



# South London Waste Partnership Joint Committee Agenda

To: **London Borough of Croydon**

Councillor Stuart Collins - Deputy Leader and Cabinet Member for Clean Green Croydon (Chair)

Councillor Kathy Bee - Cabinet Member for Transport and Environment

Reserves: Councillors Robert Canning and Stuart King

**Royal Borough of Kingston upon Thames**

Councillor Terry Paton - Portfolio Holder - Resident Services (Vice-Chair)

Councillor Ian George - Lead Member - Resident Services

Reserves: Councillors Kevin Davis and Gaj Wallooppillai

**London Borough of Merton**

Councillor Judy Saunders - Cabinet Member for Environmental Cleanliness and Parking

Councillor Andrew Judge - Cabinet Member for Environmental Sustainability & Regeneration

Reserves: Councillors Martin Whelton and Mark Allison

**London Borough of Sutton**

Councillor Nighat Piracha – Vice-Chair of the Environment & Neighbourhood Committee

Councillor Jill Whitehead - Chair of the Environment and Neighbourhoods Committee

Reserve: Councillor Hanna Zuckowska

A meeting of the **LONDON BOROUGHS OF CROYDON, MERTON & SUTTON AND ROYAL BOROUGH OF KINGSTON UPON THAMES SOUTH LONDON WASTE PARTNERSHIP JOINT COMMITTEE**, which you are hereby summoned to attend, will be held on **Thursday 10th December 2015** at **6:30pm**, in **Room F10, Croydon Town Hall, Katharine Street, Croydon CR0 1NX**.

This is a meeting in public and attendance by the public is encouraged and welcomed. For more information about the agenda please contact:

[Margot.Rohan@croydon.gov.uk](mailto:Margot.Rohan@croydon.gov.uk) or telephone **020 8726 6000 ext.62564**

## **AGENDA - PART A**

### **1. Apologies for absence**

### **2. Disclosure of Interest**

In accordance with the Council's Code of Conduct and the statutory provisions of the Localism Act, Members and co-opted Members of the Council are reminded that it is a requirement to register disclosable pecuniary interests (DPIs) and gifts and hospitality in excess of £50. In addition, Members and co-opted Members are reminded that unless their disclosable pecuniary interest is registered on the register of interests or is the subject of a pending notification to the Monitoring Officer, they are required to disclose those disclosable pecuniary interests at the meeting. This should be done by completing the Disclosure of Interest form and handing it to the Business Manager at the start of the meeting. The Chairman will then invite Members to make their disclosure orally at the commencement of Agenda item 3. Completed disclosure forms will be provided to the Monitoring Officer for inclusion on the Register of Members' Interests.

### **3. Minutes of the meeting held on Tuesday 15th September 2015**

To approve the minutes as a true and correct record.

### **4. LB Sutton Standards Committee update**

Report of the SLWP Management Group is attached.

### **5. Phase A Contracts Report**

The report of the SLWP Management Group is attached.

### **6. South London Waste Partnership 2015/16 Budget Update**

The report of the SLWP Management Group is attached.

### **7. South London Waste Partnership 2016/17 Budget**

The report of the SLWP Management Group is attached.

### **8. Phase B Contract Report**

The report of the SLWP Management Group is attached.

### **9. Risk Register**

The report of the SLWP Management Group is attached.

### **10. Any Other Business**

Future Meetings (All in Room F10, Croydon Town Hall, Katharine Street, Croydon CR0 1NX, commencing at 5:30pm):

9 March 2016

7 June 2016

**LONDON BOROUGH OF CROYDON, MERTON & SUTTON AND ROYAL  
BOROUGH OF KINGSTON UPON THAMES**

**SOUTH LONDON WASTE PARTNERSHIP JOINT COMMITTEE**

**Meeting held on Tuesday 15th September 2015 at 5:30pm in the Council  
Chamber, Croydon Town Hall, Katharine Street, Croydon CR0 1NX**

**MINUTES - PART A**

**Present:** **London Borough of Croydon**  
Councillor Stuart Collins - Deputy Leader and Cabinet Member for  
Clean Green Croydon (Chair)  
Councillor Stuart King (Reserve)

**Royal Borough of Kingston upon Thames**  
Councillor Terry Paton - Portfolio Holder - Resident Services

**London Borough of Merton**  
Councillor Judy Saunders - Cabinet Member for Environmental  
Cleanliness and Parking

**London Borough of Sutton**  
Councillor Nighat Piracha - Vice-Chair of the Environment &  
Neighbourhood Committee  
Councillor Jill Whitehead - Chair of the Environment and  
Neighbourhoods Committee

**Absent:** Councillors Kathy Bee (Croydon), Ian George (Kingston), Andrew  
Judge (Merton)

**Apologies:** Councillors Kathy Bee (Croydon), Ian George (Kingston), Andrew  
Judge (Merton)

**A1/15 DISCLOSURE OF INTEREST**

There were no disclosures of pecuniary interest not already published  
on the websites of the four boroughs.

