



Report to: South London Waste Partnership (SLWP) Joint Committee
Date: 28th September 2022
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Report title: Contract Performance Report

Summary

This report provides 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 London boroughs of Croydon, Kingston, Merton and Sutton:

- I. Food and green waste - Receipt and transport
- II. Food and green waste - Treatment
- III. (New) Food and green waste services – Mobilisation of new receipt, transfer and treatment services for food and green wastes
- IV. Household Reuse and Recycling Centre (HRRC) services - HRRC site management and material recycling
- V. Residual waste services – Treatment of residual waste

This report provides the performance data for the period 1st April 2022 to 30th June 2022.

Recommendations

The Joint Committee is asked to;

- note the contents of this report, and
- 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 22 July 2010. The most recent reports were presented at the meeting in June 2022 by the Partnership Director, Andrea Keys.

BACKGROUND

- 1.1. **Food and green waste - Receipt and transport** - The food and green waste receipt and transport services contract was procured in 2008 and was operated by Viridor Energy Limited Ltd and included the receipt, bulking and haulage of green and food waste until 31st August 2022. The disposal element of this contract ceased on the 3rd March 2019 and since the 4th March 2019 the SLWP's residual waste has been managed through the Residual Waste Treatment Contract operated by Viridor South London Ltd.
- 1.2. Under this Contract, the London Boroughs of Croydon, Merton and Sutton direct deliver kerbside-collected green and food waste into the waste transfer station located at the Beddington Lane site that is owned and operated by Viridor Energy Ltd.
- 1.3. The Royal Borough of Kingston direct delivers kerbside-collected green and food waste into the Kingston Council owned Villiers Road waste transfer station.
- 1.4. **Food and green waste - treatment** – Under the 2008 Food and Green waste contracts, once the food and green wastes were delivered to their respective transfer stations, the above 2008 contract was then responsible for the haulage of that material to one of a number of treatment facilities under the separate food and green waste treatment contract. This treatment service is also managed by Viridor Energy Ltd and the contract ran until 31st August 2022.
- 1.5. **New contracts for food and green waste** – The two food and green waste contracts procured by the SLWP in 2008 (referenced above at 1.1 to 1.4 of this report) expired 31st August 2022. The following four contracts were awarded in summer 2021 and relate to the receipt, transport, and treatment of food and green waste from the 1st September 2022 until no later than the 31st March 2030:
 - 1.5.1. Bio Collectors Ltd – receipt and treatment of food waste
 - 1.5.2. Olleco – collection and treatment of food waste
 - 1.5.3. Countrystyle Recycling – collection and treatment of green waste
 - 1.5.4. SUEZ Recycling and Recovery UK (SUEZ) – receipt, bulking, transportation and treatment of green and food waste
- 1.6. **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. This service operates until the 31st March 2025.

- 1.7. **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 its Beddington Lane site in Sutton.

PERFORMANCE DETAIL

2. **Food and green waste receipt and haul services (Viridor Energy Limited)** – Under the 2008 contract, food and green waste from the London boroughs of Corydon, Merton and Sutton are delivered to the Viridor-owned and operated waste transfer station facility located at Beddington Lane, in Sutton, where it is bulked and then hauled off-site for treatment in one of a number of third party facilities for processing.
 - 2.1. Viridor also managed an area within the Kingston Council-owned waste transfer station facility (the Villiers site) under the same contract and received deliveries of kerbside-collected food, green and recycling. This material was bulked at the Villiers site and then hauled away to various third party facilities for processing.
 - 2.2. This contract continued to operate effectively during the reporting period, as it has done throughout its entire term. There are no issues to report in relation to the services and no issue to report in relation to the transfer of the services to the new contractual arrangements on the 31st August 2022 (see section 6 for details).
3. **Food and green waste treatment services (Viridor Energy Limited)**
 - 3.1. Once received from the above receipt and transport contract, the green (garden) waste was delivered to a range of UK composting facilities and processed in order to produce a BSI PAS100-compliant compost product. Data relating to green waste tonnage collected from both the kerbside and the HRRCs can be found in Appendix A (Chart 3a).
 - 3.2. Under the 2008 agreement, food waste was transferred by Viridor to the Severn Trent Trumps Farm Anaerobic Digestion (AD) facility located in Surrey. The Severn Trent facility produces a BSI PAS 110 bio-fertiliser product for use on UK farmland. The gasses produced during the digestion process are captured and used to drive a turbine which generates electricity. The facility produces enough electricity to power thousands of homes. Food waste tonnage data for the reporting period can be found in Appendix A (Chart 3a).
 - 3.3. This contract continued to operate effectively throughout the reporting period, as it has done through its entire term. There are no issues to report in relation to the services and no issue to report in relation to the transfer of the services to the new contractual arrangements on the 31st August 2022 (see Section 6 for details).

