

**Annual Procurement Plan 2024/25**

**SUMMARY**

This report provides details of the Authority's Annual Procurement Strategy for the year 2024/25.

**RECOMMENDATION(S)**

The Authority is asked to:-

- 1) Approve the Annual Procurement Plan for 2024/25.

**1. Background** – West London Waste 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 waste streams for recycling, composting, anaerobic digestion, reuse and waste treatment and disposal. A significant proportion of the tonnage of both the residual waste and food waste fraction is contractually committed under three long term waste treatment 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 contract with Bio Collectors Ltd.

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

The procurement of good quality services is key to the delivery of WLWA's strategic priorities. Successful procurement of suitable services and arrangements has a critical role in delivering WLWA's strategic circular economy, reuse and social value generation objectives.

**2. WLWA Annual Procurement Plan**

The full WLWA Annual Procurement Plan for 2024-2025 can be accessed in the Annex to this report. This plan contains all projected procurements coming up in the 2024/25 financial year. The business cases for procurements are analysed on the basis of its benefit to WLWA strategic priorities, impact on reuse and social value generation and outcome of market engagement.

If additional services are required as a result of market/policy changes throughout the year – a business case for each procurement over £50,000 will be discussed by the Procurement Review Board (PRB) and Contracts and Procurement Manager.

A procurement business case for all procurements exceeding £50,000 will be developed and considered for approval by the PRB before procurement work commences.

**2a) Above Find-A-Tender threshold procurements**

In accordance with WLWA procurement rules Chief Officers and Members will be asked to approve contract award for procurements with a contract value over 1 million. Over 2024 – 2025 it is anticipated that the following procurements will be sent for approval to Chief Officers and Members at the appropriate time during the course of the year.

**Table 1: Anticipated procurements requiring Chief Officer and Member approval (Approximate contract values on a per-year basis)**

PROJECT/SERVICE TO BE PROCURED	ESTIMATED ANNUAL VALUE (£ p/t)	TIMESCALE FOR PROCUREMENT
Flats contaminated Dry Mixed Recycling	£864,000	Sep-24
Dry Recycling (Container & Fibre streams for Brent & Ealing)	£2,000,000	Jun-25

## 2b) Strategic procurements

WLWA is currently working on a number of strategic procurements which include procurement of new IT infrastructure (IT implementation and migration) and procurement of a new Digital Twin IT Platform. Both of these procurements underpin WLWA strategic priorities of Data Driven Efficiency and Organisational Excellence and will form an important platform for WLWA projects over 2024-25.

Over the last year WLWA has undertaken a number of new Circular Economy projects and procurements with the purpose of decarbonising services and driving social value across WLWA programmes. WLWA is currently working on the procurement for services to construct a temporary building for the circular economy Hub, which supports WLWA objectives under the Social Value and Reuse Programme.

WLWA's new Circular Economy projects and procurements will increase separation of materials, innovate new handling and storage methods to retain the value of the item (not just the material it is made from) to enable better reuse. The recent re-procurement of the Waste Electrical and Electronic Equipment (WEEE) contract now provides support for a reuse programme which will create feedstock material to support the development of the circular economy Hub. The WEEE contract is currently being mobilised and will commence on 01/04/24.

WLWA is in the process of reprocurring a new Abandoned Vehicles contract which will also provide improved data and visibility of materials/components being recycled and reused. This new contract will commence 08/04/2024.

**Materials Collection Service (MCS) procurement** - This contract supports WLWA's work on the Reuse, Digital Twin, Increased Access and Communications programmes and aims to improve material circularity across the boroughs. The MCS service creates a circular model for waste through material separation and diversion. This will facilitate increased capture and funnelling of more material through reuse, repair and recycle channels and away from residual waste.

The service is used by residents across the boroughs of Brent, Hounslow, Ealing and Harrow, providing a household collection service. The first year of the contract has been very successful and has delivered on objectives and this contract has now been extended for a further two years. Hounslow Council are now looking to roll this service out borough-wide and become the Council's sole bulky waste collection service.

