat waste as a valuable resource</i>
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<b>Key activities</b>	<b>Owner / Lead</b>	<b>Timescales</b>	<b>Outcomes from activities</b>
Extract recycling from bulky collections and fly tipped waste	Operations Manager	Sept 2017	Progress report as part of contracts and operational updates
Develop bespoke food waste recycling projects with constituent boroughs	Waste Minimisation Manager	March 2018	Progress report as part of Waste Minimisation Plan update
15 Assist boroughs to improve the value of dry recycling collected	Waste Minimisation Manager	March 2018	Progress report as part of contracts and operational updates
Develop projects to measure behaviour change relating to reducing / reusing / recycling waste	Waste Minimisation Manager	March 2018	Progress report as part of Waste Minimisation Plan update
Deliver the Waste Minimisation Plan focusing on food waste, waste electricals, textiles, furniture, nappies and dry mixed recycling	Senior Waste Minimisation Officer	March 2018	Progress report as part of Waste Minimisation Plan update
Investigate methods of extracting increased recycling and reuse at HRRCs and TSs	Operations Manager	March 2018	Progress report as part of contracts and operational updates

<b>Key activities</b>	<b>Owner / Lead</b>	<b>Timescales</b>	<b>Outcomes from activities</b>
Establish new Head Office location and put in place new IT infrastructure	Head of Finance and Performance	<u>Dec</u> 2018	Preferred options recommendation by June 2017 Successful office move and implementation of new IT infrastructure before the expiry of current office lease in 2018
Review / change / improve processes to comply with changing accounting requirements reducing timescales for publishing accounts	Head of Finance and Performance	July 2018	Approved, published, audited 2017/18 final accounts by 31 July 2018
Deliver the Waste Minimisation Plan focusing on food waste, waste electricals, textiles, furniture, nappies and dry mixed recycling	Waste Minimisation Manager	March 2020	Progress report as part of Waste Minimisation projects update
Increase waste recovery, recycling and reuse at IRRCs and TSs	Operations Manager	March 2020	Progress report as part of contracts and operational updates
Drive efficiencies from existing contracts, operations and supply chains	Operations Manager	March 2020	Progress report as part of contracts and operational updates



**Business Plan: Delivery Schedule: 2017/18 – 2019/20**

<b>Business Plan Objective:</b>	<i>We will treat waste as a valuable resource and prepare for the future by examining data, challenging the status quo and communicating the results of our projects transparently.</i>
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<b>Key activities</b>	<b>Owner / Lead</b>	<b>Timescales</b>	<b>Outcomes from activities</b>
Develop a Communications Strategy	Managing Director	June 2017	Authority approval and adoption of Communications Strategy
Source mobile IT hardware and software to capture data and information	Head of Finance and Performance	June 2017	Capturing baseline behaviour change information at waste minimisation events
<u>Propose</u> a commercial waste and recycling strategy for Boroughs	Managing Director	Sept 2017	Updated action plan in the JMWMS
→ Review / change / improve processes for the management of the Authority's and Borough's data	Head of Finance and Performance	Sept 2017	Provide users more accessible strategic information
<i>Assist collections projects supporting waste minimisation, MRF strategy, HWRC and TS blueprint and to drive supply chain efficiencies</i>	<i>Managing Director</i>	<i>March 2019</i>	<i>Projects reported in waste minimisation projects updates and to Borough Partnership and WLA Environment Board</i>
Update website and WLWA branding	Waste Minimisation Manager	<u>July</u> 2019	Updated website and WLWA rebrand
Develop a new Joint Municipal Waste Management Strategy from 2020	<u>Senior Contracts Manager</u>	March 2020	Joint Municipal Waste Management Strategy from 2020 including joint collections strategy, joint commercial waste and recycling collections strategy and waste infrastructure masterplan
Develop circular economy / extended producer responsibility / sustainable development projects	Managing Director	March 2020	Updated Waste Minimisation Plan in JMWMS 2020

Lobby for the legislative or policy changes needed to support circular economy / sustainable development targets.	Managing Director	March 2020	Communicate WLWA statistics and conclusions Updated JMWMS 2020 with policy leading targets
Develop methods to capture regional waste management data	Head of Finance and Performance	March 2020	Access to regional waste management data

<b>Key</b>			
Grey coloured rows indicates task complete			
<u>Underlined</u> text indicates changed text or a changed date			
<i>Text in italics indicates a new activity</i>			

WEST LONDON WASTE AUTHORITY

Report of the Senior Contracts Manager

29<sup>th</sup> March 2019

**Annual Procurement Plan 2019/20**

**SUMMARY**

This report provides details of the Authority's Annual Procurement Plan for the year 2019/20 and provides a list of the contracts that will require action in year. The report also updates the Authority's Contract Register for publication on the Authority's website and/or other suitable media to discharge the Authority's transparency requirements.

**RECOMMENDATION(S)**

The Authority is asked to:-

- 1) *Approve this Annual Procurement Plan for 2019/20; and*
- 2) *Note the published Contracts Register for 2019/20 on the Authority's website.*

**1. Background** –The Authority has the statutory responsibility to arrange for the disposal of controlled waste collected in its area by the waste collection authorities (the six constituent boroughs). The Authority and boroughs manage approximately 650,000 tonnes of waste per annum, including waste streams for re-use, recycling, composting, waste treatment and disposal. A significant proportion of the waste, both the residual waste and food waste fraction is contractually committed under three long term contracts:

- The Residual Waste Services Contract with West London Energy Recovery Ltd operated by Suez,
- The Waste Processing (Lakeside) contract with Viridor Waste Management Ltd; and
- The food waste treatment contract with Bio Collectors Ltd.

The remaining waste materials are managed via short-term contracts and arrangements, which are subject to procurement and market testing on a regular basis to ensure value for money and/or best environmental options are being delivered within the existing waste market.

The procurement and provision of high quality waste management contracts are key to the delivery of a number of policies within the Joint Waste Management Strategy, particularly Policy 7 to provide good value services and Policy 8 to share equitably the costs and rewards of achieving the aims of the Joint Waste Management Strategy.

The Authority's Business Plan sets an objective to build successful partnerships with constituent boroughs and contractors to:

- Support boroughs to achieve a minimum 50% recycling and composting target by 2020;
- Ensure appropriate infrastructure is available for the Authority's and constituent borough's waste to be managed in accordance with the waste hierarchy; and

- Deliver shared procurements for recycling on behalf of the boroughs.

Successful procurement of suitable services and arrangements will have a critical role in delivering the above aims.

**2. Dynamic Purchasing System (DPS)** – The DPS enables officers to procure short term, low value waste and recycling offtake solutions efficiently and appropriate to prevailing market conditions. In the medium term the DPS will also support the boroughs by providing a procurement vehicle that offers greater flexibility, more efficiency and access to a wide range of pre-approved and specialist suppliers. The initial DPS pre-qualification stage closed on 13<sup>th</sup> February. Thirteen suppliers applied by the deadline and ten of these companies have been pre-approved for the offtake of materials and services. Suppliers can reapply at any future stage. Officers are working closely with potential suppliers to raise awareness of the opportunity. The DPS will be used to tender mini competitions and specifications are currently being drawn up for the treatment and recycling of mattresses, recycling of metals and paper/card from HRRC sites.

**3. Authority Contract Register** - The Contract Register for 2019/20 is published on the Authority's website in compliance with the Local Government Transparency Code 2014 requirements. [Click here](#) for a link to the website page hosting the Contracts Register. The Contract Register details the Authority's current contracts where their expected value exceeds the £25,000 threshold for publication. Included are the details of expiry dates, review dates, approximate annual value and comments relating to the ongoing management of these services. As well as providing statutory information, the publication of the Contracts Register allows potential contracting partners' to identify future tendering opportunities.

**4. Authority Contracts and Procurement Rules** – The West London Waste Contracts and Procurement Rules were updated in 2016 to reflect The Public Contract Regulations 2015 and approved at the Authority meeting on the 1st July 2016. The Contracts and Procurement Rules provide the structure within which works, goods and services are procured and the financial limits that apply to the various tendering routes. Officers will review and update the Contracts and Procurement Rules during this year, 2019/20.

