



Report to: South London Waste Partnership (SLWP) Joint Committee

Date: 16^h July 2024

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Report title: Contract Performance Report

Summary

This report provides the Joint Committee with an update on the performance of the transfer, treatment, recycling and disposal services that are procured and managed by the South London Waste Partnership on behalf of the four Partner Boroughs; the London boroughs of Croydon, Kingston, Merton and Sutton. The services covered in this report are as follows:

- I. Food and green waste treatment services
- II. Household Reuse and Recycling Centre (HRRC) services, and
- III. Residual waste treatment services.

This report provides performance data for the full contract year 2023/24 i.e. 1st April 2023 to 31st March 2024.

Recommendations

The Joint Committee is asked to;

- Note the progress with the HRRC contract extension in 3.13,
- Note the current status of the Dry Recyclables procurement (5.1 - 5.11),
- Comment on any aspects of the performance of the Partnership's transfer, treatment, recycling and disposal contracts

Background Documents

Contract Performance Monitoring Reports have been presented to the SLWP Joint Committee since 22nd July 2010. The most recent report was presented at the meeting on 7th December 2023 by Simon Bussell, the Head of Contracts at SLWP.

1. BACKGROUND

- 1.1. **Food and green** – The SLWP manages four green and food waste contracts on behalf of the Partner Boroughs. These contracts have been in operation since 1st September 2022 and will continue until no later than the 30th March 2030. The food and green services are delivered via the following four contracts:
- I. Bio Collectors Ltd – receipt and treatment of food waste
 - II. Olleco – collection and treatment of food waste
 - III. Countrystyle Recycling – collection and treatment of green waste
 - IV. SUEZ Recycling and Recovery UK (SUEZ) – receipt, bulking, transportation and treatment of green and food waste
- 1.2. **Household Reuse and Recycling Centre (HRRC) services** - the HRRC service is operated by Veolia (ES) (UK) Ltd. The contract commenced on the 1st October 2015 and includes; the management of the six HRRC sites in the SLWP region, the operation of the waste transfer station at Villiers Road, and the marketing of the recyclates collected at each of the HRRC sites. The contract has an expiry date of the 31st March 2025 and includes the option to extend these services up to the 15th September 2030.
- 1.3. **Residual waste treatment contract** - Viridor South London Limited ('Viridor SL') was awarded a contract for the treatment and disposal of residual waste in November 2012. To deliver the contract, Viridor designed, built and now operates an Energy Recovery Facility (ERF) at the Beddington Lane site in Sutton. Following the construction and commissioning period, the ERF became fully operational in March 2019. The Contract has an initial term of 25 years providing waste treatment services until 3rd March 2044, with the potential to extend the Contract until a Long Stop Date of 5th November 2047.

2. PERFORMANCE DETAIL – FOOD AND GREEN WASTE

- 2.1. **Food and green waste receipt** - Under the SUEZ food and green waste contracts, the London Boroughs of Croydon, Merton and Sutton deliver household collected green waste and food waste into the SUEZ-owned and operated waste transfer station located in Mitcham where it is bulked into larger vehicles for haulage to a number of treatment facilities outside of the SLWP area.
- 2.2. There is also the option for kerbside collection vehicles to deliver food waste directly to an Anaerobic Digestion (AD) facility located in the London Borough of Merton through the Bio Collectors contract.
- 2.3. The Royal Borough of Kingston collection vehicles deliver green and food waste into the Kingston Council owned Villiers Road waste transfer station which is operated by Veolia under the HRRC Contract.
- 2.4. **Food and green waste treatment** - Food waste collected by the boroughs is currently treated at three separate Anaerobic Digestion (AD) facilities. Up to 5,000 tonnes of

food waste can be treated via the direct delivery contract with Bio Collectors Ltd at their AD facility in Merton, as detailed above.

The food waste bulked at the SUEZ waste transfer station is hauled to and treated at the Severn Trent AD facility located in Chertsey, Surrey, and the food waste bulked at the Villiers Road waste transfer station is hauled to and treated at the Olleco AD facility that is located in Aylesbury, Buckinghamshire.