4. **New food and green waste contract Mobilisation** – As above, the 2008 food and green waste receipt, transport and treatment contracts expired in August 2022. The new food and green contracts enable the continuation of the separate collection methodology and support Partner borough recycling rates. The separate collection of food and green waste was harmonised across the four boroughs in 2017, and places the partner boroughs in a strong position in regards to our combined tonnage and the ability to garner strong market interest in our services.
 - 4.1. **Receipt** - Under these new contracts, the London Boroughs of Croydon, Merton and Sutton direct deliver kerbside-collected green waste into the SUEZ waste transfer station located in Merton. Food waste is either directly delivered to a local Anaerobic Digestion (AD) facility up to an agreed capacity of 5,000 tpa or taken to the SUEZ Merton transfer station.
 - 4.2. The Royal Borough of Kingston direct delivers kerbside-collected green and food waste into the Kingston Council owned Villiers Road waste transfer station.
 - 4.3. **Treatment** - The new services see partner borough food waste being treated at three separate Anaerobic Digestion (AD) facilities. A proportion 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 remaining food waste is bulked at local waste transfer station facilities, as detailed above, and then hauled to either the Severn Trent site located in Surrey or the Olleco site located in Aylesbury.
 - 4.4. The green waste is also bulk hauled via the local waste transfer station facilities detailed above and is currently being treated at Laverstoke Park Farm in Hampshire. The new food and green waste services mobilised successfully on the 1st September 2022 with no issues to report.
5. **HRRC Services - Management of the Household Reuse and Recycling Centres by Veolia (ES) (UK) Ltd**
 - 5.1. **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 (garden) and residual waste).
 - 5.2. The contract specification focuses on three key performance categories; site user experience, health and safety, and material recycling.
 - 5.3. **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. Surveying was suspended on the 24th March 2020 when the sites were closed due to COVID, however, over 1,500 surveys were still undertaken in the reporting year 2021/22 when COVID restrictions permitted.

- 5.4. A number of service changes have been made at the sites since the surveys first started, so the questions were updated in January 2022 in order to seek feedback on those changes, including the booking forms introduced at three of the six sites and the fair use policies introduced at two of the sites. An extract of the survey results can be found in Appendix B. A summary dashboard is also available to download from the SLWP website.
- 5.5. **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.
- 5.6. Table 2a (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). At the end of quarter 1 the combined performance at the SLWP HRRC sites was 67.3%.
- 5.7. **Recycling Performance analysis** – Notable changes in tonnes are as follows: All sites have seen a drop in tonnes brought to the sites by residents when compared with the same quarter 1 period last year, with the exception of Factory Lane (Croydon) which has seen an increase of 2%. There has also been a notable drop in rubble tonnes across all sites; waste electrical tonnes continue to decline, and we have seen a drop in green waste at all sites, again with the exception of Factory Lane which has seen an 8% increase in green waste tonnes. Green waste tonnes have been significantly lower for the month of July across both the HRRC and the kerbside collection service, likely due to the hot dry weather. We do not anticipate that this tonnage will be recovered in the later months of the year, and so this will impact on the recycling performance.
- 5.8. Table 2b in Appendix A uses data from the last three years in order to compare performance in 2022/23 with the previous two years. The blue bars show the recycling performance for the reporting Contract Year 2022/23. The yellow and blue bars show recycling performance for the same period in the previous two years.
- 5.9. **Improvement measures** – Covid-19 restrictions introduced at the six HRRC sites resulted in the suspension of a number of projects aimed at reducing waste and increasing recycling rates. With the sites now returning to normal operations, these projects are being restarted. Details of some of these measures are included below.
- 5.10. **Soil separation and recycling** – In 2019 Veolia launched a soil separation trial to increase recycling and to reduce haulage and treatment costs. The project looked to work with residents to split out soil from rubble and the subsequent soil fraction is kept clean enough to be reused. This project has continued to work effectively and is now in operation at all six sites. In the reporting period, 722 tonnes of soil have been diverted.

