

HRRC report

SUMMARY

This report provides an update on West London Household Reuse and Recycling Centre (HRRC) Services including proposals for shared core principles and targets for the provision of an optimised service.

The HRRC services are provided by five of the Boroughs directly and WLWA (West London Waste Authority) on behalf of Brent. The waste disposed of through these sites is funded through a Fixed Cost Levy and as such inhibits Boroughs realising in year performance savings. The sites form part of the waste capture system from residents and as such improvements in the diversion of residual waste can help mitigate the risk of waste growth.

WLWA is proposing a capital investment programme in site infrastructure funded by WLWA and paid back through performance savings generated by a design, build and operate contract.

The key points are:

- Procure a contract to deliver investment in site infrastructure and improve customer service
- Capture reuse and shift usage toward a circular economy
- Joint working and operating contract to generate savings
- Increased residual waste diversion targets

RECOMMENDATION(S) The Authority is asked to:

1. Note the c.£8m capital funding request for a joint HRRCs project to be considered at budget challenge in November.
2. Note the direct savings and improvements for all Boroughs participating in a joint HRRCs procurement.

1. Introduction

Each west London Borough has an HRRC and transfer station site located within its area. These sites will play a key role in the future of waste capture systems and will be at the forefront of a circular economy in West London. The future challenge is the effective capture of reuse and the increasing complexity e.g. types and numbers of materials requiring diversion to avoid Emission Trading Scheme (ETS) costs. WLWA and Boroughs will need additional space on sites to meet national and London targets.

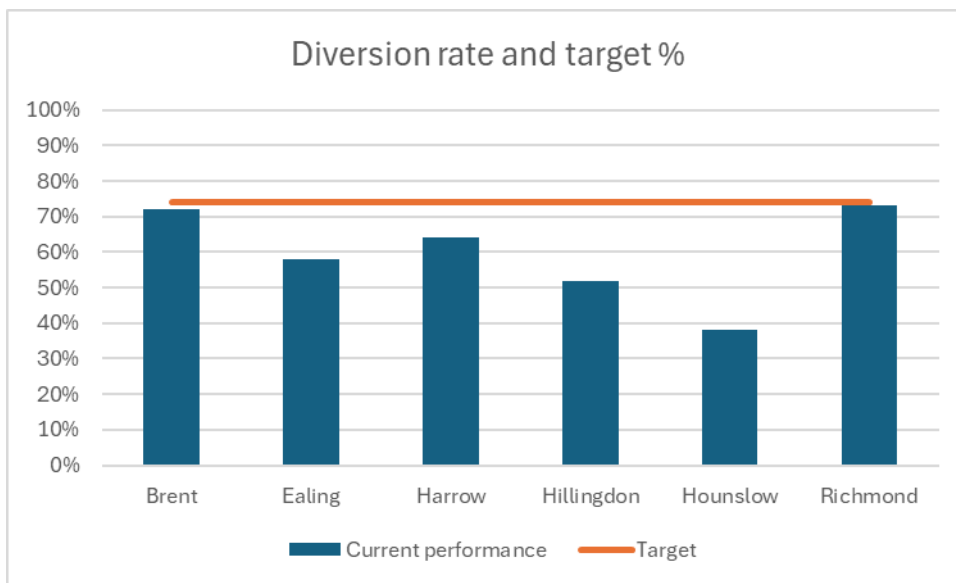
2. Infrastructure

All WLWA and Borough HRRC infrastructure needs significant capital investment. WLWA can invest in the infrastructure and create immediate savings for Boroughs using a contract delivering joint working and increased performance. New infrastructure will help deliver easier access for residents and the added benefit of in area demonstrators to support the work of

Borough Climate Officers with solar (Photo Voltaic) generation, improved insulation, flood attenuation systems, increased biodiversity and promotion of circular economy, active travel and improved air quality. In the future, the new infrastructure will create capacity for more re-use and the development of circular economy hubs in every West London Borough.

