

Contracts and operations update**SUMMARY**

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

- Crane replacement programme now complete, with £11m invested in the transfer stations so far and minimal disruption to Boroughs.
- Severnside Energy Recovery Centre (SERC) had a long outage resulting in some waste being sent to landfill
- Residual waste is 5% higher than the previous year
- Infrastructure investment is needed at Abbey Road and other sites through a joined up approach to HRRC delivery

RECOMMENDATION(S) The Authority is asked to:

- 1) Note the growth in residual waste.
- 2) Note this report.

1. Introduction

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

2. Contract performance

The performance of the Authority's key operational contracts at the time of writing is explained in the following table.

Contractor	Service	Value (per year)	Operations		Financial risk (RAG)
			RAG	Description	
WLRL, operated by Suez	Residual waste transport and disposal 350,000 tonnes/yr	£35m	G	Cranes replaced successfully at Victoria Rd Transfer Station. Major planned maintenance delivered at SERC. Minimal disruption to Boroughs, but increased landfill.	G
Viridor (Lakeside)	Residual waste disposal 90,000 tonnes/yr	£14m	A	Planned maintenance currently taking place, with contingency facilities in use.	G
BioCollectors	Food waste All Boroughs' food waste	£0.4m	G	The contract is operating well.	G
West London Composting	Garden waste All Boroughs' garden waste	£1.5m	G	The contract is operating well.	G
N+P	Dry mixed recycling From Ealing and Brent	£3m	G	The contract is operating well.	G

Contractor	Service	Value (per year)	Operations		Financial risk (RAG)
			RAG	Description	
Waste-a-Way Recycling	Transporting waste & recyclables using bulk haulage vehicles.	£1m	A	Temporary driver shortages have led to dropped loads, particularly for dry mixed recycling. New scheduling approaches are being trialled to reduce impacts.	G
Suez	Transporting waste & recyclables using RoRo vehicles.	£0.5m	G	The contract is operating well.	G

WLERL Operations

The two rail linked transfer stations at Brentford (Transport Avenue) and Ruislip (Victoria Road) together receive around 350,000 tonnes of residual waste each year. Most of this is transported by rail to Severnside Energy Recovery Centre (SERC), with the remainder going to Lakeside Energy from Waste (EfW) near Slough.

The £5m Victoria Road crane replacement programme which took place in April has been successfully completed and the cranes are working well. This is the latest of several major investments into the transfer stations by the contractor, which includes a £2m replacement of the compactors and a £4m upgrade to the fire suppression systems at both sites. Further planned investment includes additional weighbridges and a food waste building at Victoria Road as well as new mobile plant at both sites and £3m of new rail containers for transporting the waste. These investments help ensure the ongoing efficient, effective and resilient operation of the service into the remaining 19 years of the contract.

The Boroughs were very flexible and supportive during the crane replacement and worked well with WLWA and the contractors to divert waste to alternative transfer stations as appropriate. The partnership also effectively dealt with unplanned disruption when Lakeside EfW suffered a breakdown at the same time.

On 1 June, SERC went into a long shutdown for major work on the insides of the boilers and the exhaust gas cleaning system. During the outage, further repair work was needed to the boilers resulting in a 12-day extension to the outage, which lasted until 8 July. During this time the waste was sent to alternative disposal points. Unfortunately, several other EfW facilities were offline at the same time and residual waste levels are higher than usual across the country, resulting in a lack of capacity across the network. This resulted in the Contractor sending much of the residual waste to landfill for the duration of the outage. As a result, by the end of the financial year the Contractor is expected to exceed the target 3.9% set in the contract.

To prevent the situation from re-occurring next year, WLWA will explore options, including working with other waste disposal authorities, lobbying government and the Environmental Services Association and requesting a contract variation to reduce the target.

At the end of the summer, fire incidents at the major transfer stations in the year to date are lower than expected given the high numbers last year and the two preceding years (see Table 1). The cooler, wetter weather is thought to be the major factor. Increased bulky waste inspections due to operational changes at Victoria Road may also have had an impact. There have not been major changes in the operational practices of Borough waste sites (the source material of most flammable materials), so the chances of fires occurring in hotter dryer conditions are still high. A fire prevention group consisting of operational colleagues from WLWA, the Boroughs, Suez and other major contractors have arranged their first meeting with the aim of establishing a joint fire prevention plan and strengthening fire contingency arrangements.