- 2.5. Green waste delivered to the SUEZ Mitcham and the Villiers Road transfer station is hauled to and treated at either Laverstoke Park Farm, located at Overton near Basingstoke or the Veolia operated green waste treatment facility located in Basildon, Essex.
- 2.6. **Food and Green waste volumes** – During the reporting period the Boroughs collected 25,247 tonnes of food waste and 32,431 tonnes of green waste.
- 2.7. Food waste tonnes across all four boroughs were broadly in line with the previous contract year, with an increase of just 0.2% on the combined partnership tonnes collected. There was however a 21% increase in the volumes of garden waste generated.
- 2.8. The following table presents a summary of the total green and food waste collected at both the kerbside and the HRRC sites in the reporting period and the tonnes collected in the same period during the previous year.

Material Treated	Delivery point	Tonnes Treated in	
		2022/23	2023/24
Kerbside Green waste	Villiers Road WTS, Kingston.	4,301	4,856
	Viridor WTS, Beddington.	7,960	-
	Suez WTS, Mitcham.	8,010	19,412
HRRC Green waste	Villiers Road WTS, Kingston.	1,161	1,483
	Viridor WTS, Beddington.	2,855	-
	Suez WTS, Mitcham.	2,019	6,214
Green Total		26,306	31,965
Kerbside Food Waste	Villiers Road WTS, Kingston.	4,874	4,807
	Suez WTS, Mitcham.	8,845	14,757
	Viridor WTS, Beddington.	8,527	-
	Bio Collectors AD, Mitcham.	2,944	5,683
Food Total		25,190	25,247
OVERALL TOTAL		51,496	57,212

- 2.9. **Compliance** - during Q1 the reporting period some concerns were received, primarily regarding odour, from the Bio Collectors AD facility. Consequently a visit to the facility

was arranged for SLWP Officers and Sutton members and officers to learn more about the facility, its operations and how the site mitigates any odour and noise generated on site, this being an important matter to residents and commercial operators within the facility vicinity.

- 2.10. After the visit SLWP officers and Bio Collectors representatives agreed to keep the situation under constant review with a view to improved communications with nearby residents in particular. There was an improvement in terms of reduced concerns, however in February this year further concerns were again raised by nearby neighbours regarding odour and also some mechanical noise.
- 2.11. A further meeting was arranged with Merton and Sutton EHOs as the Bio Collectors facility is in Merton and most complaints emanate from Sutton residents. Following this it was agreed to assist residents potentially most affected by facility operations to direct complaints to the EA and EHO's, such that quicker investigation of complaints could be initiated. In addition to this officers have also engaged with EA officers to understand previous interface between the EA and Bio Collectors and whether any permit compliance issues have historically arisen. This interface will continue and Bio Collectors engaged with should the need arise.

3. **PERFORMANCE DETAIL - HOUSEHOLD REUSE AND RECYCLING CENTRES (HRRCs)**

- 3.1. **HRRC Contract Performance Review:** The scope of the HRRC services can be summarised in three parts: the general management of the sites (including staffing, plant, equipment and site layouts); the transportation of materials; and the recycling, treatment and/or disposal of waste collected at the HRRC sites (excluding green and residual waste).
- 3.2. The contract specification focuses on three key performance categories; site user experience, health and safety, and material recycling.
- 3.3. **Site user experience** - Veolia started customer satisfaction surveys in July 2016 in order to monitor site user experience. Customer satisfaction questionnaires are undertaken at the six HRRC sites for two weeks in turn for each round. Surveys have continued since that date, with only a brief suspension and some precautionary measures adopted during the COVID pandemic. The Contract continues to achieve a high customer satisfaction rate. A summary dashboard is available to download from the SLWP website.
- 3.4. **Recycling Performance** – Each month the SLWP looks at materials recycled, recycling markets and the impact of the wider SLWP recycling services in order to better understand HRRC recycling rates and assess the Contractor's performance. During the reporting period, the combined performance at the SLWP HRRC sites was 64%. Table 2a in Appendix A details the recycling performance by site and by month (please note the year end performance figure is based on the raw tonnage data, not an average of the recycling performance per month).
- 3.5. **Recycling Performance analysis** – There has been an increase in the majority of materials collected at the HRRC sites in this reporting period when compared to last year. The following table provides some examples of tonnage changes by material type compared to the same period last year.