- 5.11. Reuse Shops – The reuse shop at Kimpton Park Way HRRc (Sutton) has been in operation since the HRRc contract first started in 2015 and the Fishers Farm HRRc Community Reuse Shop opened in November 2021. Both shops sell items that our residents no longer want or need. Residents bring unwanted items to any one of our Household Reuse and Recycling Centres and the operatives at each of the sites will collect and store anything that can be reused, including electrical items, bikes, bric-a-brac, furniture and toys. The Community Reuse Shop team will then collect suitable items and take them back to the reuse shops where they are fully checked to ensure they work properly and safely, and meet any legal requirements, such as fire labels. Initially Fishers Farm was being staffed by the re-use shop three days a week however Veolia staff now open and operate the site every day in order to increase access to the shop for the public.
- 5.12. ‘Upcycle Workshops’– Preparations continue for an ‘Upcycle workshop’ trial, which will be undertaken at the Kimpton Park Way site in Sutton. The trial will see the installation of a ‘classroom area’ at the site to deliver upcycling ‘workshops’ to the public using material collected at the sites. The workshops will include tutorials on how to upcycle furniture by painting and renovating, and door hanging, as well as bicycle repairs and so on. If the trial is successful and there is demand from the public we will look to expand the trial to the other sites.
- 5.13. **Booking Forms** – A booking form system has been in place at the HRRc sites in Kingston, Merton and Sutton since 13th May 2020. Initially introduced to help manage visitor numbers at the sites and comply with Covid-19 restrictions, the booking forms proved popular with site staff and site users, so have been retained. Following feedback from residents and Joint Committee members, the SLWP has procured a new online booking system that, amongst other new features, enables customers to amend or cancel their booking slot, book multiple slots on the same day and view the number of bookings that they have made to date. The new system delivered by Pentagul also sends a reminder text message or email to the customer ahead of their booked time slot.
- 5.14. **Assisted Tipping** – At all sites, the site parking arrangements have been reconfigured to enable a larger bay to accommodate assisted tipping so that anyone needing help from site staff or a carer has plenty of room. When not in use for assisted tipping this larger parking bay can also be used for residents with bulky items or side access vehicles. Assisted tipping is now available at all sites and the final white-lining work will be complete by the end of the year. SLWP are working with our contractor Pentagul to add a section to the booking forms to enable customers to book assistance at the larger bay in advance.
- 5.15. **Rubble Charging at Kimpton Park Way (Sutton)** – The introduction of a charge for the disposal of rubble at Kimpton Park Way (Sutton) commenced in July 2021. This charge was introduced to recover the costs associated with the disposal of this waste type and to deter potential site

abuse from trade and commercial businesses. Residents are advised of the rubble charge via the booking form, which also provides alternative options for disposal, such as via the trade person completing the work (if applicable) or via a bag disposal system, mini skip, grab lorry or other commercial waste service if completing the work themselves. A list of trade waste disposal sites is also available on the council website. Rubble tonnages have fallen by 86% or 1,032 tonnes (from 1,196 tonnes handled between July 2019 to March 2020 to 163 tonnes handled between: July 2021 to March 2022). This significant reduction is believed to be due to deterring trade visitors posing as residents and disposing of this waste free of charge. To date, there is no evidence to suggest there is a correlation between the implementation of this charge and a rise in fly tipping.

- 5.16. **Fair Use Policy** – Fair use policies have been introduced at the Kingston and Sutton HRRCs. The aim of these policies is to ensure that these sites are reserved for Kingston and Sutton residents, and the sites only receive, process and pay for the recycling and disposal of household waste.
- 5.17. In Kingston, the fair use policy allows Kingston households, travelling by car, to book up to 20 visits per year. The fair use policy was introduced in April 2021 and, based on 2019/20 usage data, only impacts 3.2% of site users.
- 5.18. In Sutton the fair use policy allows Sutton households, travelling by car, to book up to 24 visits per year. The policy was introduced in July 2021 and reviewed in June 2022, and historical data demonstrates that for 99.9% of Sutton residents, the fair use policy will have no impact on their annual visits to the site. The overall impact of the booking system and fair use policy has been a reduction in waste tonnage handled at the HRRc. By restricting the access of non-Sutton residents and traders, total tonnes have fallen by 44% (3,584 fewer tonnes) compared to July to March 2019/20.