3. Performance

There are six HRRC sites across West London and an additional part time site in Hillingdon (Appendix 1 Site location map). Brent’s HRRC is owned and operated by West London Waste Authority (WLWA). WLWA has been providing management support to Richmond for the last three years. The remaining sites are operated independently with variance in policies, operations, performance and cost. Application of joint working principles and performance metrics linked to a pay as you throw type payment mechanism will generate savings for Boroughs and WLWA.



In 2021 WLWA set aside £1.2 million for Borough led investment in the HRRC network in West London. This investment delivered on Borough project plans and increased diversion performance across the network. However, other factors e.g. failing infrastructure also led to reduced performance. In the last 12 months WLWA has engaged external consultants to assess performance, infrastructure, waste data, operations, Health and Safety, Environment and Quality management and service of all sites, benchmark other UK sites and offer recommendations for improvements.

4. HRRC Services

HRRC services are critical waste management infrastructure for the capture of valuable materials. The HRRCs are typically visited by a small percentage of the population per annum. These visits are important ‘touch points’ with waste management and can be used to help inform and educate about social value, re-use, repair, circular economy and waste diversion. With appropriate investment into infrastructure, design and forward looking operating systems, items brought to site can be converted into valuable assets for community donations or resource recovery.

We tested hundreds of electrical devices sent for recycling. Over a third weren't even broken.

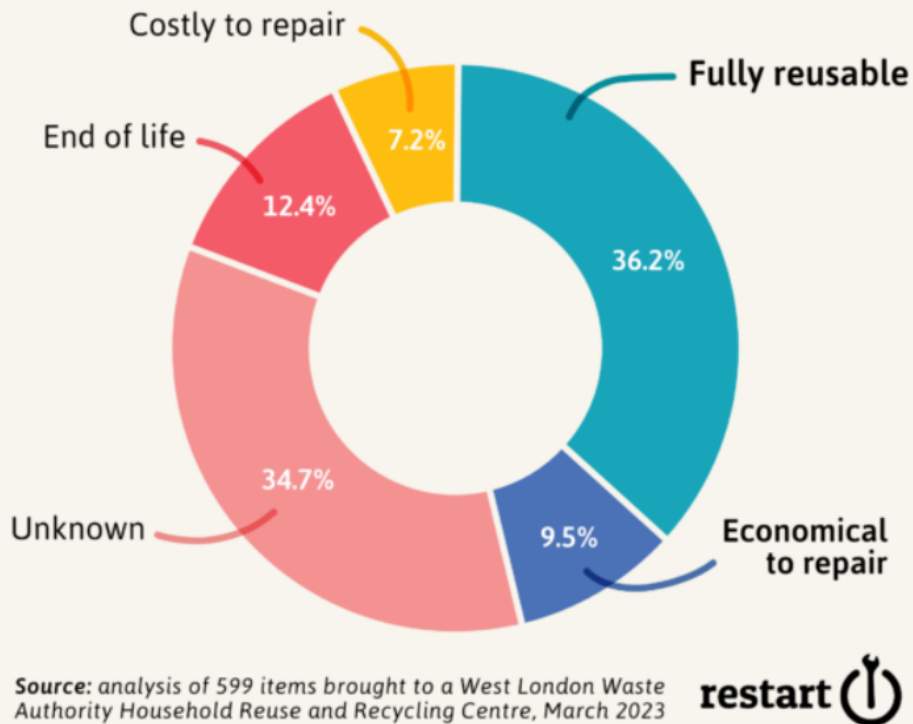


Figure 1 – proportion of E-waste suitable for repair/reuse

The West London Waste Authority team at Abbey Road created a reuse and repair service alongside the HRRC operations and tested the requirement for additional space, training and infrastructure. To be fit for the future all HRRCs will require small logistics and value focused operations in secure covered areas. The sites are small and therefore to maintain or expand the capacity and service to residents, efficiency must improve alongside appropriate site investment.

