



Report to: South London Waste Partnership (SLWP) Joint Committee
Date: 12th January 2023
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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. The services being reported are as follows:

- I. Food and green waste services (including the expiry of the 2008 food and green contracts, and the mobilisation of the new receipt, transfer and treatment services),
- II. Household Reuse and Recycling Centre (HRRC) services, and
- III. Residual waste treatment services.

This report provides the performance data for the period 1st April 2022 to 30th September 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 September 2022 by the Partnership Director, Andrea Keys.

BACKGROUND

- 1.1. **Food and green waste - Receipt and transport** - The now expired food and green waste receipt and transport services contract was procured in

2008 and was operated by Viridor Energy Limited Ltd. The contract originally included residual waste disposal via landfill, as well as transfer station and haulage services. The residual waste 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. The remaining services in relation to green and food waste then ceased on 31st August 2022.

- 1.2. During the reporting period, up to and including the 31st August 2022, the London Boroughs of Croydon, Merton and Sutton direct delivered kerbside-collected green and food waste into a waste transfer station located at the Beddington Lane site that was owned and operated by Viridor Energy Ltd.
- 1.3. The Royal Borough of Kingston direct delivered kerbside-collected green and food waste into the Kingston Council owned Villiers Road waste transfer station that was partially operated under this contract up to the 31st August 2022.
- 1.4. **Food and green waste - treatment** - The now expired 2008 food and green waste treatment services contract was utilised by the boroughs during the reporting period up to and including the 31st August 2022. Under this 2008 Food and Green waste treatment contract, once the food and green wastes were delivered to their respective transfer stations the material was hauled to one of a number of facilities for treatment. This treatment service was also managed by Viridor Energy Ltd and the contract ran until 31st August 2022.
- 1.5. **New contracts for food and green waste** – As detailed above, two food and green waste contracts were procured by the SLWP in 2008 and expired 31st August 2022. The following four contracts replaced the 2008 contracts and will deliver food and green waste services from the 1st September 2022 until no later than the 31st March 2030. The four new contracts are summarised as follows:
 - 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 (HRR) services** - the HRR service is operated by Veolia (ES) (UK) Ltd. The contract commenced on the 1st October 2015 and includes the management of the six HRR 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 HRR 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 the 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 were delivered to the Viridor-owned and operated waste transfer station facility that was located at Beddington Lane, in Sutton. The materials was then bulked and hauled off-site for treatment in one of a number of third party facilities.
 - 2.1. Under this contract Viridor also managed an area within the Kingston Council-owned waste transfer station facility (the Villiers site) 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 issues to report in relation to the transfer of the services to the new contractual arrangements on the 31st August 2022.
3. **Food and green waste treatment services (Viridor Energy Limited)**
 - 3.1. Under the 2008 food and green waste treatment contract, once received under the receipt and transport contract, the green waste was delivered to a range of UK composting facilities and processed in order to produce a BSI PAS100-compliant compost product.
 - 3.2. Under the 2008 treatment 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.
 - 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.
4. **Food and green waste contract** – 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 our separate collection methodology, which supports Partner borough recycling rates.

- 4.1. **Receipt** - Under these new contracts, the London Boroughs of Croydon, Merton and Sutton deliver kerbside-collected green waste and food waste into the SUEZ waste transfer station located in Merton. Under this new arrangement there is also the option to direct deliver food waste to a local Anaerobic Digestion (AD) facility up to an agreed capacity of 5,000 tpa.
- 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** - Food waste is 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. The remaining food waste is bulked at the waste transfer stations detailed above, and then hauled to either the Severn Trent AD facility located in Surrey or the Olleco site located in Aylesbury.
- 4.4. Green waste is also bulk hauled via the waste transfer station facilities detailed above and is currently being treated at Laverstoke Park Farm in Hampshire.
- 4.5. The new food and green waste services mobilised successfully on the 1st September 2022 with no issues to report.
- 4.6. **Food and Green waste volumes** - Food and green waste tonnes have continued to decrease over the reporting period 1st April – 30th September 2022 when compared to the same period last year. There has been a 22% reduction in the total SLWP green waste, most likely due to the dry hot summer period, and a 12% drop in food waste.
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 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. Surveys have continued since that date, with only a brief suspension and some precautionary measures adapted during COVID.