Tonnes Collected April 2023 to March 2024

HRRC Material	Tonnes Collected 2023/24	Variance against 2022/23	Variance In Tonnes
Green Waste	7,697	28%	1,661
Residual	13,127	16%	1,844
Wood	9,622	7%	646
Soil	1,792	1%	21
WEEE	2,003	6%	122
Ferrous - Scrap	1,819	3%	51
Paper and Cardboard	1,545	2%	35
Glass - Mixed	105	16%	15
Mattresses	552	-38%	-335
Total	38,263	12%	4,059

- 3.6. Overall volumes of waste and recyclables received at the sites increased by 12% compared to 2022/23. The main contributor to this increase was green waste that saw a 28% increase on the volumes delivered during 2022/23, which suffered from a very dry summer that suppressed garden waste volumes.
- 3.7. At the last Joint Committee meeting on 7th December 2023 it was noted that the volumes of mattresses handled at HRRC's had significantly increased. Following the meeting SLWP officers investigated this further and identified that there had been some discrepancies with the tonnage data reported along with bulky waste. The tonnage of mattresses shown in the table above is actually now corrected volumes that separates mattresses from other bulky waste.
- 3.8. The table below shows how each material contributes to the HRRC recycling rate and highlights the top five key materials which are the largest contributors to the HRRC recycling rates.

Tonnes Recycled or Reused in 2023/24

HRRC Material	Tonnes Collected for Recycling	Contribution to the Recycling Rate
Wood	9,622	37%
Green	7,697	30%
WEEE	2,003	8%
Ferrous scrap metal	1,819	7%
Soil	1,792	7%

Paper and Cardboard	1,545	6%
OTHER RECYCLED	548	2%
Bric-a-brac	282	1%
Textiles	226	1%
Books	173	1%
Glass	105	0.4%
Total Recycled	25,814	100%

3.9. Table 2b in Appendix A uses data from the last three years in order to compare performance year to date with the same period from the previous two years. The yellow bars show the recycling performance to date for this reporting period. The blue and green bars show recycling performance for the same period in the previous two years.

3.10. Projects and Activities at the HRRCs

3.11. The following provides a summary of some of the additional projects that are on-going at the HRRC sites. The projects aim to either; maximise on reuse and recycling; improve the accessibility of the sites; deter the misuse of the sites by traders; and/or to ensure that the HRRCs are reserved for use by residents disposing of household waste only.

3.11.1. **Soil separation** - In the reporting period 1,792 tonnes of soil were separated by staff and customers for reuse.

3.11.2. **Reuse shops** – Since 2015, all six HRRC sites have been involved in the identification and separation of reusable items that are brought to the HRRC sites by residents. Collected items are checked and safety tested and suitable items are transferred to one of two reuse shops in the SLWP region for resale. The first reuse shop opened in 2015 and is located at the HRRC site in Sutton and a second shop is located at the Fishers Farm HRRC site in Croydon. In the reporting period 28,486 items were separated by staff and customers for reuse.

3.11.3. **Rubble Charging** – There is currently a rubble charging scheme in place at Sutton’s Kimpton Park Way site. The charge covers the cost of recycling this material.

Aim - The aim of this project is to deter potential site abuse from trade and commercial businesses using the site as a free-of-charge disposal route. Since its introduction in July 2021 rubble tonnages in Sutton have fallen by 71%, and the avoided cost is estimated to be just over £114k (up to Q4 2023-24). As a consequence of an announcement by DEFRA in June last year, since December changes were made regarding the amount of free rubble disposal that would be allowed to be delivered for free before any charges are applied. In Sutton residents can now take up to six 50-litre sacks per visit. The first two can be delivered without charge before a charge of £5.35 is applied for each sack thereafter.

3.11.4. **Assisted tipping** - The parking arrangements at all six sites now include a larger bay to accommodate assisted tipping so that anyone needing help from site staff or a carer has sufficient room. These spaces can also be pre-booked through the online booking forms.