**5. MRF** – The MRF project is intended to increase recycling sorting capacity for dry recycling off-take. This fifteen-year strategic partnership will generate best value processing rates through joint procurement and economies of scale. Contract documentation is currently in development; the ITT and payment mechanism is under internal review, the specification has been completed and agreed with the GLA. The project timetable is:

OJEU publication Apr 2019  
Tender submission July 2019  
Contract award Sept 2019  
Contract commencement Apr 2020

**6. Procurement Plan** – The Procurement Plan outlined in Table 1 lists the anticipated procurements in this financial year. If new or different services are required, Officers will report back to Members accordingly.

**Table 1 - Procurement Plan**

<b>Service/Item to be procured</b>	<b>Procurement start</b>	<b>Description of Service, etc.</b>
<b>Waste services</b>		
Mattress collection & treatment	Q1 2019/20	Diversion from landfill Increased recycling
Joint MRF project	Q1 2019/20	Dry mixed recycling across the boroughs 15 year contract to increase recycling sorting capacity Strategic partnership
Rubble, hardcore and soil	Q1 2019/20	Recycling of hard-core & rubble
Disposal of paper/card	Q1 2019/20	Recycling of paper & cardboard
Gypsum disposal service	Q1 2019/20	Treatment of gypsum
Sale of non-ferrous & ferrous metals	Q1 2019/20	Sale of metals from HRRCs
Treatment of green organic/garden waste streams	Q2 2019/20	Treatment of garden waste. Decision to re-procure or extend - TBC
Treatment of mixed and green organic waste streams	Q2 2019/20	Treatment of mixed and garden. Decision to re-procure or extend - TBC
Transport and associated service	Q2 2019/20 2	Transport of waste and similar material by bulk haulage vehicles. Decision to re-procure or extend - TBC
Transport and associated service	Q2 2019/20	Transport of waste and similar material by Rolonoff vehicles. Decision to re-procure or extend - TBC

**7. Borough consultation** – As part of West London Waste’s commitment to collaboration and transparency, borough officers will be offered the opportunity to comment upon or take part in procurements that impact their services. Additionally, through the Borough Partnership Meetings and Environment Directors Board the constituent boroughs will be informed of procurements or similar proposals.

**8. Procurement Advice and Support** – The Authority continues to have external legal advisors in place to provide on-going support for the West London Residual Waste Services contract. These advisors can be used, if necessary, to support other procurements. Advice and support for procurement projects is provided by Harrow Council’s Commercial, Contracts and Procurement Team – the current arrangement is due to expire on 31<sup>st</sup> March 19. West London Waste has requested a contract extension with Harrow to continue this good working relationship.

**9. Financial Implications** – Financial provision has been included within the approved 2019/2020 budget for the provision of the services, including any proposed procurements as set out in this report.

**10. Risk Management** – Specific risk registers are not required for any of the procurements in 2019/2020. Officers will manage any risks be identified as they arise.

**11. Health and Safety Implications** – Health and Safety considerations form part of the tender evaluation process.

**12. Legal Implications** – West London Waste is required to act in accordance with the Public Contracts Regulations 2015. Many of the arrangements will involve the Authority entering in to a formal contract.

**13. Impact on Joint Municipal Waste Management Strategy** – detailed in the report.

Background Papers	None
Contact Officers	Beth Baylay, Contracts Manager, <a href="mailto:bethbaylay@westlondonwaste.gov.uk">bethbaylay@westlondonwaste.gov.uk</a> 01895 545516
	Tom Beagan, Senior Contracts Manager <a href="mailto:tombeagan@westlondonwaste.gov.uk">tombeagan@westlondonwaste.gov.uk</a> 01895 545518
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**Operations Update****SUMMARY**

This report provides an update on the Authority's operations.

**RECOMMENDATION(S)**

The Authority is asked to:

Note the information within this report.

- 1. Introduction** – This report sets out operations and business plan activities being undertaken by the Operations Team. The role of the team is to ensure the day-to-day running of WLWA's contracts and the operation of the waste transfer station and Household Re-use and Recycling Centre (HRRC) in Brent in line with the Authority's values of leadership, efficiency, partnership and communication.
- 2. Food waste and green waste** – The contracts operated by BioCollectors, West London Composting and Countrystyle continue to deliver the level of service expected.
- 3. Transport** – The service provided by J Shorten & Sons to transport general waste from the HRRC's to the waste transfer stations (WTS) continues to be excellent. The Suez transport contract for the movement of other materials from HRRC sites is working well, the Authority and Suez are currently working on several efficiency improvement projects around increasing load weights from all sites and changing working practices to reduce waiting times for loading.
- 4. Twyford WTS and HRRC** – The seconded Site Manager continues to implement improvements at the site including completion of the traffic management improvements with speed bumps in place, re-lining of walkways and new parking lines on the HRRC.
- 5.** These pictures show the site following all the improvements works including new walkways, white lining, fencing etc.





6. The recycling rate (in accordance with the National Indicator 192 definition) for the HRRC for the year to date (February 2019) is 36%. This is 3% less than the same period in 2017/18. The HRRC has a recovery rate of 51%, in 2017/18 the recovery rate was 54%. The residual waste has reduced by 17% and recyclables by 25%.
7. **West London HRRC's** – A new best practice group has been created to share learning across all sites. The first meetings will be focused on health and safety.
8. The HRRC sites have been visited to review the recording of materials in and out to understand the flows of waste through the fixed cost levy.
9. **Health and Safety** – Appendix 1 shows the progress made against the actions agreed in WLWA's annual health and safety action plan. Good progress is being made.
10. **Risk** – There are no risks associated with this report.
11. **Financial Implications** – There are no risks associated with this report.
12. **Staffing implications** – There are no staffing implications associated with this report.
13. **Health and Safety Implications** – There are no health and safety implications associated with this report.
14. **Legal implications** - There are no legal issues arising from this report.
15. **Impact on Joint Municipal Waste Management Strategy** – Operations activities are in line with the following policies:

Policy 5: West London Waste Authority and its constituent Boroughs will reduce biodegradable municipal waste landfilled with regard to the Landfill Allowance Trading Scheme.

Policy 6: West London Waste Authority and constituent Boroughs will seek a residual waste management solution in accordance with the waste hierarchy, that presents value for money and that offers reliability in the long term.

Policy 7: The WLWA and constituent boroughs will seek to provide waste management services that offer good value. That provide customer satisfaction and that meet and exceed legislative requirements.

Policy 8: The WLWA and constituent boroughs will work together to achieve the aims of this strategy and are committed to share equitably the costs and rewards of achieving its aims.



Background Papers	None	
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## Appendix 1 - Health and Safety Action Plan 2018/19 quarter 4 update

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Ref	Action	Responsible person(s)	Target timescale	Status	Update
1	Review all H&S policies including the main policy statement and intent document.	Senior Contracts Manager	March 2019	Green	An external consultant has been appointed to undertake this work.
2	Develop a procedure for ensuring all staff are aware of current policies, consulted on policy changes and made aware of any agreed and implemented changes.	Senior Contracts Manager	March 2019	Green	This links to the work being undertaken by the consultant reviewing the policies.
3	Introduce H&S checks to the procedure vetting new suppliers, where appropriate	Head of Finance and Performance	March 2019	Green	<p>Complete - appropriate suppliers are principally those involved in transport, disposal and processing. The procurement bidding process includes a requirement for appropriate new suppliers to provide details of their health and safety arrangements. These are reviewed to ensure their adequacy as part of the bid evaluation and selection of supplier. Subsequently records are retained for the winning bid / contract.</p> <p>For new suppliers, where they provide services that are applicable to this process, they will be asked to provide information regarding health and safety.</p>
4	Development of detailed H&S systems for the new office location	Head of Finance and Performance	March 2019	Green	Complete - specialist office refurbishment and fit-out contractors with detailed knowledge of health and safety requirements were appointed to ensure implementation of appropriate H&S systems at the new office location. Subsequently a full workplace assessment was undertaken by an independent safety consultant resulting in only limited actions. These have all been implemented. Procedures have also been put in