Table 1: Fire incidents at the major transfer stations

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 YTD
Transport Ave	3	6	7	8	9	4
Victoria Rd	6	8	13	17	19	4
Total	9	14	20	25	28	8

Residual waste growth

Residual waste managed through WLWA’s contracts between 1 April and 31 July was 5% higher than the same period last year. Whilst all Boroughs have experienced some increase, Brent and Hillingdon have seen a significant rise. WLWA officers are working with these Boroughs to understand the root causes and possible mitigations.

3. Abbey Road HRRC and WTS

Abbey Road Household Reuse and Recycling Centre (HRRC) and Waste Transfer Station (WTS) is owned and operated by WLWA. The HRRC is run on behalf of Brent Council.

The site is now consistently exporting more items for reuse, with 13 off-takers in place for different material streams. Between the start of April and end of June, 1,282 items have been sent for reuse.

As reported in March, site staff have observed cracks in a section of the waste transfer station’s concrete structure and initial investigations led to the cessation of activities on and below this area. Consultant structural engineers were commissioned to undertake a structural inspection survey. They concluded that the affected section (approx. 25%) must remain cordoned off until it can be demolished and rebuilt (if required). A further study is planned in September to survey the remainder of the WTS structure. Contingency plans have been updated to enable WTS operations on a different part of the site.

The site’s two main weighbridges, which are over 40 years old, failed in August and repairs were judged to be less economical than replacement. The replacements are on order for installation in early October, and the site’s third weighbridge is currently in use as a contingency. This also had mechanical issues in the high temperatures in August but was repaired within six days.

These developments highlight the need to invest in the infrastructure at Abbey Road, which has been delayed whilst opportunities to join up HRRC have been pursued with the Boroughs over the past decade. All of the other west London HRRC/WTS sites, run by the Boroughs, are also in major need of investment. The HRRC report sets out a proposal for procuring a joint HRRC service that will pay for infrastructure improvements through savings from diverting material from residual waste and increased operational efficiency. The earliest timescale for delivery is mid-2026.

4. Staffing

At the March Authority meeting it was reported that a new Operations Manager has started. The Operations Manager has also recruited a Senior Site Manager, now in post, who will provide senior management at Abbey Road and oversight at the other HRRCs/Transfer Stations that WLWA supports.

A Senior Contracts & Procurements Manager has been recruited to support with the additional contracts and procurements that WLWA is delivering on behalf of the Boroughs and as part of delivering its strategic priorities.

A replacement Commercial Manager has been recruited, with a September start date.

A replacement Operations Project Manager is being recruited following a review of the role.

5. Financial Implications

Section	Financial Implications
West London Residual Waste Services contract	<p>All improvements at the Transfer Stations and SERC are funded by the contractor, except for the Victoria Road food waste building which will be paid by the Authority as part of an Authority change to the contract. The cost of the building is currently being established between the two parties as part of the contract change process.</p> <p>Costs associated with landfill of residual waste during the outage are paid for by the Authority up to a cap of 3.9% of annual Contract Waste sent to treatment. The full cap was used resulting in costs of £1.9m, which is £1.3m higher than budgeted. A more detailed description of these financial implications is given in the Finance Update.</p>
Viridor (Lakeside)	During the outage of Lakeside, contingency capacity is provided by Viridor at no additional cost.
Residual waste growth	If levels continue as they have, the residual waste growth could demonstrate a full year overspend of c. £2.0m which will be charged back to Boroughs in the PAYT quarterly reconciliation.
Abbey Road HRRC and Waste Transfer Station (WTS)	<p>The costs of repairs to the waste transfer station's concrete will be determined through forthcoming studies. Whilst some budget is available for repairs such as these, the scale, scope and timing of the works needs to be determined before budget implications can be fully assessed. This scoping work will take place in September and October. Work is also ongoing to determine if any of the costs can be claimed back through insurance.</p> <p>The cost of replacing both weighbridges will be approximately £60k including civils work. Approximate costings of the HRRC contract will be determined at the soft market testing phase, once an approximate specification has been developed. Annual savings available from material management improvements and operational improvements are estimated to be £1.7m and £0.9m respectively across all six sites. The infrastructure investment is likely to be at least £8m across all six sites. If Boroughs decide not to join in the procurement, changes to the levy system will be required, as discussed in the HRRC Report.</p>
Staffing	All roles that are being/have been recruited are included within the 2024/25 budget.