3.11.5. **Booking Forms** – Booking forms have been in place at the Merton, Sutton and Kingston HRRC sites since the 13th May 2020 to enable site users in cars and vans to book visits in allocated time slots. This system has helped to even-out the use of the service, which has in turn reduced queuing and waiting times for site users. The reduction in queuing has significantly reduced the impact of the service on the surrounding highways and residential areas in close proximity to the HRRC sites. Spaces booked and visits completed are recorded and utilisation of spaces from April 2023 - March 2024 are detailed below.

Borough	Utilisation of booking slots					
	Cars			Vans (with household waste)		
	Max no. of slots per week (ave)	Actual no.s	%	Max no. of slots per week (ave)	Actual no.s	%
Kingston	4,294	2,094	49	121	79	65
Merton	3,909	2,560	65	58	42	73
Sutton	5,964	2,238	38	129	91	70

Aim – the purpose of recording, reporting, and monitoring site usage data is to assess current site capacity, usage trends, and how it meets resident demand.

3.11.6. **Fair Use** - Fair use policies have been introduced at the Kingston and Sutton HRRCs, with Kingston residents permitted 20 visits per year and Sutton residents permitted 24 visits per year.

Aim - The aim of this policy is to ensure that the HRRC sites are reserved for household waste from residents only and to deter improper disposal of commercial waste.

3.11.7. **Mattresses** – Following the last Joint Committee in December 2023, SLWP officers have been investigating the viability of increased mattress recycling. Currently most mattresses delivered to the HRRC's are sent to the Beddington ERF to be processed. SLWP officers have undertaken exploratory discussions with mattress recycling contractors. Storage logistics at each HRRC are being reviewed with the HRRC contractor along with financial and contractual considerations for the partner Boroughs .

Aim - To increase recycling rate performance.

3.12. **Social Value** - The following is a summary of some of the projects the Contractor is operating that look to support local community groups as well as reduce waste through local repair and reuse schemes.

- 3.12.1. **Toy giveaway schemes** – All six HRRC sites collect used toys which are safety tested and then offered free of charge to residents across the partnership. To date the contractor has operated a successful Christmas event and a summer club giveaway scheme which residents can access directly, as well as supporting a number of local charities including the Rotary Club and the Golden Hearted Charity.
- 3.12.2. **Upcycle, repair and reuse** – the contractor has been working with local businesses, charities and social enterprises in order to provide good quality items in need of some repair and / or upcycling. To date the contractor has donated items such as bikes, toys, furniture and electrical items.
- 3.13. **HRRC Extension** - The recommendation to extend the HRRC services contract has progressed through the governance processes in each of the four partner boroughs and is anticipated to be concluded imminently with Croydon as the contracting lead Borough.
- 3.14. The extension will see Veolia operating the services until September 2030.

4. **RESIDUAL WASTE TREATMENT CONTRACT (VIRIDOR SOUTH LONDON LTD)**

- 4.1. Viridor South London has been delivering the services under the Residual Waste Treatment contract since 4th March 2019.
- 4.2. In this reporting period the SLWP boroughs delivered 197,595 tonnes of residual waste to the Viridor residual waste treatment contract. This is an increase of just over 1.21% when compared with the same reporting period last year. Please see Appendix A table 1a for further details on residual waste tonnes.
- 4.3. **Landfill Diversion** - In the reporting period, only 411 tonnes (0.2%) of the residual waste collected by SLWP partner boroughs was sent to landfill as a consequence of a scheduled shutdown of the Beddington ERF for maintenance in May 2023. Please see Appendix A table 1b for further diversion data.
- 4.4. **Beddington ERF Emissions** – The emissions from the Beddington ERF are sampled every 10 seconds, 7 days a week, 365 days a year. The results are fed back to the ERF Control Room, so any potential issues are known about immediately and appropriate action can be taken. The results from the continuous emissions monitoring systems (CEMS) are reported to the Environment Agency (EA - the regulator for the facility) and uploaded by Viridor to a publicly-accessible website (www.beddingtonerf.info). The EA sets limits (based on 10-minute, 30-minute, and daily averages) for different types of emissions. The Beddington ERF has been designed to operate at the very highest international standards and, during normal operating conditions, emissions are well below the limits set by the EA.
- 4.5. During the reporting period, three significant issues occurred regarding the facility operations and emissions:
- 4.6. **Power outage** - A UK Power Networks fault on Monday 16th October 2023 (at 11p.m) caused the Beddington Energy Recovery Facility (ERF) to come offline. Viridor

(operators of the facility) stopped feeding waste into the treatment process and started work to shut the plant down safely. A fault with the ERF's turbine and back-up generator meant that it took longer than it should to shut the plant down. Some waste that was already part-way through the treatment process continued to smoulder in the furnace, resulting in a plume being visible from the two flue stacks (chimneys) on Tuesday 17th October.