Ref	Action	Responsible person(s)	Target timescale	Status	Update
					place and training provided to all staff.
5	Complete an unscheduled HSE style visit and inspection at both Twyford WTS & HRRC and the corporate offices	H&S Advisor	Random date within the year	Green	Abbey Road – an inspection has been carried out by Suez’s corporate health and safety team. The H&S audit also took place and conducted an inspection.
6	Complete the works to repair the fire damage at the Abbey Road waste transfer station and implement all fire risk assessment recommendations.	Site Manager	March 2019	Amber	The contractor for the works has now been appointed. The first meeting to set out the timetable and order of works is scheduled for the end of March.
7	Develop a new emergency plan for the Abbey Road site	Site Manager	July 2018	Green	The plan is now complete and displayed on the noticeboard at site.
8	Encourage shared best practice between all the HRRC and WTS	Operations Manager	March 2019	Green	<p>The February site user group meetings for Victoria Road and Transport Avenue introduced a new procedure for infringements of site rules and reporting back of these to the boroughs involved. Feedback will also be given on property damage incidents.</p> <p>A new HRRC best practice meeting has been set up to share information about related issues, practices, procedures etc. The first meeting will be in May.</p>

## On-going/regular items

Ref	Item	Responsible person(s)	Status	Update
A	Deliver training as per the training matrix	Line Managers	Green	Training is up to date. Another member of staff has now completed First Aid training.
B	Risk assessment reviews	All Supervisors and Managers	Green	Staff were given toolbox talks on the revised risk assessments in February/beginning of March.
C	Health surveillance	Head of Finance and Performance	Green	Completed February 2019
D	Drug and alcohol testing	Head of Finance and Performance	Green	Completed February 2019
E	Driving licence testing	Head of Finance and Performance	Green	Approx. 50% of employees have supplied insurance and licence details. Remainder will be chased over the coming month
G	Regular maintenance - Organise for small works as identified by site inspections and other monitoring/testing on site as well as changes that may be identified during risk assessment and review	Site Manager	Green	Small works on site are currently up to date.
H	Routine testing This includes: <ul style="list-style-type: none"> <li>▪ Legionella testing every 3 months</li> <li>▪ Dust monitoring as appropriate</li> <li>▪ Vibration testing as appropriate</li> <li>▪ Lifting Operations Lifting Equipment Regulation (LOLER) testing</li> <li>▪ Fire equipment</li> </ul>	Site Manager	Green	Testing is following the schedule as planned.
I	Site inspections	Site Manager	Green	A new site inspection sheet is now in place with daily, weekly and monthly checks.

**Projects Update**

**SUMMARY**

This report provides an update on the Authority's efficiency and joint working Projects.

**RECOMMENDATION(S)**

- 1) *The Authority is asked to note the information within this report.*

**1. Introduction** - The six projects, initiated by Officers and delivered in conjunction with the constituent Boroughs will further develop our collaborative working in West London. A Project Board is established for governance of the programme through the Borough Partnership and West London Alliance Environment Directors Board.

**2. Data** – A long-term strategic project to capture waste management data for the West London Boroughs, to review collective performance, share strategic information and inform the operational projects. The project will also reduce the data burden on constituent Borough Officers and offer joint resource for e.g. Waste Data Flow reporting.

The data project has a long development phase given its size and complexity. Officers have identified that a wide variety of different data and metrics are used for waste services and operations but comparable data is needed to inform new projects and provide effective benchmarking.

A trial with Hounslow officers and Recycle 360 is starting to untangle the variety of data sources to create a monthly report showing collected waste, recycling and composting trends from different sources, e.g. houses and flats.

The Authority has performed a gap analysis and identified the whole system waste flow data currently available requires updating and standardising. Officers have therefore commenced a data gathering exercise at each of the sites the Authority receives waste.

**3. Waste Minimisation Projects** – The data collected from waste minimisation projects is shared to assist behaviour change and reduce cost for the constituent Boroughs. Details are provided in the Waste Minimisation Update.

**4. Material Recycling Facility (MRF)** – Officers have identified that more recycling processing capacity is needed in London and the South East to deliver current and future recycling targets. All Boroughs will benefit from additional capacity as it will mitigate the risk of increasing cost due to a shortage of facilities. In addition, this project offers efficiency to the constituent Boroughs with a single procurement to manage recycling materials. Ealing, Harrow, Hillingdon and Richmond upon Thames have arrangements which could terminate in 2020/1. Officers are currently working with Hounslow to develop new offtake for commingled material from flats and Brent's contract will end in 2023.

**Risks and Opportunities** – The project has been developed to mitigate the risk associated with: increasing demand for higher quality from overseas recycling markets; the fluctuating value of recycling which is closely linked to the cost of oil; and any turbulence which might result from Brexit. The Resources and Waste Strategy and expected consultation on extended producer responsibility

for packaging materials brings the opportunity of a financial contribution from producers to the cost of collecting and recycling packaging materials. A joint procurement to create and secure new MRF capacity over the longer term will create a strong negotiating position in this changing market.

**Procurement** - Officers have received formal notification of Broad Compliance with the London Environment Strategy from the Greater London Authority as required, prior to issuing the Official Journal of the European Union (OJEU) (Procurement notice) notice before the end of March 2019. The procurement documents are being prepared in consultation with the constituent Boroughs. Individual Borough approval to delegate the procurement to WLWA will be sought in February / March 2019. Boroughs will be fully consulted on the procurement decision in Sept 2019 through the Environment Directors Board.

5. **Household Recycling and Reuse Centre (HRRC) Harmonisation** – The HRRC sites in West London are operated on an individual basis and therefore do not benefit from synergy savings or a consistent framework of targets and objectives. The aim of HRRC harmonisation is to ensure shared best practice and deliver the Joint Municipal Waste Management Strategy (JMWMS) objectives. Officers have been focusing on the Authority run Twyford Abbey Road HRRC to collate data and pilot new ways of working.

6. **Procurements** – Joint procurement increases efficiency and strength in the market. Details are in the Contracts Report.

7. **Collections** – A long-term project to align the collections strategy with the disposal strategy in West London to ensure we focus on reducing waste, increasing recycling and can take the maximum opportunities offered by extended producer responsibility. Existing collections arrangements across the Boroughs vary in material collected, frequency, vehicles, methodology and recycling rates. Officers and Environment Directors have identified potential benefits in a consistent approach and have initiated a project to scope the extent of the possible savings and expected benefits.

8. **Risk** - Further consultations are expected on the Resources and Waste Strategy and a timetable for expected legislation, which must be considered during the development of all projects.

## 9. **Financial Implications**

There are no financial issues arising from this report.

10. **Staffing Implications** - None

11. **Health and Safety Implications** - None

12. **Legal Implications** - None

## 13. **Joint Waste Management Strategy Implication**

The Projects mentioned in this report meet the Authority's Joint Waste Management Strategy policies listed below:

Policy 5: West London Waste Authority and its constituent Boroughs will reduce biodegradable municipal waste landfilled with regard to the Landfill Allowance Trading Scheme.

Policy 6: West London Waste Authority and constituent Boroughs will seek a residual waste management solution in accordance with the waste hierarchy, that presents value for money and that offers reliability in the long term.

Policy 7: The West London Waste Authority and constituent Boroughs will seek to provide waste management services that offer good value, that provide customer satisfaction and that meet and exceed legislative requirements.

Policy 8: The West London Waste Authority and constituent Boroughs will work together to achieve the aims of this strategy and are committed to share equitably the costs and rewards of achieving its aims.

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WEST LONDON WASTE AUTHORITY

Report of the Senior Contracts Manager

29 March 2019

## Contracts Update

### SUMMARY

This report provides an update on the Authority's various waste treatment arrangements and procurements.

### RECOMMENDATION(S)

- 1) *The Authority is asked to note the information within this report.*

## 1. Introduction

The waste treatment contracts managed by WLWA have delivered a residual waste management solution in accordance with the waste hierarchy that presents value for money and offers long-term reliability. New and existing procurements will deliver Policy 8 of the Joint Municipal Waste Management Strategy "The West London Waste Authority and constituent Boroughs will work together to achieve the aims of this strategy and are committed to share equitably the costs and rewards of achieving its aims".