As the Members for Royal Borough of Kingston have changed since  
the last meeting, where one of their Councillors, David Cunningham,  
was elected as Vice-Chair, the Chair, Councillor Stuart Collins, asked  
for nominations for a new Vice-Chair. Councillor Judy Saunders  
proposed Councillor Terry Paton and the Committee duly elected him,  
unanimously.

**A2/15 MINUTES OF THE PREVIOUS MEETING HELD ON 9 JUNE 2015**

The Minutes of the meeting held on 9 June 2015 were agreed as a  
correct record.

**A3/15**

**PHASE A CONTRACT MANAGEMENT REPORT**

Andrea Keys (SLWP Contract Manager, Royal Borough of Kingston) summarised the report:

- There are 3 contracts:
  - Contract 1: Transport & Residual Waste Management - For 2015-16, Viridor is diverting 40,000 tons to their Lakeside facility as there is a reduction at Beddington
  - Contract 2: Management of the Household Reuse & Recycling Centres - This service continues to achieve good recycling rates. From 1 October, all 28 off-takers will transfer to Veolia
  - Contract 3: Materials Recycling Services, composting and additional treatment services - There are current issues with recycling markets due to the increased pressure on quality and price. Despite a reduction in revenues, acceptable revenues are still being achieved.

The Chair queried whether more flexibility about co-mingling of recycling materials might be possible to encourage residents to recycle more. It may be possible in the future but, as demand has dropped, there are fewer buyers and they are being more selective, wanting to ensure higher quality.

The Committee **NOTED** the contents of the report.

**A4/15**

**SOUTH LONDON WASTE PARTNERSHIP BUDGET UPDATE**

Michael Mackie (Head of Finance Business Data & Reporting, Sutton) highlighted the key points of the report, including the underspend of £40,000 on salaries, pending appointment of a new officer.

The Committee **NOTED** the contents of the report.

**A5/15**

**PHASE B UPDATE - ENERGY RECOVERY FACILITY (ERF) DISPOSAL CONTRACT**

Annie Baker summarised the main points of the report.

The Committee **NOTED** the planning progress of the ERF Project.

Following this item, the Chair agreed to take Public Questions:

Shasha Khan:

I would like to put a two-part question to the Partnership regarding three damaging news articles last week relating to the contract for the incinerator in Beddington.

1. The front page of the Sutton Guardian reads 'No Corruption' in relation to a petition for an inquiry being considered by the Sutton Standards Committee on 16.09.15, regarding links between former SLWP Joint Committee member and councillor, John Drage. He is currently the Chair of Sutton Liberal Democrats.
2. The news website 'Inside Croydon' reported that Sutton Council Chief Executive Officer Niall Bolger has been accused by Councillor Nick Matthey of gagging him from discussing the incinerator with "a barrage of abuse and intimidation".
3. The Croydon Advertiser reported that a member of the planning committee that approved the application was "coerced" into voting for the incinerator by John Drage and another former committee member of the SLWP Joint Committee, Councillor Colin Hall.

I understand that in April Councillor Stuart Collins, current Chair of the SLWP Joint Committee, wrote to Ruth Dombey leader of Sutton Council calling for an independent inquiry into a £275,000 donation given by Viridor Credits to Holy Trinity Church in Wallington, where John Drage and his wife are active members and which is regularly used as a meeting place by the Sutton Liberal Democrats.

Therefore my question is:

1. Will Kingston and Merton councils join Croydon council in calling on Sutton Council to launch a full independent inquiry, in view of the fact that this matter has brought the South London Waste Partnership into disrepute?
2. Do councillors on this committee accept that John Drage should have disclosed his close personal friendship with Viridor CEO, Colin Drummond and the fact that his wife Elaine Drage is the godmother to Mr Drummond's son when he sat on this Committee? The minutes show he did not do this, in spite the Agenda clearly saying:

"Councillors and co-opted members must declare if they have a personal or prejudicial interest in any of the items on this agenda at the start of the meeting, or as soon as the interest becomes apparent to them."

Item 8 on the Agenda of the SLWP Joint Committee meeting on 24th March 2011, at which John Drage was present, was RESIDUAL WASTE TREATMENT PROCUREMENT UPDATE. John Drage did disclose his close personal friendship to the Viridor CEO to the Sutton Planning Committee when he spoke in favour of the incinerator application in the Spring of 2013.