4.6.1.1. Following this incident:

- A Schedule 5 Notice (Section A) was issued to the EA by Viridor on 17th October (2023), in accordance with the facility's environmental permit.
- Viridor undertook an extensive review as to the causes of issues on site and also the potential emissions impact from the incident.
- UK Power Networks have undertaken work to both improve the resilience of the import / export cables and the speed of fault detection.
- There have been improvements in the speed of communication from Viridor to the SLWP and Boroughs regarding incidents.
- An Emergency Plan exercise is scheduled to be undertaken in Q2/Q3 of this contract year with Viridor, SLWP and Sutton officers to test and review communications during an emergency event.
- The EA engaged extensively with Viridor to investigate the causes and response. Their final Compliance Assessment Report (CAR) was issued to Viridor on 20th May 2024.

4.6.1.2. The CAR report concluded that no significant pollution is likely to have been caused as a result of the incident, but that the potential for a minor environmental impact cannot be ruled out.

4.6.1.3. The EA served Viridor with Non-Compliance Scores of 4 (a non-compliance which could have a minor environmental impact) for each of the three permit breaches identified. These relate to:

- The EA not being immediately notified of the power outage
- Limitations within the ERF's management system pertaining to the maintenance and associated pressure checks on the accumulator (the faulty piece of equipment identified as the root cause of the ERF not entering into back-up mode (or 'Island Mode') when the power failure occurred)
- Failings in the operating procedures that prevented the plant from being able to shut down in a controlled manner following the power failure, resulting in a temporary loss of combustion control and emissions abatement systems.

4.6.1.4. As a consequence the EA will issue Viridor with a Warning Letter. A full copy of the EA's Compliance Assessment Report (CAR) can be found on the SLWP website (www.slwp.org.uk/news).

- 4.6.1.5. This matter was discussed at the Beddington Community Liaison Group (CLG) meeting held at the ERF on 6th June 2024 with Viridor and their consultants Fichtner presenting the report findings that were submitted to the EA. Further details of that CLG meeting can be found in the Communications Update report being presented to this Committee.
- 4.7. **Calibration of Emissions monitoring** - On 21st and 22nd October 2023, the equipment recording VOC data on processing Line 2 was found to be in calibration mode and not recording correctly through the continuous emissions monitoring system. A Schedule 5 Part A was submitted by Viridor to the EA on 23rd October. In the Schedule 5 notice Viridor highlighted that 'VOC data tracks CO Data emissions'. According to the information submitted to the EA, a review of the CO emissions data shows that it is highly unlikely that any exceedances of VOC emissions limits occurred while the monitoring system was not recording correctly.
- 4.8. A Schedule 5 Part B was submitted by Viridor to the EA on 22nd December 2023 providing further details following an investigation into the incident. This showed the Flame Ionisation Detector (FID) on Line 2 was found to be in calibration mode; so was not recording data correctly through the Continuous Emissions Monitoring System (CEMS) although all other parameters were recording as normal.
- 4.9. The 5 Part B Notification also provided details on measures taken, or intended to be taken, to prevent a recurrence of this type of incident. This includes the installation of a low-level TOC alarm if the VOC readings go below a certain threshold, with an update on the new alarm configuration now incorporated into the Incinerator start-up procedure. Viridor also organised specialist training for the appropriate facility operators.
- 4.10. The EA engaged extensively with Viridor and issued a CAR to Viridor on 31st December last year and indicated the failure represented breaches of permit condition 3.6.1 (a) and have been scored a single consolidated CCS cat 3 non-compliance.
- 4.11. **Calibration of CEMS system** - In addition to the calibration event in October 2023 another separate and unconnected calibration event occurred in March 2024. As part of analysis of consumables consumption on site, an increased use of urea (used alongside hydrated lime and activated carbon to treat the flue gases) at the facility was noted on 11th March. An enquiry was made by Viridor to the UKAS-accredited body responsible for calibration of the CEMS at the facility shortly afterwards as to the potential causes and a request made to check the calibration calculations.
- 4.12. This initial review found that an incorrect calibration function had previously been advised for NO_x measurement. A corrected calibration function was subsequently inputted into the CEMS system, this being within three days of initial reporting of the potential fault.
- 4.13. A further response was received from the UKAS-accredited body covering the period from August 2022 to March 2024. Consequently, and following a meeting with the EA, a Schedule 5 notification was submitted to them. The EA responded to this notification by requesting information from Viridor.