6. **Residual Waste treatment Contract (Viridor South London Limited)**

- 6.1. Viridor South London has been delivering the services under the Residual Waste Treatment contract since 4th March 2019.
- 6.2. In the reporting period, 1st April 2022 to 30th June 2022, the SLWP boroughs delivered just under 50,000 tonnes of residual waste to Beddington; this is a drop in tonnes of just over 5.7% when the data is compared to the same period last year. Please see Appendix A (Table 1a) for further detail. Appendix A, table 3a shows the total volume of materials collected over the last 8 years, and highlights the positive impact of the 2017/18 kerbside collection service changes as well as the challenges that boroughs faced due to the impact of COVID in 2020/21.
- 6.3. **Landfill Diversion** - In the reporting period, 100% of the residual waste delivered by SLWP partner boroughs was diverted away from landfill. Please see Appendix A (Table 1b and table 1b) for further diversion data.

6.4. **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). 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.

6.5. At the last Joint Committee, the permit exceedances in the table below were reported by Viridor, and these were the first exceedances to have occurred at the facility for over 12 months. In June the SLWP wrote to Viridor in relation to the exceedances requesting a Rectification Plan. Viridor have indicated that the likely cause of the exceedances are gas bottles going through the facility which, if they explode, can result in a spike in emissions. As discussed at the last committee, the recent increase in large nitrous oxide canisters has been particularly challenging. New operational measures have already been implemented, including driver training, loader training, and waste 'blend' training to ensure a more homogeneous waste, and investigations continue into the possible implementation of technological measures, such as large scale scanning technology, that can identify gas cylinders on delivery at the weighbridge. Communication tools are also being progressed and we will continue to work with Viridor in the development and implementation of this plan.

6.6. Since the last Joint Committee there was one exceedance which occurred on the 27th June, as detailed in the table below.

Date	Emission	Daily or half-hourly limit	Limit	Reading	Cause*
03.05.22	Hydrogen Chloride	Half-hourly	60mg/m ³	60.2mg/m ³	Technical issue with lime dosing equipment
16.05.22	Carbon Monoxide	Daily	50mg/m ³	77mg/m ³	Gas bottle
21.05.22	Carbon Monoxide	Daily	50mg/m ³	51mg/m ³	Over-fire in the boiler
21.05.22	Volatile Organic Compounds	Half-hourly	20mg/m ³	29.4mg/m ³	Gas bottle
13.06.22	Volatile Organic Compounds	Half-hourly	20mg/m ³	22.48mg/Nm ³	Over-fire in the boiler
27.06.2022	Volatile Organic Compounds	Half-hourly	20mg/m ⁴	35.28 mg/Nm ³	Overfire on the grate due to waste and explosion

6.7. **Transparency of Emissions data** - Viridor publish detailed emissions reports on the Beddington ERF Virtual Visitor Centre on a regular basis (www.beddingtonerf.info). A link to the emissions information 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.

- 6.8. 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.
- 6.9. **Environmental Permit variation** – In 2020, the EA approved a permit variation which allowed Viridor to increase the capacity of the Beddington ERF by 15%, from 302,500 tpa to 347,000 tpa. That application was achieved by having less ‘down time’ from fewer maintenance outages.
- 6.10. On 10 January 2022, the SLWP was notified by Viridor that it had submitted (on 23 December 2021) a further permit variation application to the Environment Agency (EA) relating to the Beddington ERF. The application is seeking to increase the amount of waste that can be processed at the Beddington ERF by 10%, from 347,000 tonnes per annum (tpa) to 382,000 tpa. Viridor have confirmed that as part of this variation, no changes have been made to amend the types of waste treated through the ERF. This submission is based on maximising the ‘efficiency’ of the facility.
- 6.11. The EA has confirmed that the application will be subject to a period of public consultation and that the six-week consultation period is likely to start in December 2022. During the consultation period, local residents and stakeholders will be able to review the technical information that has been 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. The SLWP boroughs made their concerns about this application clear in a statement published on the SLWP website in January.

7. **RECOMMENDATIONS**

- 7.1. 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

8. **IMPACTS AND IMPLICATIONS**

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

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

9. **Appendices**

9.1. Appendix A provides data on the performance of the five jointly procured treatment and disposal contracts for the reporting period 1st April 2021 to the 30th June 2022.

9.2. Appendix B provides a dashboard summary of the HRRC customer survey results April – July 2022.