



**Report to:** South London Waste Partnership (SLWP) Joint Committee  
**Date:** 20<sup>th</sup> September 2023  
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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 quarter one period 1<sup>st</sup> April 2023 to 30<sup>th</sup> June 2023.

### **Recommendations**

The Joint Committee is asked to;

- Note the progress with the HRRC extension at point 1.2,
- note the contents of this report, and
- to comment on any aspects of the performance of the Partnership's six transfer, treatment, recycling and disposal contracts

### **Background Documents**

Contract Performance Monitoring Reports have been presented to the SLWP Joint Committee since 22 July 2010. The most recent report was presented at the meeting in June 2023 by the Partnership Director, Andrea Keys.

## 1. BACKGROUND

1.1. **Food and green** – The SLWP manage four green and food waste contracts on behalf of the Partner Boroughs. These contracts have been in operation since 1<sup>st</sup> September 2022 and will continue until no later than the 30<sup>th</sup> 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 31<sup>st</sup> March 2025 and includes the option to extend these services up to the 15th September 2030. Work to secure the continued delivery of the HRRC Services contract via an extension with variation up to the 15<sup>th</sup> September 2030 have been agreed with the Contractor and the project is progressing through the approvals processes in each of the boroughs. As well as offering value for money and a competitive risk and reward share mechanism, some additional benefits of extending the current HRRC services include the following options:

- The opportunity for any one or more borough to accept kerbside collected bulky waste at their respective HRRC site with the aim of increasing recycling,
- The option to offer a trade waste receipt service at the HRRC site/s that will support small local traders with competitively priced local recycling points, and
- The potential to share sites in the future between two, three or all four Partner Boroughs in order to enable residents to use their closest site, with the aim of increasing satisfaction and reducing journey times.

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 and so will operate until the 3<sup>rd</sup> March 2044, with the potential to extend until a Long Stop Date of 5<sup>th</sup> 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 kerbside-collected green waste and food waste into the SUEZ owned and operated waste transfer station located in Merton where it is bulked into larger vehicles for haulage to a number of treatment facilities outside of the SLWP Partnership 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 up to an agreed limit of 5,000 tonnes per year 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 is treated via a direct delivery contract with Bio Collectors Ltd at their Anaerobic Digestion (AD) site 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 Surrey, and the food waste bulked at the Villiers Road waste transfer station is hauled to the Olleco AD facility that is located in Aylesbury.
- 2.5. Green waste delivered to both the SUEZ Mitcham and the Villiers Road transfer stations is hauled to and treated at either Laverstoke Park Farm, located at Overton in Basingstoke, or the Veolia operated green waste treatment facility located in Basildon, Essex.
- 2.6. **Food and Green waste volumes** – During the reporting period 1<sup>st</sup> April 2023 until the 30<sup>th</sup> June 2023 the boroughs collected 6,133 tonnes of food waste and 11,774 tonnes of green waste.
- 2.7. There continues to be a reduction in food waste tonnes across all four boroughs, with a 5% reduction on the combined partnership tonnes collected when compared to the same period last year. We have seen a growth in green waste this year, with a 20% increase on the previous quarter one period, noting that spring and summer in 2022 was exceptionally hot with very little rain and so produced unusually low tonnes.
- 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	Tonnes Treated In Q1 23/24	Tonnes Treated In Q1 22/23
Kerbside Green waste	8,672	7,421
HRRC Green waste	3,102	2,356
Kerbside Food Waste	6,133	6,441

### 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 quarter one reporting period, the combined performance at the SLWP HRRC sites was 67.5%. 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 Q1 period last year.

**Table 3.5 – Tonnes Collected in quarter 1 2023/24**

HRRC Material	Tonnes Collected Q1 2023	Variance against Q1 2022	Variance In Tonnes
Green	3,102	32%	982.7
Residual	3,335	3%	93.5
Wood	2,784	4%	110.0
Soil	765	4%	30.2
WEEE	557	13%	73.5
Ferrous scrap metal	562	7%	39.8
Books	40	195%	78.4
Glass	29	14%	3.9
Paper	78	135%	105.8
Card	313	-6%	-17.9
Total Tonnes collected	14,210	13%	1,789.3

- 3.6. The largest variance has been from the deposit of books and paper, although the quantity of these materials is extremely low and so the collections are infrequent, meaning the variance likely comes from a collection schedule rather

than resident behavior. From a tonnage perspective, the greatest increase in recycling is from green waste, which, as discussed earlier, is largely due to the exceptionally low tonnages produced last year. There has been a 6% drop in card waste, which equates to 18 tonnes.

- 3.7. 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.

**Table 3.7 – Tonnes Recycled or Reused in Quarter 1 2023/24**

HRRC Material	Tonnes Collected	Recycling Rate
Green	3,102	36%
Wood	2,784	33%
Soil	765	9%
WEEE	557	7%
Ferrous scrap metal	562	7%
Books	40	0.47%
Glass	29	0.34%
Paper	78	0.92%
Card	313	3.68%
Bricabrac	85	0.99%
Textiles	45	0.52%
OTHER RECYCLED	145	1.71%
<b>Total <i>Recycled</i></b>	<b>8,506</b>	<b>100%</b>

- 3.8. 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.

### 3.9. **Projects and Activities at the HRRCs**

- 3.10. The following provides a summary of some of the additional projects that are on-going at the HRRC sites. The projects aim to either; maximize 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.

3.10.1. **Soil separation** - In the reporting period 765 tonnes of soil were separated by staff and customers for reuse.