## 2. West London Residual Waste Services Contract

The contract is operating well. Severnside Energy Recovery Centre (SERC) has an overall equipment effectiveness of almost 90%, which is considered highly effective and is one of the best performing plants in the Suez portfolio. The plant has also had its longest run of operation without a blockage caused by non-conforming items, with both lines having over 100 days each. After just after 3 years of use including the commissioning period, toward the end of April SERC is expecting to receive its millionth tonne of waste.

On 1<sup>st</sup> March the site and Authority hosted a visit of local ward members to Transport Avenue. All three members received a site tour and showed a lot of interest in the site, its strategic importance to local infrastructure and service delivery. Further visits can be organised for both locations, upon request.

**New train routes** – The route the trains take from both waste transfer stations (WTS) to SERC are negotiated with Network Rail twice a year, changes are not always made but the routes need to be applied for every 6 months as part of the Network Rail rolling 18 month programme. The current routes are guaranteed until May 2019, in February Suez received notification that the route (pathway) will change in May 2019 due to extra passenger trains being operated through Southall Junction. This new proposal is being reviewed to understand the implications for the transfer of waste.

With crossrail and the proposed Golden Mile station next to Transport Avenue the demand for use of the pathways from other sources is going to continue to increase.

**Continuous improvement projects** – A new project has been identified around damaged and missing train wagons impacting the number of tonnes being sent out on each train. Suez is planning to work with DB Cargo (the contractor operating the trains) to ensure better communication and procedures to bring the wagons back in to use faster.

### 3. Food, green waste and mixed organics waste contract

All contracts are performing well. In February, members visited the BioCollector's facility in Mitcham which included the delivery of food waste from west London.

### 4. Procurements Update

Below is a summary of the procurements that are out to tender:

**MRF** – The Project Report sets out the update for this procurement.

**DPS** – The initial DPS pre-qualification stage closed on 13th February. Thirteen suppliers applied by the deadline and ten of these companies have been pre-approved for the offtake of materials and services. Non-compliant suppliers can reapply at any future stage. The Authority is working closely with potential suppliers to raise awareness of the DPS opportunity. The DPS will be used to tender mini competitions from the 8th March 2019 and specifications are currently being drawn up for the treatment and recycling of mattresses, recycling of metals and paper/card from HRRC sites.

**Mattress recycling** – The existing contract has been extended for a further three months until the end June 2019. Officers will explore alternative models for collection of mattresses to identify methods of reducing vehicle movements, increasing loaded weights and therefore reducing cost. The results will inform the new procurement.

**Abandoned Vehicles** – Following evaluation of the submitted tenders the Director, Chief Technical Officer and Chair have awarded the Contract to Redcorn Limited. Officers are currently working with Redcorn to mobilise the contract in time for a 8<sup>th</sup> April contract commencement date. The contract shall run for a period of three years with an option for the Authority to extend for up to two years. The contract will see up to 85% of the vehicle materials recycled or 95% re-used, recycled or recovered, in line with the End of Life Vehicles Directive

**5. Risk** - Any risks are contained within the report.

**6. Financial Implications** - None.

**7. Staffing Implications** - None.

**8. Health and Safety Implications** - None

**9. Legal Implications** - None.

### 10. Joint Waste Management Strategy Implication

The contracts mentioned in this report meet the Authority's Joint Waste Management Strategy policies. The only policy yet to be delivered is Policy 3: Jointly the WLWA and constituent boroughs will aim to recycle and compost at least 50% of municipal waste by 2020. At the request of Borough Environment Directors WLWA Officers are pursuing opportunities to increase recycling without increasing cost. This requires all residual waste to be delivered to the WLWA contracts and for recycling to be extracted pre-waste. Further information on initiatives to increase recycling can be found in the Operations, Projects and Waste Minimisation reports.

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**Waste Minimisation Update****SUMMARY**

This report provides an update on the Authority's Waste Minimisation activities.

**RECOMMENDATION(S)**

The Authority is asked to:

Note the information within this report.

1. **Introduction** – The Waste Minimisation Team delivers the campaigns that focus on minimising the seven key waste streams of food, textiles, waste electrical and electronic equipment, nappies, bulky household waste, plastics and dry mixed recycling. The team is also responsible for the Authority's website, intranet, social media, and media communications.

**2. Key waste streams****2.1. Food Waste**

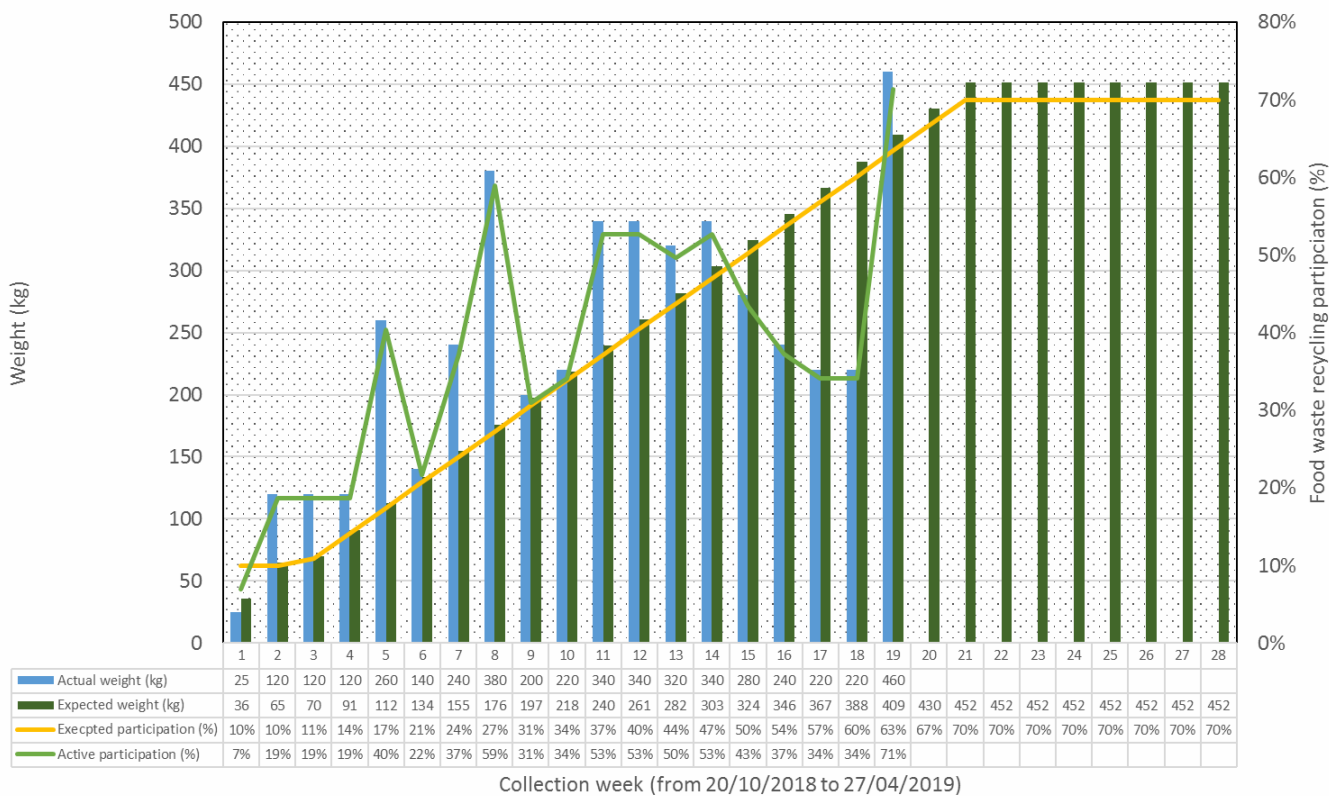
2.1.1. 516 flats across seven sites in Richmond began a trial for food waste recycling collection for flats on the 20<sup>th</sup> of October. Working with managing agents of the sites, the Waste Minimisation team delivered letters, leaflets, caddy liners, indoor caddies and communal bins to residents around the Twickenham, Mortlake and Kew areas of the borough.

As of the beginning of March 2019, collections have totalled at 4.6 tonnes since the project started. Current average weekly collection weight to date stands at 230kg, which suggests an overall estimated household participation rate of 39%. There was a decline of food waste collected during February; however, following a second round of intervention of doorstep engagement, mobile service survey and the delivery of caddy liners was carried out towards the end of February, participation sharply increased to 71% equivalent to average 460kg food waste collected per week.