- 4.14. As a result Viridor is now analysing a significant volume of data (one million data points) to be submitted to the EA for their review. This exercise is expected to be protracted given its scale and we will report back to this Committee when any findings are reported by Viridor and the EA review is concluded.
- 4.15. **Emissions Exceedances** - there were:
- 4.15.1. Five exceedances of Emissions Limits Values (ELVs) in December (2023) linked to SO₂ and VOCs.
 - 4.15.2. Update - Additionally there were three exceedances of half-hourly VOC ELVs in June this year linked to a sudden and unexpected change in input waste composition.
- 4.16. As above the EA Viridor has liaised with the EA as required and information regarding these exceedances is contained within the ERF Emissions reports on the ERF website.
- 4.17. **Transparency of Emissions data** - Viridor publishes detailed emissions reports on the Beddington ERF Virtual Visitor Centre on a regular basis (<https://www.beddingtonerf.info/>). A link to the 'emissions data' can be found in the top right corner of the site's home page. An archive of reports dating back to 2019 is available for the public to view here. This is done to ensure local residents have access to detailed information about the performance of the plant. A detailed 'Guidance Note' is provided to help residents interpret the emissions reports accurately. We are not aware of any other energy from waste facilities in the country that provides this level of openness and transparency.
- 4.18. It is important to note that the facility must operate in accordance with its Environmental Permit which is issued and regulated by the EA. The site cannot operate without its permit from the EA and if the site is not compliant with its permit, the EA has the power to serve both enforcement and suspension notices. The SLWP will continue to work closely with Viridor and the EA to ensure the Beddington ERF is operating safely.
- 4.19. **Gas canister detection project** - A trial into the use of an artificial intelligence system to identify gas bottles in the waste in the bunker is on-going. The Beddington ERF is the first Viridor facility to host this technology. Cameras were installed in the tipping hall in April 2023. These are positioned over each bay and are designed to detect gas bottles as they are tipped into the bunker, this will alert the plant operator of the presence of gas bottles in the waste. The AI is linked to an ANPR (number plate recognition) system which will allow Viridor to determine the source of these bottles and target the customers/rounds in order to improve communications and checks. The equipment was also installed at the bulky waste shredding hall in the summer of last year. The system overall is still experiencing some commissioning challenges with meaningful results and data not expected until later this year (2024).
- 4.20. **Environmental Permit variation** – Viridor submitted an application to the EA seeking to increase the amount of waste that can be processed at the Beddington ERF. The application was duly made by the EA on the 10th November 2022 and a six-week public consultation was launched. During the consultation period, local residents and

stakeholders were able to review the technical information submitted by Viridor in support of the application (including newly modelled Air Quality Assessment and Human Health Risk Assessment), and share feedback with the EA directly. More than 500 responses to the consultation were received by the EA.

- 4.21. On 21st July 2023 the EA launched a second round of consultation on the Beddington ERF permit variation which ran for 8 weeks until the 15th September 2023. Within this second round of consultation the EA have indicated that they are 'minded to issue the varied and consolidated Permit to the Applicant'. The EA published their draft decision in the form of a draft permit, together with an explanatory document.
- 4.22. The EA will have reviewed the feedback received in relation to this second round consultation and a final decision is still awaited at the time of writing this report.