Councillor Stuart Collins expressed his concern about newspaper reports of the relationship between Viridor and some Councillors who are no longer on the Committee. However, there is a Standards Committee at Sutton tomorrow (16 September) which will address the issue. He stressed that it is important that the integrity and

accountability of this Committee is maintained. A report will be submitted on the outcome of the Standards Committee, for discussion at the next meeting of this Committee.

Shasha Khan pressed Councillors to comment on the issue but the consensus was that any further discussion should wait for the outcome of the Standards Committee tomorrow.

**A6/15 RISK REGISTER**

The Committee **NOTED** the key developments on the Risk Register and the mitigation of these risks.

**A7/15 DATES OF NEXT MEETINGS**

The next meeting will take place at 5:30pm on Wednesday 10 December at Croydon Town Hall.

**A8/15 URGENT BUSINESS - DRAFT PARTNERSHIP BUDGET 2016-17**

(This item was taken after Item 3)

Michael Mackie (Head of Finance Business Data & Reporting, Sutton) explained the reason for this urgent item:

The Partnership is required to produce a draft budget for consideration by the Joint Waste Committee by 31st October each year. In accordance with the Inter Authority Agreement (IAA) the agreed draft budget is then subjected to consideration by the individual boroughs before a finalised budget is taken to the Joint Waste Committee for approval. The IAA sets out that the final budget must be approved by 31st December each year.

The next meeting is scheduled for 10 December, which would be too late for this report.

The Committee **RESOLVED** to agree the proposed draft budget and for the individual boroughs to consider and agree the resources required, in consultation with the borough Finance Directors.

**MINUTES - PART B**

None

The meeting ended at 6:05pm.

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

**Date:** 10<sup>th</sup> December 2015

**Report of:** SLWP Management Group

**Author(s):**

Matt Clubb – Executive Head of Environment Commissioning ( LB Sutton)

**Chair of the Meeting:**

Councillor Stuart Collins, Chair SLWP Joint Waste Committee

<b>Report title:</b>	<b>Outcome of Sutton’s Standards Committee</b>
<b>Summary:</b>	This report provides Joint Waste Committee with an update of the outcome of Sutton’s Standards Committee held on 16 <sup>th</sup> September 2015, which considered a petition received from Councillor Matthey at Sutton’s Full Council on 13 <sup>th</sup> July 2015.
<b>Recommendations:</b>	Joint Waste Committee is asked to note the contents of this report.
<b>Appendices:</b>	Report to Sutton’s Standards Committee and addendum report.

**1. Background**

- 1.1 At the Joint Waste Committee (JWC) meeting on the 15th September 2015 a public question was submitted regarding the content of a petition due to be considered by Sutton’s Standards Committee on 16th September 2015. As a result, there was a request that a report on the outcome of the Standards Committee be presented at this meeting.

**2. Issues**

- 2.1 A petition relating to the Energy Recovery Facility at Beddington was submitted by Councillor Matthey to Sutton’s Full Council meeting on 13 July 2015, with the following prayer.

We, the undersigned, are concerned citizens

(1) demand a full enquiry by an independent body into the activities of Viridor Credits, Viridor Limited and their relationship with Sutton Council members.

(2) We want to know why the Council described the incinerator as an Energy Recovery Facility and hid its true purpose. We want the Viridor incinerator stopped as vital information about its purpose and environmental impact of the incinerator has been withheld or the information was delivered in a misleading fashion. We believe

that the London Borough of Sutton has acted contrary to the Nolan principles of ethical standards in public life and has acted against the best interests of residents of Hackbridge and Beddington.

- 2.2 Given the nature of the allegations, the matter was referred to Sutton's Standards Committee, which is chaired independently and consists of Members from both the administration and opposition. The petition was considered on 16<sup>th</sup> September 2015.
- 2.3 Following publication of the agenda, Sutton officers met with Councillor Matthey where he requested that the Committee's attention be drawn in particular to the second point in the prayer. He acknowledged that the questions he and others had raised over the last few months, about the relationship between Viridor Credits, Viridor Ltd and Sutton Council members, raised in the first part of the petition, amount to speculation and allegation. He asked the Committee to disregard these issues.

#### Outcome

- 2.4 An addendum report was subsequently written, and considered alongside the original report. The Standards Committee considered the petition and information supplied in the two reports and following discussion agreed the following recommendations:
1. That the Committee notes the request to set up an independent inquiry and determines that this is not required for the reasons set out in section 4 of the report.
  2. That the Committee agrees to commission a further report on the council's member development programme, setting out how the council is ensuring that all members are fully aware of their obligation to follow the Nolan Principles and to uphold the Code of Conduct at all times in their behaviour as elected members.
- 2.5 There will be no further action taken by Sutton regarding this matter.