The mobile survey introduces new technology implemented to educate residents and to gather responses with fewer resources needed and no door knocking. The use of these mobile surveys will be expanded increase engagement across West London. Results of the survey will be included in the June report.

The pilot is currently achieving above the 70% active participation target with each property producing at least 1.25kg of food waste, totalling to 451.5kg per collection across the seven sites. To maintain participation, the team will continue with communication activities including placing encouraging posters at sites and carrying out regular maintenance of bins.

Food waste collected from pilot project for 516 flats in Richmond by week  
(based on each participating household producing 1.25kg per week)



## 2.2. Waste electronic and electrical equipment (WEEE)

2.2.1. A new kerbside WEEE collection trial covering 11,000 properties in Harrow, funded by DEFRA commenced in June 2018. The pilot ran weekly for six months to encourage diversion of electrical items from the general residual stream.

The pilot yielded 8.21 tonnes of WEEE items collected from 522 households equating to an average of 16.75kg per collection. Participation rates were low, at 4.7%.

Key learnings from the pilot included:

- The pilot increased general WEEE recycling awareness; Forward Drive experienced an increased WEEE tonnage collected during the pilot period
- Future WEEE related projects should consider having shorter collection periods as approximately 49% of requests were made during the last two months of the project
- Majority of items collected were small and light weight (phones were the most collected item), making up approximately 11% of all items collected

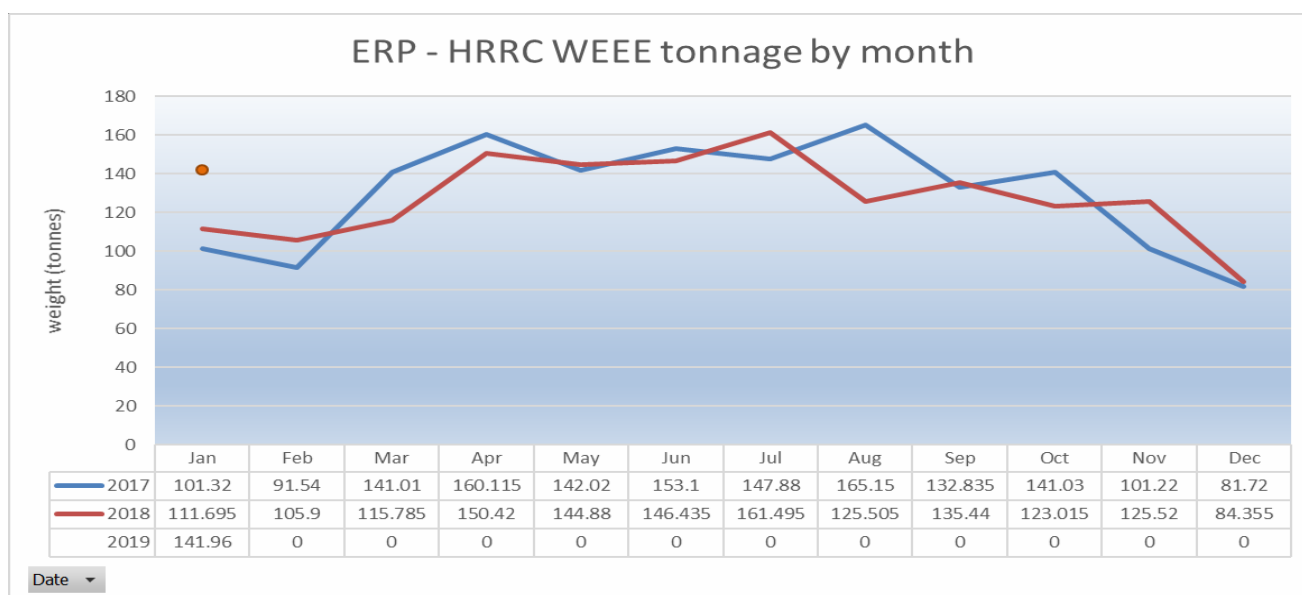
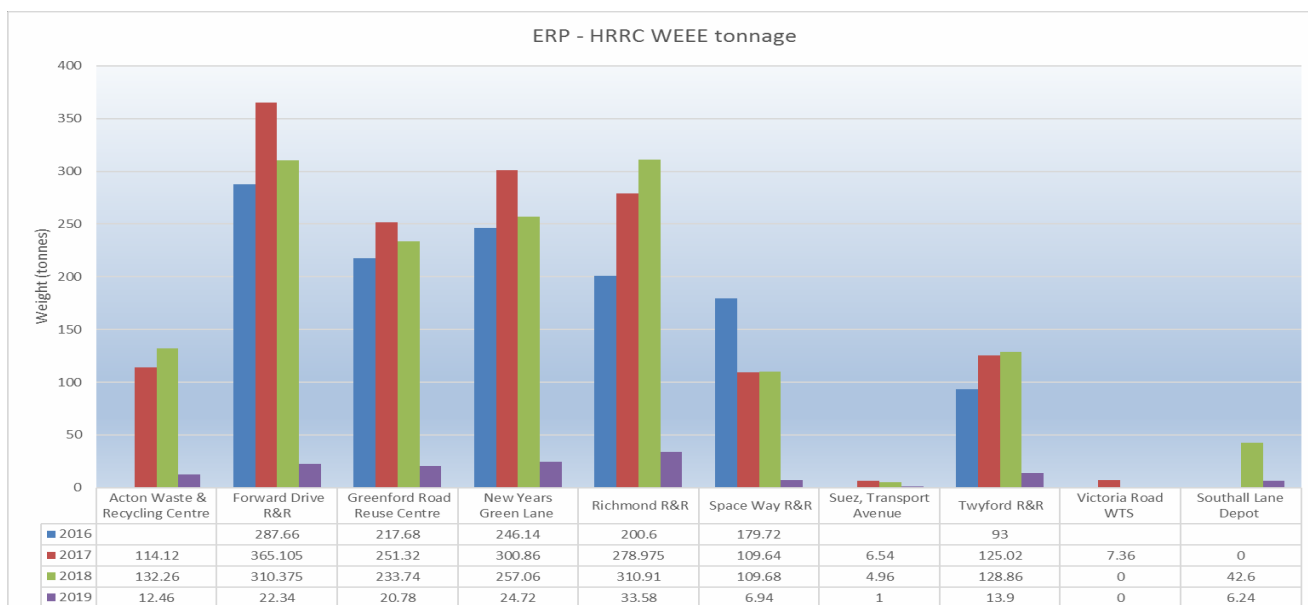
Following up with the pilot, Harrow Council is looking to roll-out a WEEE collection service for one month across each ward. A business case is currently in development which will inform our response to the consultation on WEEE producer responsibility later in 2019.

Further ideas for development are the importance of secure data destruction which we will investigate trialling in a commercial environment. Additionally, the high cost of operating a WEEE collection highlighted the importance of ensuring producers pay to gather all remaining WEEE hoarded at home.

2.2.2. A series of New Year's WEEE collections recently wrapped up covering venues including Tricycle Theatre, Richmond Civic Centre, Gayton Library and Chiswick Library. A stand was set-up with information and used as a drop-off point for residents who wished to recycle their WEEE. A total of 916 WEEE items weighing 1000kg were collected.

