

Contracts and operations update

SUMMARY

This report provides an update on the Authority's waste treatment arrangements and procurements. The key points are:

- The Authority's largest contract, which involves sending non-recyclable waste by train to an energy recovery centre, is operating well but there have been some delays to Borough waste vehicles when they tip their waste at the west London rail depots. Actions have been put in place to reduce these delays in future.
- Rail strikes are taking place which will have an impact on the above contract. Contingency plans are being put in place to reduce disruption.
- New contracts have started for composting green/garden waste and for collecting waste from the Borough's recycling centres. These contracts have started well.
- Improvements have been made at Brent's recycling centre, which is operated by WLWA, including creating a 'Fixing Factory' for fixing broken laptops.

RECOMMENDATION(S) The Authority is asked to:

- 1) Note the information within this report.

1. Introduction

This report provides an update on WLWA's existing contracts and operations for managing west London's waste.

2. West London Residual Waste Services contract

This contract is with West London Energy Recovery Limited (WLERL) and is operated by Suez. It involves the acceptance of waste from Boroughs at west London transfer stations, from where most of the waste is compacted into containers and transferred by rail to Severnside Energy Recovery Centre (SERC) for thermal treatment and energy recovery. It is the Authority's largest contract, handling over 300,000 tonnes of residual (non-recyclable) waste each year, with a value of around £35 million per year.

The contract performed very well against its Key Performance Indicators (KPIs) for the year 2021/22, where a landfill diversion rate of 99.9% (target 96.1%) was achieved along with a recycling rate of 5.4% (target 2.1%). In essence, this means that almost all contract residual waste went to energy recovery and almost all the process residues were recycled.

Since March there have been some operational issues at the waste transfer stations (where Boroughs tip most of their waste) resulting in higher-than-normal tipping times for Boroughs. The Transport Avenue transfer station in Brentford experienced a small fire in the bulky waste shed on 26 April, which was isolated and extinguished very quickly thanks to the quick actions of site staff. However, the fire brigade doused all the remaining waste as a precaution, leading to tipping delays over the following days. The fire brigade was unable to identify the cause of the fire. Suez has since started a major upgrade to fire suppression systems at both of the large transfer stations.

The Victoria Road transfer station in Ruislip has experienced tipping delays due to ongoing issues with the aging waste cranes. The two cranes move waste from the tipping bunkers into the compactors, which then push the waste into containers that are then loaded onto the train. Crane breakdowns mean that there are fewer empty tipping bays for Borough vehicles. Suez is developing interim solutions to speed up tipping in the short term and has recently invested millions in upgrading the sites' weighbridges to speed up Borough visits. It is bringing forward a programme of works to replace the cranes, which will be a further multi-million-pound investment in these sites.

Over the coming weeks, transfer of waste by rail to SERC may be affected by the proposed railway workers' strikes which, at the time of writing, are scheduled for 21, 23 and 25 June unless a resolution can be reached. Following these dates, a planned maintenance outage at SERC will take place 28 June and 17 July, which means that less waste will be sent by rail. WLWA officers have worked with Suez to make contingency arrangements which will involve:

- sending more waste to nearby Lakeside Energy from Waste site
- sending more waste by road to other energy recovery facilities
- Suez working with its rail haulage contractor to try and keep trains running during the strikes due to the strategic importance of the service
- scheduling catch-up trains where possible on the days between the strikes

The RMT union has hinted that strikes could continue throughout the summer, so longer term contingency measures are being developed. WLWA is using its position on influential national associations to lobby for waste to be treated as priority freight which needs to be transported throughout the industrial action.

There is a risk that some waste may need to be landfilled as a last resort.

3. Viridor residual waste contract (Lakeside)

This contract is for 90,000 tonnes a year of residual waste which is thermally treated at Lakeside energy recovery centre near Slough.

The contract is operating well, although there was one instance when Lakeside had an unplanned outage for four days in May. During this time, the waste was diverted to the Suez transfer stations resulting in some minor delays to Boroughs.

4. Food waste contract

The food waste contract with Biocollectors continues to operate well.