- 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 2 the combined performance at the SLWP HRRC sites was 66%.
- 5.7. **Recycling Performance analysis** – Notable changes in tonnes are as follows: All sites have seen a drop in total tonnes brought to the sites by residents when compared with the same quarter 2 period last year. Kimpton Park Way in Sutton and Fishers Farm in Croydon have seen the greatest reduction in total tonnes at -31% and -19% respectively. Garth Road in Merton and Factory lane in Croydon have seen the smallest drop in total tonnes, at just -3% and -1% respectively.
6. Residual waste brought into the six HRRC sites was 9% lower than the same period last year. This downward trend is broadly comparable to the kerbside residual waste arisings. The largest reduction in residual waste is noted in Sutton (-27%) and Kingston (-19%).
- 6.1. There was also a significant drop in green waste tonnes across all sites during the reporting period, with Fishers Farm Croydon and Kimpton Park Way Sutton showing more than 30% less green waste tonnes brought to the site when compared to last year. Whilst fluctuations in total green waste tonnes are weather related, our analysis also shows that more green waste is now collected at the kerbside than is presented by residents at the HRRC sites, contributing to this downward trend in tonnes at the HRRC sites. The percentage of material collected at the kerbside is as follows: Corydon 68%, Merton 76%, Kingston 77% and Sutton 87%.
- 6.2. Table 2b in Appendix A uses data from the last three years in order to compare performance to date in 2022/23 with the same period from the previous two years. The blue bars show the recycling performance to date for the reporting Contract Year 2022/23. The yellow and blue bars show recycling performance for the same period in the previous two years.
- 6.3. **Improvement measures**

- 6.4. 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 approximately 1,260 tonnes of soil have been diverted for recycling.
- 6.5. 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.
- 6.6. HRRc Xmas toy give away – In December Veolia and their reuse partners hosted a free toy giveaway. Toys which had been donated by residents across the six SLWP HRRcs were checked to ensure they were complete and in safe working condition and were offered free of charge to residents across the partnership. The toys were available for collection from either Factory lane in Croydon or either of the reuse shops in Kimpton Park Way Sutton and Fishers Farm Croydon. A number of charities also received children’s toys and gifts as part of the free toy giveaway, including the Coulsdon Manor Rotary Club, the Croydon refugee day center, and also the Stripey Stalk.
- 6.7. ‘Upcycle Workshops’– Preparations continue for an ‘Upcycle workshop’ trial at Kimpton Park Way site continue. The trial will see workshops and tutorials on how to upcycle furniture by painting and renovating, as well as how to complete basic bicycle repairs and so on. The New Upcycle Classroom has now been delivered to Kimpton Park and preparations are being made to have it connected to the electricity supplies. Over the next Year Veolia and the SLWP will be looking to work with local groups that can offer upcycling projects at this new facility.
- 6.8. **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 procured a new online booking system that, amongst other new features, sends a reminder text message or email to the customer ahead of their booked time slot, and enables customers to amend or cancel their booking slot, book multiple slots on the same day, and view the details of bookings that they have made to

date. The new system delivered by Pentagul has been in use since early 2022 and has received positive feedback from residents.

- 6.9. **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. For those sites operating a booking system, a new section has been added to the booking forms to enable customers to book assistance at the larger bay in advance.
- 6.10. **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 87% during the reporting period when compared to the same period last year. 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.
- 6.11. **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 HRRC sites are reserved for Kingston and Sutton residents, and only receive, process and pay for the recycling and disposal of household waste.
- 6.12. 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.
- 6.13. 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 indicates that for 99.9% of Sutton residents, the fair use policy will have no impact on their annual visits to the site.
7. **Residual Waste treatment Contract (Viridor South London Limited)**
- 7.1. Viridor South London has been delivering the services under the Residual Waste Treatment contract since 4th March 2019.