	Number of WEEE items collected	Weight (kg)
Kiln Theatre	131	240
Gayton Library	320	280
Chiswick Library	66	140
Richmond Civic Centre	334	300
Uxbridge Library	65	40
<b>Total</b>	<b>916</b>	<b>1000</b>

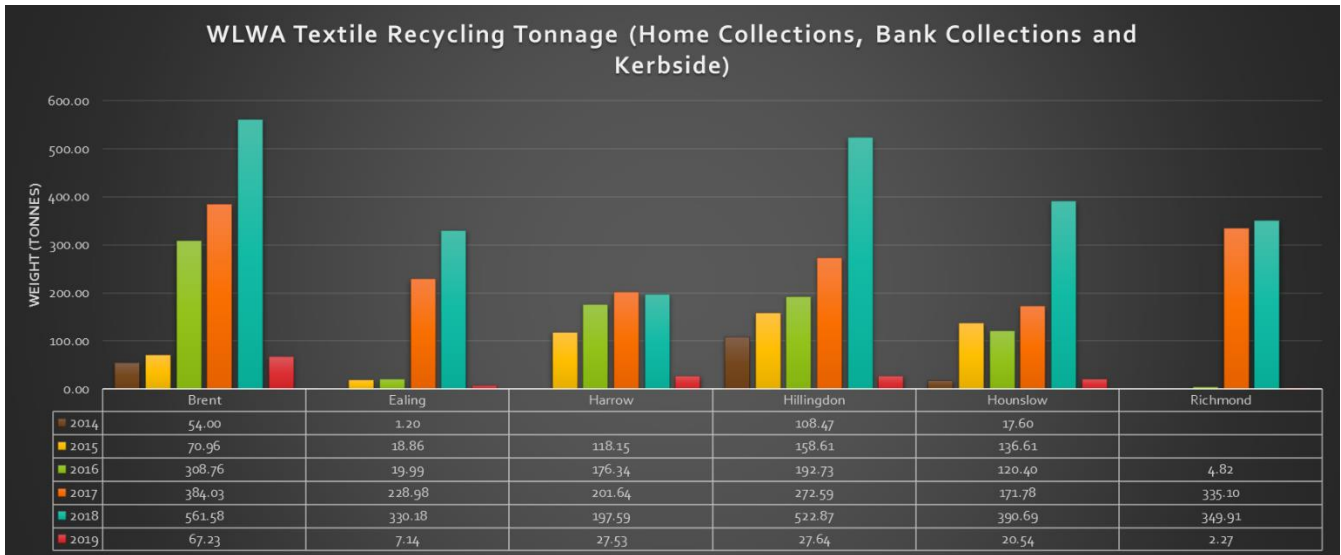
WEEE tonnage between 2017 and 2018 has remained steady however; tonnes collected at HRRCs during January 2019 increased 27% in comparison to the previous year with three HRRCs yielding an increase.



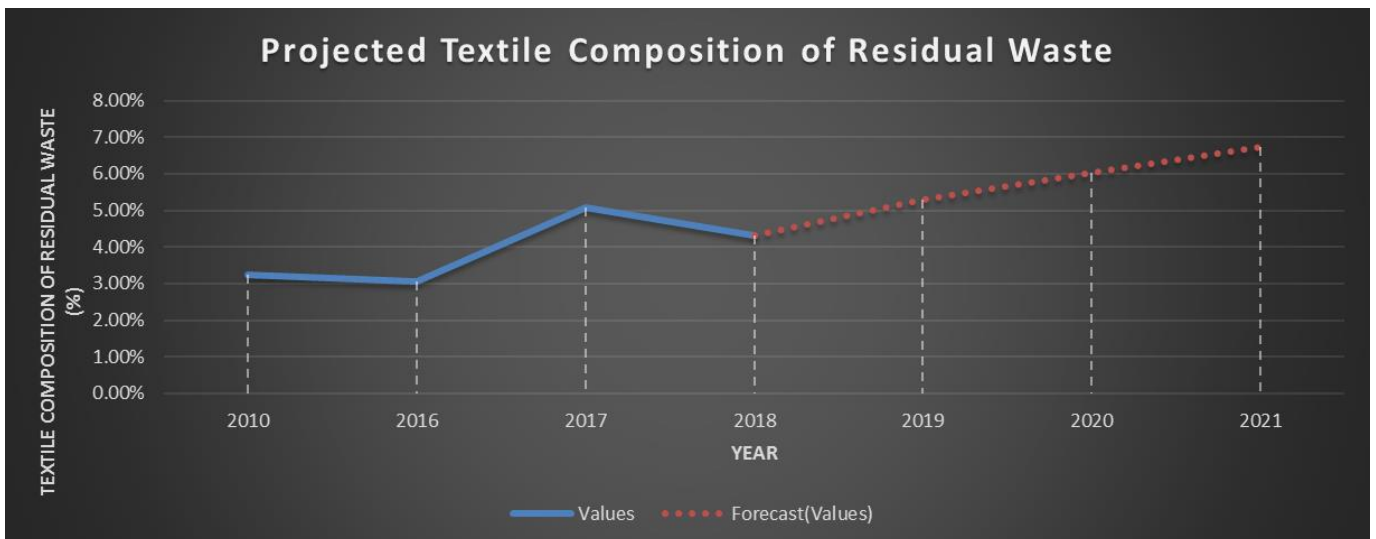
### 2.3. Textiles

2.3.1. In October 2017, Officers identified that the amount of textiles found in residual waste was increasing and would continue to increase due to fast fashion. An analysis of the cost of waste disposal and revenue available from textiles also revealed that revenue would increase overall and decrease per tonne as more textiles were collected. In addition a saving would be made in disposal costs per tonne of textiles diverted from waste. The Borough Environment Directors initiated a project to increase the amount of textiles collected across the six West London Boroughs using a variety of means. Officers identified the textile recyclers operating in our area and explored a number of methods to increase the amount of textiles captured.

The data collected on textiles to date indicates that we are collecting increasing volume of textiles. Promoting and increasing textile home collections has not decreased the volumes collected from banks.



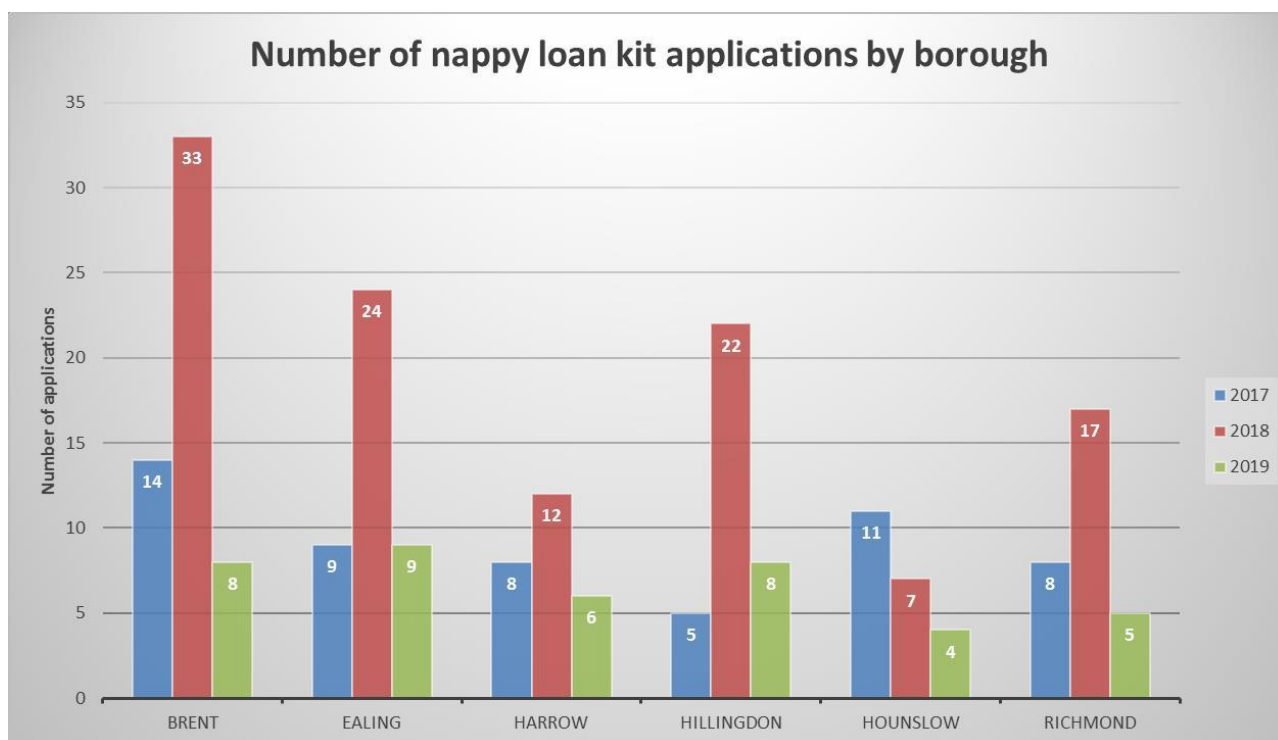
However, a large volume is still uncaptured and the amount of textiles in the residual stream is projected to reach 7% by 2021, equivalent to £3M in disposal cost for the year.