Making sites easy to use, providing excellent directions / support for navigation, ease of access to the containers, reducing queuing, providing canopies or buildings and increasing the number of material streams, reuse, repair, recycling options promotes staff engagement, enhances the customer experience and delivers savings.

As seen on the Member and Officer site visits in August, split level sites removes the requirement for steps or gantries, ensures plant and LGV operations are separated from the public, ensures residents have time to segregate their items effectively and allows the same number of staff to achieve more segregation. Containers and compaction can be done without closing the sites to the public, increasing capacity for the same operating hours, maximising savings in the haulage contracts with efficiency. Instead of reuse shops, WLWA has started to develop Circular Economy Hubs in each Borough, HRRCs will provide high-quality reuse items for social value to the network of circular economy hubs within West London.

HRRCs are critical waste management infrastructure co-located with transfer stations and some Borough service depots which are needed resilience for WLWA. Management of the HRRC service and residents' access can be optimised to avoid queues delaying Borough vehicles. The efficiency of HRRC services relies on the site infrastructure and skilled site staff, minimising residency times on site and increasing the capacity.

Investing in training and development of HRRC operatives e.g. customer service, data, reuse and social value will enhance the resident experience and support the change to circular economy by educating residents about material segregation, value, identification of reuse and explaining why trade waste policies are important. Creating a zonal staffing approach based on volumes, creates ownership, reuse identification and key diversion interventions. Empowered operatives and residents at HRRCs provides a greater benefit across the wider waste system, re-enforcing the Boroughs' commitment to recycling and climate policies.

The HRRC services in West London operate best as a network, to ensure consistent provision of services in any situation. The HRRCs currently provided have been mapped (Appendix 1) and the drivetime assessed at the peak service usage time. The mapping highlights the importance of a joint access for residents from any Borough, with 15min and 20mins drivetime areas crossing borders for residents' closest sites. There are areas that are beyond the 20 minute benchmark. The WRAP (Waste and Resources Action Programme) standard for city access to HRRCs is set at a maximum of 20 minutes drivetime and, as the map demonstrates, only a small area in the south of Richmond sits outside this window, with most of West London covered within 15 minutes. The delivery of Circular Economy hubs enables reuse and repair services to be distributed across more of the Boroughs' populations.

5. Benchmarking

WLWA officers and our consultants have visited all the sites across West London and have benchmarked other urban areas in the UK delivering high diversion, reuse and high customer satisfaction. Operations at the three, purpose-built Kingston upon Hull sites currently perform at c.81% diversion from residual waste. These sites also include education facilities for schools and prioritise the capture of reuse of materials.

The West London average performance is currently <50% with a modelled potential to achieve >74% based on the different inert and green waste volumes from other high performing areas. The change in performance from the current levels to a consistent 74% would generate the savings in excess of £1.6M

Key targets to be agreed;

- Reuse targets (ie.2.5% by weight),
- residual waste diversion rate (74%),
- customer satisfaction scoring (>95%)
- Material value benchmarking (>Lets recycle rates)
- best practice/innovation forum.

To deliver this increase in performance WLWA is proposing core service principles which will apply to all sites to achieve the target savings:

Diversion from Residual Target – 74% diversion from residual. Black bag splitting and diversion of bulky waste resulting in savings in residual disposal costs.

Infrastructure improvements – measured by return on investment generated from service and diversion savings. The sites are currently suffering from under investment leading to sub-optimal performance and environmental compliance. The infrastructure needed beyond 2030, as demonstrated on the site visits, will require substantial investment. New infrastructure will help increase the capacity of sites, increased segregation of materials including reuse and repair and greater efficiency of trade waste operations.

Service improvements – measured by Customer reviews survey and online, target 4.5/5 a standardisation of the signage and materials in the area will enable residents to identify materials and services quickly and easily in all sites. This will improve the customer service and reduce residency times on site helping increase capacity and performance.

Site access – maintain drive time for 90% population within 20mins across the network.