### **3. Social Value**

Measuring social value in waste is both complex and dynamic. WLWA is focussed on stimulating the growth of reuse and repair markets to drive innovation and create social value and now has a number of operating Circular Economy projects including a triage system in place for bicycles and a strong relationship with Petit Miracles for furniture repair and resale. These projects have generated a lot of interest but have however also presented a number of challenges due to fluctuation in demand, the fact that supply and demand rarely match and establishing outlets.

With the development of WLWA's ReActon Circular Economy hub, WLWA has embarked on a number of projects to measure reuse items - diverted from the residual stream into reuse. These items such as bikes, furniture, electrical items will be appropriately stored and reconditioned for resale. Performance will be measured under the Reuse and Social Value strategic priority in terms of number of items sent to off takers for repair or reuse and number of items sent to a Circular Economy Hub.

WLWA has also seen Social Value as an opportunity to create new waste systems (eg, the development of the Bulky waste collection service and its evolution into the Materials Collection Service), measuring citizen behaviour and increasing the number of WEEE items collected for reuse and recycling and capturing social value generated through reuse through the WEEE contract.

WLWA's Residents Insights project was procured in October 2023 and Social Value was evaluated on a basis of how bidding research companies could demonstrate coverage and inclusion of social value literacy not just across their operations and but across the design of their assessment/research.

The challenges that lie ahead for WLWA with embedding Social Value projects are demonstrating and measuring the Social Value promised through the supplier bid process via good contract management processes to enable WLWA to measure and report the outcomes of Social Value projects.

### **4. Low Carbon Procurement**

The eight local authorities that form the West London Alliance – Brent, Ealing, Hammersmith & Fulham, Harrow, Hillingdon, Hounslow, Richmond upon Thames, and Wandsworth – and West London Waste are collaboratively working together to reduce environmental impact through procurement activity by being proactive in embedding low carbon considerations in procurement processes across West London. This project has involved the development of a Low Carbon Procurement Policy, a Toolkit that sits behind it and a Charter.

The Low Carbon Procurement Toolkit provides advice and guidance to procurers in the local authorities to reduce carbon emissions across the procurement cycle and a database of questions, answers and KPIs for carbon. The toolkit aims to drive a coordinated and consistent approach across the participating authorities in achieving Net Zero objectives.

In order to develop a combined approach to engaging suppliers to help reduce West London carbon impacts, a Climate Commitment Charter for suppliers to sign up to, has been developed to show Suppliers commitment to contributing to the net zero aims of the West London Alliance.

The Low Carbon Procurement Policy, Toolkit and charter has been incorporated into WLWA suite of procurement documents since April 2022. Further refinements are now planned for 2024 to the Toolkit and charter and additional training will be in place for the boroughs on the toolkit later in the year.

**5. Authority Contract Register** – The Contract Register for 2024/25 has been 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 for not only waste management operations but other goods and services 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 will permit potential contracting partners’ to identify upcoming future tendering opportunities.

**6. Authority Contracts and Procurement Rules** – The Procurement Review Board is established and meets monthly to discuss the business cases for new procurements. WLWA will update the Contract and Procurement rules in accordance with procurement process changes resulting from the new Procurement Bill (Oct 2024) once secondary legislation is finalised to ensure new developments such as an increased focus on contract management and KPI reporting and changes to procurement process is covered in WLWA procurement rules. WLWA will provide it’s Members with the updated Procurement Rules for agreement.

**7. Procurement Advice and Support** – The Authority continues to have external legal advisors (Sharpe Pritchard and HB Public Law) in place to provide on-going support for the West London Residual Waste Services contract and other contractual issues relating to smaller waste contracts. These services are provided through Service Level Agreements and under Framework Agreements. Advisors from HB Public Law are also used to support contract and procurement decisions. Additional advice and support for procurement projects primarily the Dynamic Purchasing System is provided by Hounslow Council Procurement Team.