Officers are interrogating the data further to understand the impact on revenues associated with textile collections. Future development will focus on expanding the on-request collections and existing kerbside collections. We are developing shared social media resources such as infographics and video series.

## 2.4. Reusable Nappies

2.4.1. The uptake of the reusable nappies scheme has increased by 107% with 55 applications made during 2017 to 114 in 2018. With pronounced increase in applications, the team will increase the number of packs available from 15 to 20.



## 3. Communication

3.1.1. Appendix 1 sets out the industry events and awards that WLWA participated in during 2018/19 as leaders in treating waste as a valuable resource.

## 4. General;

4.1.1. The Waste Minimisation programme is on track.

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# Communications Appendix 1

## **Industry leadership presentations made during 2018/19**

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### **May 2018**

- The power of partnerships to drive circular economy improvements Edie Live at the NEC, Birmingham  
Sustainability interest audience

### **June 2018**

- Partnership working in West London (minimising waste, increasing efficiency) Suez customer conference at SERC  
Local Authority audience

### **October 2018**

- Preventing Single Use  
LARAC Conference, Nottingham  
Local Authority and waste industry audience

### **February 2019**

- Using Data to improve  
MRF & markets Conference, Birmingham  
Local Authority and waste industry audience

### **March 2019**

- Food waste - Where are we now? – panellist debate  
Food Waste Conference, London  
Local Authority and waste industry audience

## **Awards entries during 2018/19**

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West London Waste was shortlisted for two awards during this period:

1. Finalist for the MRW National Recycling Awards under the category 'Best Public/Private Partnership'. The entry highlighted the excellent working partnership with SUEZ UK in treating West London's waste as a valuable resource.
2. Finalist at the Edie Sustainability awards for 'Team of the year', showcasing the various projects and events the Waste Minimisation team delivers with our six constituent boroughs.



**Budget Monitoring Report Period 10 (January)**

**SUMMARY**

This report provides an update on financial and operational matters

**RECOMMENDATION(S)**

The Authority is asked to:-

- 1) Note the current financial position in 2018/19 and Key Performance Indicators
- 2) Note the financial decisions taken under the Scheme of Delegation to Officers
- 3) Note the KPIs for 2018/19
- 4) Approve the KPIs for 2019/20

**1. Financial position – high level summary**

A summary of the financial performance for the period and forecast to the end of the year is provided below:

**High level summary**

	P10 Budget £ 000s	P10 Actual £ 000s	P10 Variance £ 000s	Year Budget £ 000s	Year Forecast £ 000s	Year Variance £ 000s
<b>Expenditure</b>						
Employees	1,603	1,585	-17	1,923	1,905	-18
Premises	2,143	3,418	1,276	2,571	3,858	1,287
Waste Transport & Disposal	37,852	36,278	-1,574	45,422	42,979	-2,443
Other supplies	814	655	-159	977	960	-17
Depreciation	7,167	6,946	-221	8,600	8,335	-265
Financing and Other	5,208	4,446	-762	6,250	5,404	-846
Concession Adjustment	-3,388	-3,449	-62	-4,065	-4,139	-74
	<b>51,398</b>	<b>49,880</b>	<b>-1,519</b>	<b>61,678</b>	<b>59,301</b>	<b>-2,377</b>
<b>Income</b>						
Levies	-49,875	-49,940	-65	-59,850	-59,786	64
Trade and other	-1,523	-1,871	-347	-1,828	-2,174	-346
	<b>-51,398</b>	<b>-51,811</b>	<b>-412</b>	<b>-61,678</b>	<b>-61,959</b>	<b>-281</b>
<b>(Surplus) / Deficit</b>	<b>0</b>	<b>-1,931</b>	<b>-1,931</b>	<b>0</b>	<b>-2,658</b>	<b>-2,658</b>

The summary shows how financial performance compares to the budget for both the period in question and the forecast for the year. The overall performance for the period and forecast for the year are both showing favourable variances (i.e. overall underspends) – £1.9 million for the period and £2.6 million for the year's forecast.

The most notable forecast variance is for waste transport and disposal (£2.4 million). The main factor is that residual waste prices and volumes are lower than budgeted contributing (£1.3 million) to the forecast underspend. It is important to note that waste volumes can change significantly from month to month and these savings could be eroded a little in the final two months of the year by higher than budgeted volumes of waste. The forecast also anticipates savings resulting from the food and green waste procurement (£0.9 million) where prices have been achieved which are significantly lower than both budget and the current price.

The other notable cause of variances in budgets results from the purchase of transfer station sites. The budget was set on the assumption that the transfer station sites would have been purchased before the commencement of 2018/19. The forecast now incorporates the purchase of the sites in January. Therefore, the related budgets see variances forecast for the year i.e. we paid rents for 10 months resulting in an overspend (£1.2 million) in the premises budget and we had no financing costs till then resulting in an underspend in the financing budget (£0.9 million).

The standard breakdown can be found in Appendix 1. This separates out the main types of waste streams and distinguishes between PAYT and FCL activities and provides commentary on the variances.

## **2. KPIs for 2018/19**

The KPI table (Appendix 2) illustrates the performance across a wide range of key activities.

Most indicators are on target however as previously reported there is one significant exception, KPI16 the number of training days. The exceptionally busy year to date and priority of business plan projects means that the target will not be achieved this year. This is a challenge which is more pertinent to small organisations with limited numbers of employees where many are involved in projects. This KPI has been reviewed in setting the 2019/20 targets.

## **3. KPIs for 2019/20**

The current suite of KPIs provides a wide range of indicators for monitoring business wide performance. Appendix 3 provides the KPIs for 2019/20 and shows that the measures remain largely unchanged with many targets maintained at the current level.

The exception to this is KPI16 (training days) where the KPI now links to the annual training plan identified through the annual appraisal process. This brings together the target with the Authority plans and skill gaps to show how much of the training plan is completed over the year.

In order to focus waste minimisation activities on the boroughs priority of reducing costs (e.g. projects such as food waste, textiles and WEEE recycling) the targets for engagement and websites (KPI14 and KPI17) have been reduced to enable this change in priority.

KPI3 and KPI4 recycle rates will also change and be calculated in accordance with industry standard definitions and provide an improvement on the 2018/19 actual performance.

#### 4. Delegated decisions

To provide further transparency of operational arrangements, this standard section of the budget monitoring report summarises any significant financial decisions made by the Managing Director and/or Chief Officers under the Scheme of Delegations to Officers since those reported to the last Authority meeting.

There are three significant delegated decisions to report:

The Authority's key insurance policies expire on 31 March 2019. An OJEU procurement exercise was undertaken and contracts were awarded in accordance with the procurement rules to:

- RMP Ltd for the liability policy under a 5 year agreement.
- Aspen Insurance for the material damage policy (i.e. property) under a 2 year agreement

The total value of these insurance contracts is £427,000 over their full contract terms. Both policies will deliver savings. The annual savings total £48,000 per year compared to the current premium.

It should be noted that the market is extremely challenging and there is very little appetite for our business from insurers – the waste industry is regarded as a high risk sector and the value of our contract is very small in corporate insurance terms. Despite this an excellent result has been achieved by our advisors Harrow Council and brokers Aon.

A contract to make necessary improvements to the Twford site was awarded to the Berric Building Services, the supplier with the best quoted price (£118,000). The main areas of work are for steelwork and concrete repairs, work on tipping aprons and the removal of the compactors at site.

The approval of an extension to the mattress collection and treatment contract totalling £110,000 for 3 months to the existing provider Matt UK. This will give the opportunity to explore potential efficiencies in the haulage solution so it can then be incorporated into a new procurement specification.

**5. Financial Implications** – These are detailed in the report.

**6. Legal Implications** – There are no legal implications as a result of this report.

**7. Impact on Joint Waste Management Strategy** – Improvements to financial management in the Authority will continue to ensure that the Authority addresses policies of the JWMS.