5. DRY RECYCLABLES TREATMENT PROCUREMENT

- 5.1. It was agreed by the four Boroughs in late 2022 not to extend the current SLWP-led contract for Municipal Services (waste collection and street cleansing services) with Veolia for another 8 year term beyond the contract expiry date of March 2025.
- 5.2. The haulage and reprocessing of collected dry recyclates in the SLWP partner boroughs is currently the responsibility of Veolia under that contract. Therefore successor arrangements were required to ensure that recycle material from the SLWP partner boroughs can still be reprocessed from April 2025.
- 5.3. Approval was given for a separate and joint SLWP-led commissioning of recycle processing and offtake to be progressed through the Royal Borough of Kingston's (RBK) commissioning team.
- 5.4. The contract would have a main term of three years, starting in April 2025, with the provision for up to four years worth of extensions in mutually agreed increments. Additionally the social value provision for this procurement would comprise a 'Social Value Fund', to be funded and held by the contractor, with bids from within the Boroughs for community projects.
- 5.5. The procurement adopted a widely used 'Lot' system based on three material streams:
 - Mixed paper and card
 - Container mix (plastics, cartons, cans and glass)
 - Fully Mixed Dry Recyclables (paper/ card, plastics, cartons, cans and glass)being delivered to / managed a four waste transfer stations / facilities:
 - Garth Road WTS, Merton
 - Stubbs Mead WTS, Croydon
 - Villiers Road WTS, Kingston
 - A Direct Delivery WTS (within 6 kms of the Beddington Reference Point in Sutton)
- 5.6. Following completion and evaluation of the Selection Questionnaire (SQ) stage, six company submissions were deemed compliant and taken forward to the next stage. The Invitation to Tender (ITT) was issued on 2nd November 2023, with a deadline for ITT submissions of 21st December 2023. In total, 21 submissions were received from 4 suppliers across the 12 Lots. Evaluation of the submissions took place as planned in

January 2024, with the moderation process ongoing through February. The combined evaluation and moderation process was completed towards the end of February 2024.

- 5.7. The tenders were evaluated on the basis of 60% for Price, 30% for Quality, Pass/Fail and 10% for Social Value.
- 5.8. The outcome of the procurement is now known, with a successful bidder identified for each of the Lots. It is proposed to award all 12 Lots to give greater flexibility on disposal routes, as well as to provide greater flexibility to Borough collection services. Awarding all Lots will also provide contingency arrangements during the waste transfer station redevelopments that will impact all Boroughs.
- 5.9. A contract award report (GW2) was approved by the Kingston Commissioning Governance Board on 4th April 2024. The report was due to be presented to the Place Committee meeting on 20th June 2024 - but this meeting was postponed due the General Election pre-election period. Therefore, the final decision to award the contracts was taken under Kingston Council's urgency procedure (procedure rule 30). Individual Borough governance processes have been progressed in parallel, with proposed timescales in the table in 5.10 below. Suppliers will be notified of the outcome of the procurement process shortly.
- 5.10. An indicative timescale for approvals is as follows:

Activity	Proposed Date
Endorsement by Kingston Commissioning Governance Board	Complete
Contract award approved by Urgent Decision	9/07/2024
Standstill letters issued	10/07/2024
Standstill ends	20/07/2024, midnight
Confirm award (after end of standstill)	25/07/2024
Issue contract award notice	29/07/2024
Commence mobilisation	01/09/2024
Contract start	01/04/2025

- 5.11. The total contract value is estimated at £5.9m for the SLWP over the 3 year contract term, with an estimated total of £14.5m should the additional 4 year extension be used. Whilst the costs detailed in this procurement are not new costs, this service has not been delivered as a standalone contract since 2017, and therefore the costs and income will appear as a separate cost / income line in Borough budgets post-April 2025.

6. RECOMMENDATIONS

- 6.1. It is recommended that the Joint Committee:
- a) Note the progress with the HRRC contract extension in 3.13,
 - b) Note the current status of the Dry Recyclables procurement (5.1 - 5.11),
 - c) Comment on any aspects of the performance of the Partnership's transfer, treatment, recycling and disposal contracts

7. **IMPACTS AND IMPLICATIONS**

7.1. LEGAL -There are no legal considerations arising directly out of the recommendation in this report.

7.2. FINANCE - There are no financial considerations arising directly out of the recommendation in this report.

8. **Appendices**

8.1. Appendix A provides data on the performance of the six jointly procured treatment and disposal contracts for the reporting period 1st April 2023 to 31st March 2024.