6. Health and Safety Implications

Part of the WTS at Abbey Road has been cordoned off in accordance with advice from the structural engineers and the Authority's H&S Adviser. Site surveying work will take place in accordance with the Contractor's Risk Assessments and Method Statements that have been agreed by the Operations Manager in consultation with the H&S Adviser.

7. Legal Implications

Work is ongoing to determine if any of the WTS Structural Repair costs can be claimed back through insurance.

8. Impact on Carbon reduction

Investments in the cranes, weighbridges, compactors and fire suppression systems at the transfer station will reduce carbon by:

- Speeding up tipping times, increasing the efficiency of the Boroughs' collection services and saving carbon.
- Increasing payloads of trains
- Preventing fires and keeping the transfer stations operating by rail, preventing the need for carbon intensive road haulage

Landfilling residual waste has the effect of increasing carbon. Landfill emits 21 times more carbon than energy recovery per tonne of residual waste.

Growth in residual waste per household means an increase in carbon emissions per household. Analysis is taking place to determine if the waste growth is coming from households or is waste that has been captured from the commercial sector.

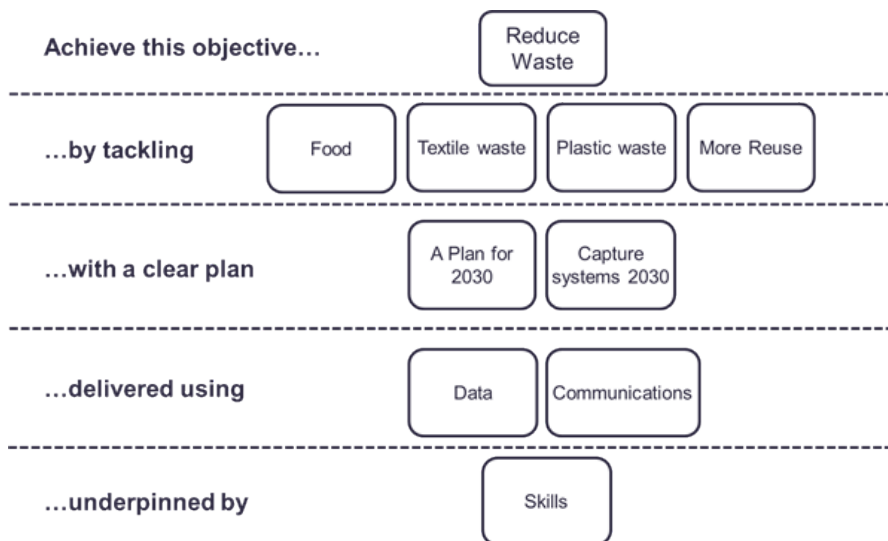
A joint HRRC contract will save carbon through keeping more material in circulation via reuse and recycling and operational efficiencies. There will be a carbon cost associated with site infrastructure improvements.

9. Impact on Environment Directors Priorities

Priority	Key points raised within this report
Bringing residents with us	Upgrades to the transfer stations and HRRCs improve the consistency and reliability of services to residents.
Sustainable decision making	N/A
Climate adaptation and decarbonisation	Upgrades to the sites provide climate resilience, because they enable more emergency waste storage in the event of fire and extreme weather events affecting transport and other sites. The fire prevention group will deliver actions to reduce fires in the face of more extreme hot weather. Decarbonisation impacts are described above.
Dealing with financial challenges whilst delivering on climate change	Infrastructure improvements are designed to future proof the sites to maximise reuse and recycling over the next 30 years. Some investments are covered by WLER. The others will be paid back through savings in improved materials management and operational efficiencies.

10. Impact on Joint Municipal Waste Management Strategy

The framework of a joint plan for 2030 to be developed by WLWA and Boroughs was agreed in March 2022 and is shown below.



Improvements to the sites is part of the Plan for 2030 and supports Capture Systems 2030. It will enable the capture of more of the target materials, leading to a reduction in household residual waste.

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