**8. Financial Implications** – Financial provision has been included within the approved 2024/2025 budget for the provision of the services, including any proposed procurements as set out in this report.

**9. Risk Management** – The proposals detailed in this procurement plan will be aligned with the requirements of the Authority’s T&C Regulations. Other risks relating to contract management and procurement are captured in operational risk registers.

**10. Health and Safety Implications** – Health and Safety considerations form part of the tender evaluation process including potential partners’ record on health and safety and proposed future management arrangements. Where appropriate advice will be sought from the Authority’s Health and Safety advisors, Universal Safety Practitioners Ltd (Re-appointed as Health & Safety Advisor following competitive procurement process held in January 2022). WLWA’s contract with Universal Safety Practitioners Ltd expires on 01/02/25.

**11. Legal Implications** – As a local authority the Authority 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.

Background Papers	None
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## ANNEX 1

# WLWA Annual Procurement Plan

Team	Approx project value or estimated annual value	Procurement Timescale
<b>FINANCE/DATA</b>		
External Audit Services	£102,699	2023-2028
Treasury Services	£8,700	2023-2026
HRRC Booking System	£20,000	May-24
IT Provider	£140,000	Sep-24
Infrastructure costs of IT implementation and migration	£400,000	Jul 24
Property valuation for accounts	£30,000	Mar-25
Valuation of loans at fair value	£2,500	May 24
Unit 4	£25,000	May-24
iWDMS	£25,000	Dec-27
Internal Audit	£14,000	Jun-24
Insurance Consultancy	£3,100	Apr-24
Property Insurance	£34,000	Mar-25
Cleaning Services	£40,000	Sep-24
Electricity WD	£2,700	May-24
Electricity Abbey Road	£36,992	May-24
Gas at WD	£4,800	May-24
Applicant Tracking System (HR)	£2,500	April 24
HRIS (HR)	£6,000	April 24
Learning Management Solution	£5,000	Sept 24
<b>OPERATIONS</b>		
Contaminated DMR from Flats (FAS) - Hounslow & Hillingdon	£864,000	Sep-24
Dry Recycling (Container & Fibre streams) (Brent & Ealing)	£2,500,000	Jun 25
Resurfacing of VR and TA access roads	£150,000 (one off cost)	Jun-24
Mobile plant for Abbey Rd - lease/purchase	£300,00	Mar-24
Street Sweepings Recycling	£200,000	Mar-26
Wood Recycling	£600,000	Mar-26
Abbey Rd - upgrade to netting	£30,000	Jun-24
Abbey Road Security services	£60,000	Sep-24
Abbey Road - mezzanine floor	£25,000	Apr-24
Abbey Road - site electric gates	£40,000	Jun-24
HRRC materials - Cooking Oil	£3,000	Apr-24
HRRC materials - Fire Extinguishers and Gas bottles	£11,000	Apr-24
HRRC materials - Fuel / White diesel	£70,000	Mar-24
HRRC materials - Asbestos	£20,000	Apr-24
HRRC materials - Plasterboard	£10,000	Apr-24

HRRC materials - Tyres	£15,000	Jun-24
HRRC materials - branded uniforms	£3,000	May-24
HRRC materials - hydraulics oils/lubricants	£10,000	May-24
Health and Safety consultancy support	£60,000	Jan-25
Repairs at concrete structure at Abbey Road	£300,000	May-25
<b>PROJECTS</b>		
Solar PV	£180,000	TBC
Waste Composition	£100,000	Jul-24
Digital Twin Platform	£250,000	Aug-24
Social Value Tool	£7,000	Mar-25
CE Hub Infrastructure	£80,000	TBC
12 40yd containers at HRRCs	£72,000	Jun-24
Citizen Perception - Intervention Partner	£75,000	Apr-24
1100 litre bin	£30,000	Jun-24
Virtual CE Hub	£5,000	Sep-24
AD study	£10,000	Oct-24
ReActon Additional Equipment	£15,000	Jun-24
Route Optimisation software	£50,000	Mar-24
Heston Hub	£65,000	Apr-25