Overall food waste tonnages are down 3% compared to the same six-week period from last year. Residual waste tonnages are also down by 3%, which indicates that the food waste dip might not be caused by residents putting more of their food in the residual waste bin. A residual waste composition analysis is being planned for September and this will show us how much food is in the residual waste compared to the last time an analysis took place (July 2021) and help judge the impact of food waste improvement projects. Please refer to the Projects Update for more information.

5. Green waste contract

At the previous Authority meeting, approval of award for a new green (garden) waste transport and composting contract was delegated to the Managing Director in consultation with the Chief Technical Officer and Chair. Following this consultation, all the contract allocations (each allocation being 10,000 tonnes of green waste) were awarded to West London Composting. Before the procurement, the allocations were shared between West London Composting and Countrystyle Recycling.

The contract was mobilised on 1 May and has been operating very effectively. The change of contract has not led to any operational changes for the Boroughs.

6. Transport contracts

The Authority lets two waste transport contracts:

- One for transporting non-recyclable waste from Borough waste transfer stations and Dry Mixed Recycling (DMR) collected by Ealing, typically using bulk haulage vehicles (articulated lorries).
- One for the removal of segregated materials from Borough HRRC sites in roll-on roll-off (RoRo) containers.

Both contracts have been re-procured, with the bulk haulage contract being won by Waste-A-Way Recycling Limited (the contract was previously operated by J. Shorten & Son Ltd) and the RoRo contract was won by Suez Recycling and Recovery UK, the incumbent.

The new contracts went live on 1 June following a successful mobilisation period and are currently operating well.

7. Dry Recyclables

The contract is operating well, and there are no operational issues to report.

8. Borough HRRCs

The WLWA 2022/23 budget allocated £200k per Borough for improvements at HRRCs. WLWA officers have been working with colleagues from Ealing and Hounslow who have developed prioritised business cases for improvement projects and have started delivering.

9. Abbey Road HRRC and WTS

Abbey Road HRRC and WTS is managed by WLWA, and the HRRC is run on behalf of Brent.

Major progress has been made on repair and re-use services at Abbey Road with the launch of the Fixing Factory, a collaboration of social enterprises, which delivers laptop repair services on site. In addition, outlets have been secured for other reusable items collected at the site, including bikes, suitcases, bric-a-brac, furniture, and mobility equipment. All off takers are social enterprises providing social value, and many are based locally. Please see the Projects Update for more information.

New CCTV and ANPR (automatic number plate recognition) systems have been installed at Abbey Road and Hounslow's Spacewaye site following a WLWA-led procurement.

A trial of an Electric 360 grab vehicle is also due to be trialled at the site in the coming weeks as part of WLWA's work to decarbonise waste operations.

10. Health and Safety Implications

As a result of the SERC outage and any potential rail strikes, Boroughs may be required to tip waste in different parts of the transfer stations. The Contractor's staff will provide instructions on how to do this safely.

The new contractors for green waste and transport services all submitted strong health and safety method statements as part of their bids. Extensive mobilisation work has been undertaken which included inducting new drivers on safe operations at each of the sites that they will service.

WLWA officers are considering changes to the Authority's health and safety guidance to allow young persons (those aged between 16 and 18) to work at the Abbey Road site. This will enable young people to develop experience in the sector e.g. during school holidays. Any changes will be developed using WLWA's Health and Safety Advisor.

11. Financial Implications

Under the WLERL contract, any increased haulage costs, or gate fees at alternative energy recovery centres will be borne by the Contractor. However, if alternative energy recovery centres

or landfill sites are used, WLWA will miss out on a contract rebate for this material. WLWA may also miss out on a share of third party waste income from SERC if the plant is unable to be run at full capacity.

The new green waste contract has a higher than budgeted cost per tonne due to the increase in haulage costs (fuel costs and driver shortages) and gate fees (operational impacts including removal of red diesel) and lack of suppliers with green waste processing capacity. However, under current waste flow projections the contract is not expected to exceed the budgeted amount.

The RoRo transport contract has the same cost per load as budgeted and the bulk haulage transport contract has a lower than budgeted cost per load due to strong competition in this market despite increased fuel and driver costs.

Please refer to the Finance Update for a summary of the current position against the budget.

12. Staffing Implications

None.

13. Legal Implications

None.

14. Joint Waste Management Strategy Implication - The contracts mentioned in this report meet the Authority's Joint Waste Management Strategy policies, as described in Section 1.

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