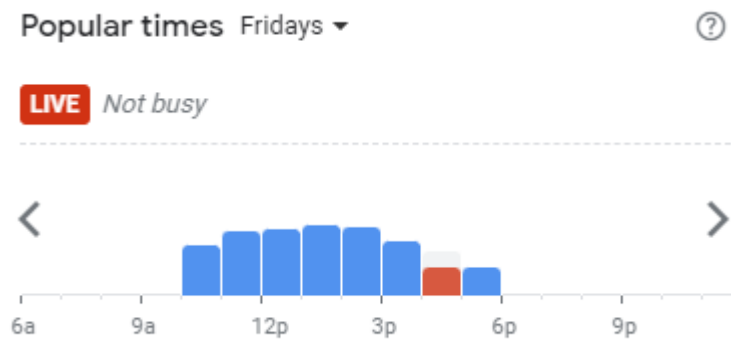


Figure 2: Popular times chart for usage at an HRRC

Reuse – targeting £1:4 ratio of cost to Social Value and measure items sent for reuse. Deliver an effective, professional reuse option and pop-up repair service operating from each of the sites will provide a supply of cheap but functioning goods such as bicycles, electrical equipment, clothes and furniture.

Collective material management – targeting uplift in value of material sold to markets measured by £ above Lets recycle rates. Manage all recyclable materials in one service to maintain best value for the materials segregated on site, removing the need for six procurements.

6. Policies and Controls

Policies across West London vary as detailed in the table below.

	Abbey Rd	Greenford	Forward Dr	NYGL	Space Way	Townmead
Booking system	✓	✓	✓	✗	✓	✓
Low DIY allowance	✓	✓	✗	✗	✓	✓
Van restrictions	✓	✗	✗	✗	✓	✗
Pedestrian access	✓	✗	✓	✗	✓	✗
Cross Borough access (free)	✓	✓	✗	✗	✗	✓
Open 7 days/wk	✗	✗	✓	✓	✓	✓

Consistency of Policies across the service would simplify public access and reduce resident confusion.

Central functions and HRRC services

The initial site and service assessment has highlighted that some sites require significant improvement and investment to meet best practice standards.

A joint service allows for more investment without additional cost in compliance and protecting the service from the future impacts of climate change that can be predicted:

Health and Safety

- Agree and maintain a nationally recognised Health and Safety management system such as ISO45001.

- Effective joint recording and reporting of Risk and control measures ensuring a higher level of Health and Safety for staff and residents.

Environmental management

Sites require infrastructure investment to manage environmental risk from;

- flooding,
- material containment and
- emissions,
- incident management.

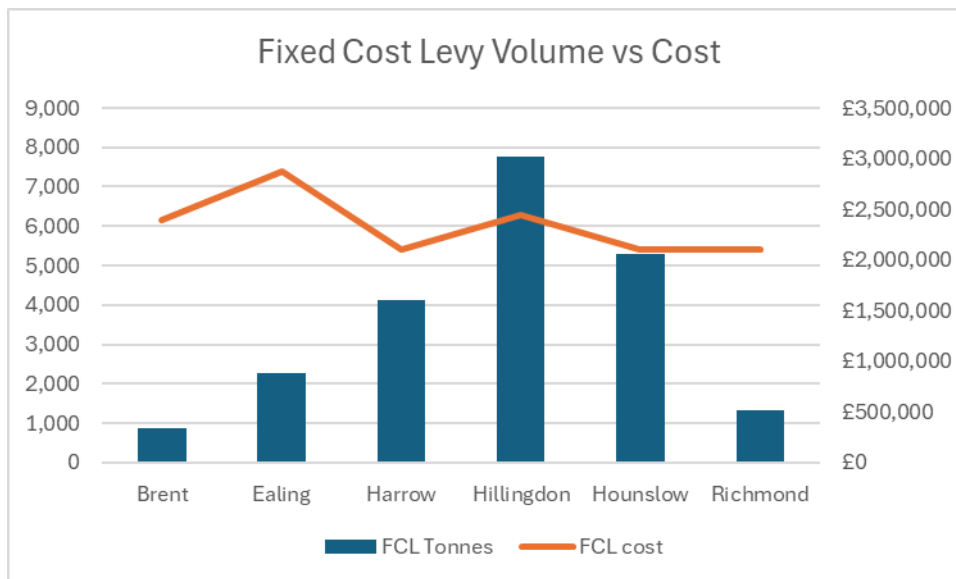
A standard such as ISO14001 could be agreed and maintained.