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## Appendix 1

Pay As You Throw	Period 10				Forecast			
	Budget £ 000s	Actual £ 000s	Variance £ 000s	Comments	Budget £ 000s	Estimate £ 000s	Variance £ 000s	Commentary
Waste - Residual	20,259	18,636	-1,623		24,311	23,458	-853	lower prices and tonnes than budgeted
Waste - Residual: EfW Bulked	6,103	5,672	-432		7,324	6,358	-966	more waste direct delivered reducing bulking
Waste - Residual: EfW Delivered	3,335	4,865	1,530		4,002	4,865	863	cost
Waste - Food	562	241	-321		674	283	-391	lower procured contract price
Waste - Mixed Organic	608	667	59		729	739	10	
Waste - Green	931	851	-80		1,117	925	-192	lower procured contract price
Waste - Other	230	394	164		276	479	203	large amounts of trade wood
Financing Costs	3,573	3,292	-282		4,288	4,335	47	
Depreciation - SERC	5,796	5,631	-165		6,955	6,757	-198	reduced indexed asset value per audit 18-19
Premises - SERC	1,077	1,063	-14		1,292	1,275	-17	
Concession Accounting Adjustment	-2,918	-2,972	-53		-3,502	-3,566	-64	
PAYT Levy income	-39,697	-39,762	-65		-47,636	-47,572	64	
<b>PAYT Net Expenditure</b>	<b>-142</b>	<b>-1,424</b>	<b>-1,283</b>		<b>-170</b>	<b>-1,664</b>	<b>-1,494</b>	

Fixed Cost Levy	Period 10				Forecast			
	Budget £ 000s	Actual £ 000s	Variance £ 000s	Comments	Budget £ 000s	Estimate £ 000s	Variance £ 000s	Commentary
Employees	1,603	1,585	-17		1,923	1,905	-18	
Premises	1,066	2,355	1,290		1,279	2,582	1,303	unbudgeted rent - transfer stations
Waste - Residual	3,629	3,435	-194		4,355	4,045	-310	
Waste - Green	521	272	-249		625	320	-305	lower procured contract price
Waste - Wood	808	621	-187		970	745	-225	lower procured contract price
Waste - Other	866	626	-240		1,039	762	-277	lower transport cost
Other Supplies	814	655	-159		977	960	-17	
Depreciation	1,371	1,315	-56		1,645	1,578	-67	
Financing	1,065	978	-87		1,278	816	-462	less borrowing interest than expected - transfer stations
Revenue Funding of Debt	570	177	-393		684	253	-431	three quarters effect - transfer stations
Concession Accounting Adjustment	-469	-477	-8		-563	-573	-10	
Trade Waste and Other Income	-1,523	-1,871	-347		-1,828	-2,174	-346	expected higher recyclables and trade waste income
FCL Levy income	-10,178	-10,178	0		-12,214	-12,214	0	
<b>Fixed Cost Levy Net Expenditure</b>	<b>142</b>	<b>-507</b>	<b>-648</b>		<b>170</b>	<b>-994</b>	<b>-1,164</b>	

Appendix 2

KPI No	Measure	2018/19 Target	Forecast	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Comments
<b>Efficiency</b>														
KPI1	Total WCA waste handled by Authority (tonnes, +/- 5% of budget)	+/- 5% i.e. 511,929 to 565,816 tonnes	527,479	42,809	50,036	47,957	44,605	44,509	40,969	41,838	45,533	39,350	41,960	
KPI2	Total kgs WCA waste per dwelling	853	835	813	882	891	880	873	857	848	850	839	835	
KPI3	CA household reuse, recycling, composted % (Twyford)	45%	36%	40%	42%	42%	37%	32%	33%	39%	31%	29%	37%	
KPI4	Borough HRRC Average CA household reuse, recycling, composted %	45%	30%	29%	35%	33%	30%	30%	29%	31%	28%	24%	27%	
KPI5	Trade debt as proportion of non levy income	Max of 8% (1 month)	3.2%	1.5%	2.2%	4.1%	4.7%	2.9%	0.6%	2.7%	3.3%	3.7%	6.4%	
KPI6	Average days to pay creditors	Max of 30 days	24	30	21	21	21	22	23	24	25	26	28	
KPI7	Number of audit actions or recommendations overdue	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Service Delivery</b>														
KPI8	Residual waste landfill diversion rate	96%	96%	100%	100%	99%	86%	99%	100%	100%	100%	100%	100%	In July SERC was offline for two weeks to rectify stack issues.
KPI9	Recycling rate for residual waste (Suez contract only)	2.00%	3%	2.97%	3.27%	3.57%	1.36%	2.88%	2.61%	2.99%	2.11%	2.47%	2.87%	
<b>Safety</b>														
KPI10	RIDDOR incidents at rail transfer stations	0	2	0	1	0	0	0	0	1	0	0	0	As reported atr previous meetings
KPI11	RIDDOR incidents at Twyford	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Environment</b>														
KPI12	EA reported incidents at rail transfer stations	0	1	0	0	1	0	0	0	0	0	0	0	As reported atr previous meetings
KPI13	EA reported incidents at Twyford	0	2	0	0	0	0	0	1	1	0	0	0	As reported atr previous meetings
<b>Education</b>														
KPI14	Number of people engaged at events	6,000	6,000	734	551	630	656	140	1930	269	185	196	40	On track to hit 6K. Annual nappy figures to be added at end of march.
KPI15	Engagement on social media	8,000	8,000	253	444	812	611	338	372	953	1,148	438	837	On track to hit target (amber)
KPI16	Number of Training days per WLWA employee	128 days over the year across all employees	78.6	2.0	5.0	5.5	1.0	0.0	17.0	15.5	7.5	2.0	10.0	KPI reviewd for 19/20 - slow start to year and training picking up again
KPI17	Number of visitors to our website	60,000	60,000	7,193	7,780	6,204	6,133	5,882	6,509	5,774	5,055	4,289	5,216	On track for over 60K - min 3K visits per month needed to hit target (green)

Appendix 3

KPI No	Measure	2018/19 Target	Forecast	2019/20 Target	Notes
<b>Efficiency</b>					
KPI1	Total WCA waste handled by Authority (tonnes, +/- 5% of budget)	+/- 5% i.e. 511,929 to 565,816 tonnes	527,479	+/- 5% i.e. 518,206 to 572,754 tonnes	Per borough budgeted tonnage
KPI2	Total kgs WCA waste per dwelling	853	835	847	Per borough forecasts and council tax base less 1% to make a more challenging target
KPI3	HRRC reuse, recycling, composted % (Twyford)	45%	36%	40%	To measure in accordance with NI192 industry standard and reflect 18/19 actual
KPI4	Borough HRRC Average reuse, recycling, composted %	45%	30%	40%	To measure in accordance with NI192 industry standard and reflect 18/19 actual
KPI5	Trade debt as proportion of non levy income	Max of 8% (1 month)	3.2%	Max of 8% (1 month)	Reflects monthly billing cycle
KPI6	Average days to pay creditors	Max of 30 days	24	Max of 30 days	Industry standard and public sector guideline timescales
KPI7	Number of audit actions or recommendations overdue	0	0	0	per previous experience
<b>Service Delivery</b>					
KPI8	Residual waste landfill diversion rate	96%	96%	96%	per principal contract
KPI9	Recycling rate for residual waste	2.00%	3%	2.00%	per principal contract
<b>Safety</b>					
KPI10	RIDDOR rate at rail transfer stations (previously incidents)	0	1	0	per previous experience
KPI11	RIDDOR rate at Twyford (previously incidents)	0	0	0	per previous experience
<b>Environment</b>					
KPI12	EA reported incidents at rail transfer stations	0	1	0	per previous experience
KPI13	EA reported incidents at Twyford	0	2	0	per previous experience
<b>Education</b>					
KPI14	Number of people engaged at events	6000	6,000	3,000	to allow re-focus on business plan projects (food, textiles and WEEE) aimed at helping boroughs reduce costs
KPI15	Engagement on social media	8000	8,000	8,000	per previous experience
KPI16 old	Number of Training days per WLWA employee	128 days in year for all employees	78.6	N/A	replaced by below
KPI16 new	Items identified in annual training plan	N/A	N/A	68	linking target to the annual training plan and skill gaps identified through appraisals
KPI17	Number of visitors to our website	60,000	60,000	40,000	to allow re-focus on business plan projects (food, textiles and WEEE) aimed at helping boroughs reduce costs