3.10.2. **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 for resale. The first reuse shop opened in 2015 and is located at the HRRC site in Sutton and the second shop is located at the Fishers Farm HRRC site in Croydon. In the reporting period 8,369 items were separated by staff and customers for reuse.

- 3.10.3. **Bag splitting** – A bag splitting exercise at the Merton and Sutton HRRC sites is on-going. The aim of the project is to build an understanding of how much recycling is left in black bags of residual waste brought to the site. The data develops our understanding of which are the common materials not being segregated for recycling. To note – this manual segregation project will separate modest kilograms of recycle by weight and so will not in itself impact the recycling rate.
- 3.10.4. **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. 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 over 78%, and the avoided cost is estimated to be approximately £98,210 (up to Q1 2023-24). A DEFRA announcement in June of this year, however, signals that changes will need to be made to the SLWP rubble charging system. Under proposed changes, it is likely that site users will be able to tip DIY waste for free up to four times over a four week period. Each tip will be free as long as the quantity of waste per visit is no greater than two 50L rubble bags or one bulky or fitted item no larger than 2000mm x 750mm x 700mm, such as a bath tub. The site user will also need to confirm that their rubble is from their own ‘small-scale’ home project, and that this activity will not generate an income. If these conditions are not met, the waste is still construction waste and can be charged for. The SLWP rubble charging scheme will therefore be reviewed once further clarity around the changes are provided.
- 3.10.5. **Assisted tipping** - The site 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.
- 3.10.6. **Booking Forms** – Booking forms have been in place at the Merton, Sutton and Kingston HRRC sites since the 13<sup>th</sup> May 2020. The forms 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 - June 2023 were as follows:
- Villiers: 42% utilisation of spaces for car bookings and Vans 75%
  - Garth: 78% utilisation of spaces for car bookings and Vans 72%
  - Kimpton: 45% utilisation of spaces for car bookings and Vans 80%
- 3.10.7. **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. 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.

- 3.10.8. **Site usage questionnaire** – This project aims to help us develop an understanding as to why residents use the HRRC sites rather than their kerbside collection service, a local charity shop, a ‘free-cycle’ website, or other outlet for their recyclates and or waste. This project is scheduled to start in spring next year and will initially target the most frequent users at each site. The output of the project will help to identify if there are any key materials that are universal to most HRRC site visits.
- 3.11. **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.
- 3.11.1. **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. These schemes have donated over 200 toys and games to residents.
- 3.11.2. **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.
4. **Residual Waste treatment Contract (Viridor South London Limited)**
- 4.1. Viridor South London has been delivering the services under the Residual Waste Treatment contract since 4<sup>th</sup> March 2019.
- 4.2. In the reporting period, 1<sup>st</sup> April 2023 to 30<sup>th</sup> June 2023, the SLWP boroughs delivered 52,113 tonnes of residual waste to the Viridor residual waste treatment contract. This is a 4% increase on the same period last year. Please see Appendix A table 1a for further details on residual waste tonnes.
- 4.3. **Landfill Diversion** - In the reporting period, 1% of the residual waste delivered by SLWP partner boroughs was sent to landfill, largely due to a planned maintenance shutdown of the Beddington ERF which took place during April and May 2023. Please see Appendix A table 1b for further diversion data.
- 4.4. **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](http://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. There were no exceedances of the emissions limits reported by Viridor between the dates of 1<sup>st</sup> April 2023 and the 30<sup>th</sup> June 2023.
- 4.6. Notable instances within the quarter one reporting period were as follows: On the 15-17<sup>th</sup> April 'Line 1' came offline for a number of hours and there was visible steam venting from the ERF. To note – Viridor have clarified that the steam visible at the site boundary was purified water. There were also periods during the 16<sup>th</sup>, 17<sup>th</sup>, and 24<sup>th</sup> April, the 19<sup>th</sup> and 31<sup>st</sup> May, and the 1<sup>st</sup>, 25<sup>th</sup> and 30<sup>th</sup> June, when the ERF ceased processing waste for a period of time resulting in there being no daily average data-sets presented within the emission reports.
- 4.7. **Gas canister detection project** - A trial into the use of artificial intelligence in the bunker is on-going. 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 system which will allow Viridor to determine the source of these bottles and target the customers/rounds.
- 4.8. **Transparency of Emissions data** - Viridor publish 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 facility in the country that provides this level of openness and transparency.
- 4.9. It is important to note that the facility must operate in accordance with its Environmental Permit which is issued and regulated by the Environment Agency (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.
- 4.10. **Environmental Permit variation** – Viridor submitted an application to the Environment Agency (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 10<sup>th</sup> 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.

4.11. On the 21st July the EA launched a second round of consultation on the Beddington ERF permit variation which ran for 8 weeks until the 15<sup>th</sup> 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.

4.12. Next Steps - the second round consultation is now closed. The EA will review the feedback received in relation to this second round consultation and a final decision will be published.

## **5. RECOMMENDATIONS**

5.1. It is recommended that the Joint Waste Committee:

- a) Note the contents of this report, and
- b) comment on any aspects of the performance of the Partnership's transfer, treatment, recycling and disposal contracts

## **6. IMPACTS AND IMPLICATIONS**

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

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

## **7. Appendices**

7.1. Appendix A provides data on the performance of the six jointly procured treatment and disposal contracts for the reporting period 1<sup>st</sup> April 2023 to the 30<sup>th</sup> June 2023.