Quality and performance enhancement

As detailed in the benchmarking section 6.

7. Financial Implications

The existing Fixed Cost Levy (FCL) system for the apportionment of waste disposal costs based on Council Tax Band D does not provide a flexible performance driven approach. It inhibits in-year savings from being realised and does not promote improved diversion or haulage improvements. Without a jointly agreed minimum performance target the FCL doesn't provide equity in cost distribution and drives up whole system costs. The proposed procurement is designed to ensure that every Borough sees a cost saving, investment and future equity of cost distribution. The existing residual waste tonnages vs Borough costs is as follows:



The benchmarking of performance and efficiency along with the site visits has indicated £2.6M savings per annum in addition to savings already made e.g. through WLWA procurements of paper and card and rubble contracts and projects to segregate bulky and non-bulky wastes on sites. The performance target of diversion from residual alone would generate a saving in excess of £1.7M per annum.

The total Fixed Cost Levy is currently c.£8.8M per annum of which c.£5M per annum is residual waste disposal. Savings in areas such as haulage, reuse and segregation of bulky and non bulky wastes have been identified.

HRRC service		Total Est.
Capital investment	Infrastructure site development and plant	c.£8,000,000
Annual savings	Residual waste diversion improvement	1,667, 386
	Recyclables costs	-10,400
	Bulky waste segregation (HRRC etc.)	362,250
	Re-use service (HRRC)	360,000
	HRRC compaction (haulage improvement)	190,000
Sub total		2,569,236
Payback period		3.2years

The initial capital investment would be funded by WLWA through the energy revenue reserves with the savings in operational and waste disposal costs delivering a payback period of less than five years on the residual waste diversion alone.

The sub-contracted model would be focused on an output-based specification targeting residual waste reduction, operational savings and the payment principles above. This contracting approach enables Boroughs to rely on guaranteed savings over medium term budgets.

The infrastructure development needed for the sites is currently estimated to be c.£8M including site redesigns creating split level areas, canopies for weather protection, more space for segregation of materials and storage of reuse items as well as potentially delivering wider benefits increasing flood resilience, generating green energy with solar panels, rainwater harvesting and creating biodiversity.

WLWA is seeking approval to procure an HRRC service contractor to deliver the design, build and operate the sites for 7 – 14 years including material management, haulage operations and where appropriate the operation of the transfer stations. The contract will be designed to guarantee the return on investment in the infrastructure over the term of the contract and maximise efficiency of associated operations such as haulage.

The levels of savings described uses synergy savings from a network of sites all operating to the same standards and targets. If some Boroughs prefer to keep the disaggregated approach this will add risk to WLWA and those sites would not receive the initial investment. WLWA will review the Fixed Cost Levy model approach to ensure performance improvements are incentivised.

This approach enables financial stability with long term savings and the opportunity to generate significant Social Value within the local communities. Social Value will be generated through the creation of local green jobs, skills and training, enhanced access to high quality and low-cost reuse items and repair functions. The circular economy operations at Abbey Road are currently generating c.£4 for every £1 spent.

Staffing Implications

The HRRC service has a key role to play in the evolution of the waste system to a circular economy within West London. This will require significant training and development of skills across the service with a move away from bulk waste handling to item value retention and product logistics. A move to a contracted service would require significant changes such as the transfer (TUPE) of staff to a contractor. This is a complex and time-consuming process requiring significant mobilisation and consultation periods.

8. Legal Implications

Operational, site lease and contractual arrangements for the delivery of the services need to be managed with transfers where appropriate or revising the derogation of HRRC provision by the participating Boroughs.