- 7.2. In the reporting period, 1st April 2022 to 30th September 2022, the SLWP boroughs delivered just over 98,000 tonnes of residual waste to Beddington. This is over 8,000 tonnes less than the same period last year and equates to a 7.7% drop in residual waste tonnes. 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.
- 7.3. **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.
- 7.4. **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.
- 7.5. The last Joint Committee reviewed the permit exceedances in the table below as reported by Viridor. These were the first exceedances to have occurred at the facility for over 12 months. Viridor have indicated that the likely cause of a number of 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. A trial into the use of artificial intelligence in the bunker in order to detect gas bottles is due to commence in early 2023 at the Beddington site and will increase the interception and capture of these materials. In addition to the operational measures listed above, communication tools are also being progressed and this is covered in more detail in the SLWP Communications paper.
- 7.6. Exceedances during the reporting period are detailed in the table below.

Date	Emission	Daily or half-hourly limit	Limit	Reading	Cause submitted
03.05.22	Hydrochloric Acid (HCL)	Half-hourly	60mg/Nm ³	60.2mg/Nm ³	Technical issue with lime dosing equipment
16.05.22	Carbon Monoxide	Daily	50mg/Nm ³	77mg/Nm ³	Gas bottle
21.05.22	Carbon Monoxide	Daily	50mg/Nm ³	51mg/Nm ³	Over-fire in the boiler
21.05.22	Volatile Organic Compounds	Half-hourly	20mg/Nm ³	29.4mg/Nm ³	Gas bottle
13.06.22	Volatile Organic Compounds	Half-hourly	20mg/Nm ³	22.48mg/Nm ³	Over-fire in the boiler
27.06.2022	Volatile Organic Compounds	Half-hourly	20mg/Nm ⁴	35.28 mg/Nm ³	Overfire on the grate due to waste and explosion
15.09.2022	Volatile Organic Compounds	Half-hourly	20mg/Nm ⁴	22.32mg/Nm ³	Waste Feed temporarily stopped
23.12.2022	Hydrochloric Acid (HCL)	Half-hourly	60mg/Nm ³	76.60mg/Nm ³	Waste composition caused high HCL peak, despite the maximum lime dosing

- 7.7. **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.
- 7.8. 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.
- 7.9. **Environmental Permit variation** – In 2020, the EA approved a permit variation relating to the Beddington ERF 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.
- 7.10. On the 23rd December 2021 Viridor submitted a further application to the Environment Agency (EA) to vary the environmental permit. The application is seeking to increase the amount of waste that can be processed at the Beddington ERF by a further 10%, from 347,000 tonnes per annum (tpa) to 382,000 tpa.
- 7.11. Viridor's permit variation application was duly made by the EA and a six week public consultation was launched on the 10th November 2022. 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.

- 7.12. Next Steps – The EA have stated that they will consider all comments and feedback made in the consultation, and will then summarise the key issues into a decision document and explain how and why a decision is reached. If, following the first consultation process, the EA reaches the decision to issue the permit variation, they will then enter into a second phase of consultation called "Minded to issue" consultation. Should this be required, the consultation process will follow the same pattern and timescale as the initial consultation. Further details are provided in the Communications and Engagement Update Report.

8. **RECOMMENDATIONS**

- 8.1. 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

9. **IMPACTS AND IMPLICATIONS**

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

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

10. **Appendices**

- 10.1. Appendix A provides data on the performance of the five jointly procured treatment and disposal contracts for the reporting period 1st April 2022 to the 30th September 2022.
- 10.2. Appendix B provides a dashboard summary of the HRRC customer survey results from February 2021 until October 2022.