9. Impact on Carbon reduction

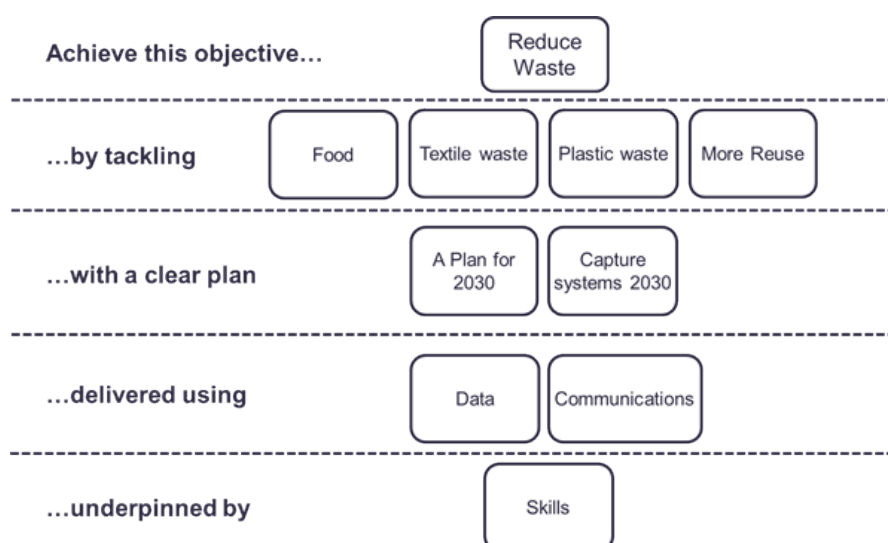
The increase in diversion, haulage efficiency and improvements in reuse/repair all reduce the carbon intensity of the services and embedded carbon in the waste managed.

10. Impact on Environment Directors Priorities

Priority	Key points raised within this report
Bringing residents with us	HRRCs are a key interface with residents. The best practice study will determine the extent to which this interface can be best used.
Sustainable decision making	Designing and funding new infrastructure suitable for the management of waste and supporting circular economy hubs. Effective reuse and repair services directly reduces consumption emissions.
Climate adaptation and decarbonisation	Identifying fire prevention measures is a key climate change adaptation through effective interception of E-waste, plastics and other fossil carbon containing materials.
Dealing with financial challenges whilst delivering on climate change	Creating new infrastructure funded by the savings generated within the contract for the HRRCs. The increase in diversion performance minimises the cost and environmental impact of the services.

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.

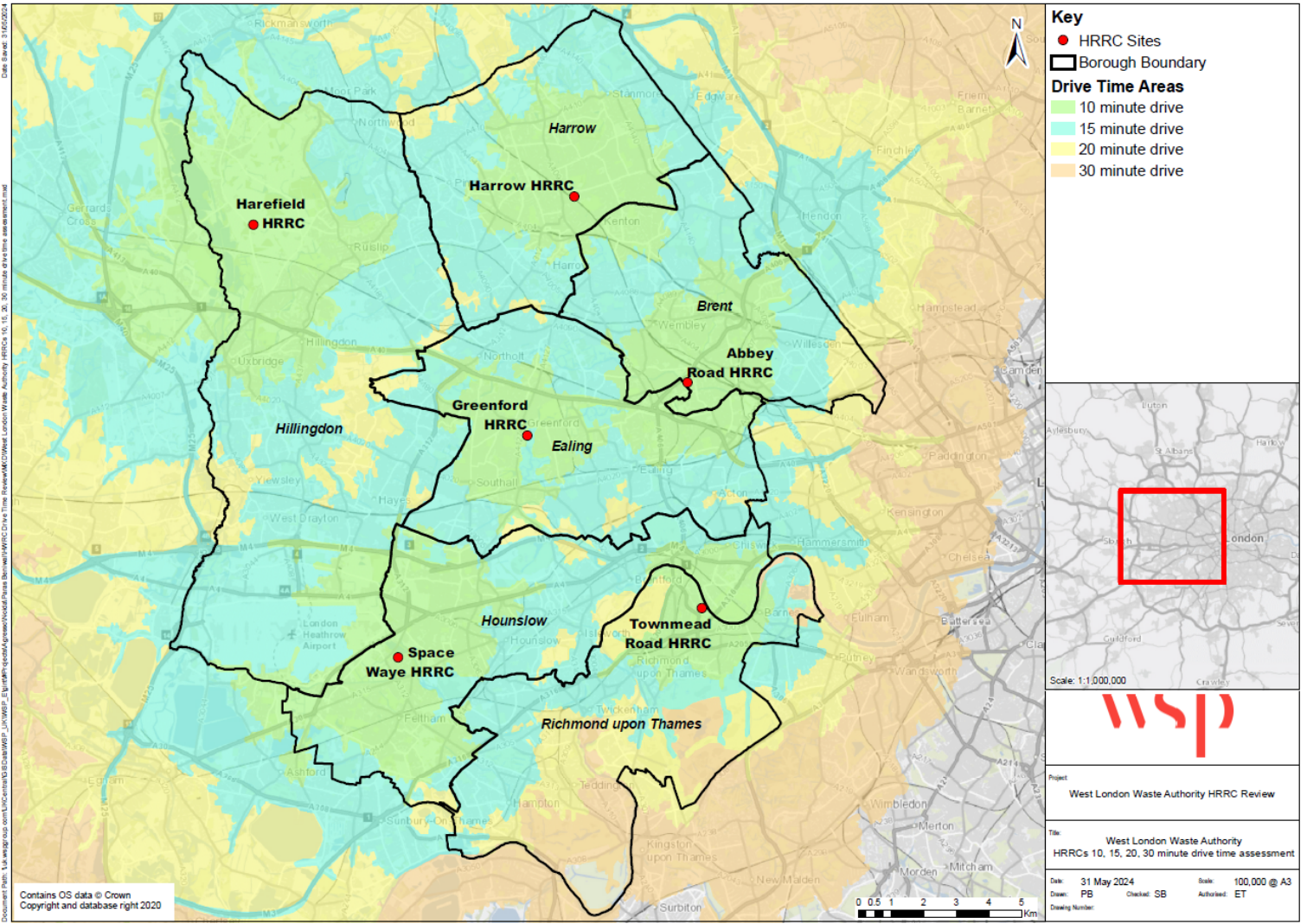


The HRRC improvement project will deliver a reduction in residual waste with more reuse, as part of the Capture Systems 2030 plan.

The Circular Economy hubs, supported by the materials coming from HRRCs, will help develop resident and staff skills in reuse, repair and circularity of resources.

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Appendix 1 – Drive time analysis



Appendix 2 – materials collected by site

*Cells in green are those recorded and reported in the WLWA data.

Material	Aerosols	Asbestos	Batteries	Books / CDs / Videos	Carpets	Co-Mingled Recycling	Fire extinguishers	Gas Bottles	Green	Gypsum	Mattresses	Metal Ferrous	Metal Non-Ferrous	Mixed Hazardous	Mobility aids	Oil Cooking	Oil Engine	Paint	Paper & Cardboard	Printer Cartridges	Residual	Reuse	Rubble	Textiles	Tyres	Upholstered domestic seating	Vapes	WEEE (A) Large	WEEE (B) Fridges	WEEE (C) TVs	WEEE (D) Tubes	WEEE (E) Small	WEEE Mixed	Wood			
Abbey Road*	X	X	✓	✓	X	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Greenford Road	X	X	✓	✓	X	✓	X	✓	✓	✓	✓	✓	✓	X	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Forward Drive	X	X	✓	✓	X	✓	X	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	X	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Harefield	X	X	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Space Way	X	X	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	X	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Townmead Road	X	X	✓	✓	X	✓	X	✓	✓	✓	✓	✓	✓	X	X	X	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