### **3 Recommendations**

- 3.1 It is recommended that the Joint Waste Committee:
- a) Note the contents of this report

### **4 Impacts and Implications**

#### Legal

- 4.1 None.

#### Finance

- 4.2 None

### **5 Appendices**

- 5.1 Report to Sutton's Standards Committee and addendum report.



<b>Report to:</b>	Standards Committee	<b>Date:</b>	16 September 2016
<b>Report title:</b>	Petition referred by Full Council		
<b>Report from:</b>	Jessica Crowe, Monitoring Officer		
<b>Ward/Areas affected:</b>	Borough wide		
<b>Chair of Committee/Lead Member:</b>	Tony Hazeldine, Independent Chair		
<b>Author(s)/Contact Number(s):</b>	Jessica Crowe, Monitoring Officer, 020 8770 6519		
<b>Corporate Plan Priorities:</b>	<ul style="list-style-type: none"> <li>• An Open Council</li> <li>• A Fair Council</li> </ul>		
<b>Open/Exempt:</b>	Open		
<b>Signed:</b>		<b>Date:</b>	2 September 2015

**1. Summary**

1.1 To consider a petition referred to the Standards Committee by Full Council.

**2. Recommendations**

2.1 That the Committee notes the request to set up an independent inquiry and determines that this is not required for the reasons set out in section 4 of this report

2.2 That the Committee agrees to commission a further report on the council's member development programme, setting out how the council is ensuring that all members are fully aware of their obligation to follow the Nolan Principles and to uphold the code of conduct at all times in their behaviour as elected members.

**3. Background**

3.1 At the Full Council meeting held on 13 July 2015 Councillor Nick Matthey submitted a petition which has been referred to this committee for consideration. The petition has 495 signatures and the petition prayer is set out below:

We, the undersigned, are concerned citizens and demand a full enquiry by an independent body into the activities of Viridor Credits, Viridor Limited and their relationship with Sutton Council members. We want to know why the Council described the incinerator as an Energy Recovery Facility and hid its true purpose. We want the Viridor incinerator stopped as vital information about its purpose and environmental impact of the incinerator has been withheld or the information was delivered in a misleading fashion. We believe that the London Borough of Sutton has acted contrary to the Nolan principles of ethical standards in public life and has acted against the best interests of residents of Hackbridge and Beddington.

3.2 In accordance with Part 4E of the Council's Constitution, Scheme for dealing with petitions and e-petitions Councillors can present a petition on behalf of petitioners to a meeting of the Council. The scheme sets out how a petition with 495 signatures will be dealt with at a committee meeting: the spokesperson (in this case Cllr Nick Matthey) may talk to the petition for up to 5 minutes and the petition will then be considered. If the petition is about something over which the council has no direct control, consideration will be given to taking the matter up on behalf of the community.

3.3 This Committee's remit is limited to considering matters relating to the promotion and maintenance of high standards of conduct and probity for councillors and other members and to advising the Council on issues in connection with the operation of its Code of Conduct. It cannot take a position on any other policy matters and would need to refer any recommendations for action that go beyond its remit to the appropriate standing committee(s) for their consideration.

#### **4. Issues**

4.1 The petition's main request is for an independent inquiry into Viridor Credits (a charity set up to distribute the Landfill Communities Fund), Viridor Ltd (which is a waste collection and disposal company) and their relationship with Sutton Council members. It has been referred to the Standards Committee as the petitioners argue that the Council has breached the Nolan Principles. There are various pieces of national guidance on when and whether to set up an inquiry of this nature and it is not a simple matter of deciding whether there is public concern about an issue.

4.2 Guidance is provided on independent and public inquiries by Government for central government purposes. The Cabinet Office Inquiries Guidance states that Ministers take a number of factors into account when deciding whether to establish an inquiry, including whether the public interest will be served by an inquiry rather than another form of investigation and whether that public interest will outweigh the costs. A select committee post-legislative scrutiny of the 2005 Inquiries Act quoted the secretary, solicitor and counsel of the Rodney Inquiry, that: "The first principle we believe should underlie the use of public inquiries is that a matter of public concern has been identified which cannot be allayed by lesser means such as investigation by an established regulatory body."

4.3 Local authorities have the power to establish an independent inquiry into their own actions and their relationships with partners and third party organisations if this is reasonable in all the circumstances. There is no prescribed format such an inquiry may take and the Council would need to balance the need for an inquiry in the light of any allegations and evidence available, the cost, and the likelihood that the inquiry could be conducted effectively. An inquiry would normally be conducted with the appointment of a suitable external individual or firm with agreed terms of reference and timescale. The inquiry may include inviting third parties to be interviewed, the investigation of evidence and the drafting of a report which may be published (usually with some redactions where third party confidentiality is raised). The inquiry would not have the power to compel any witnesses to attend, although officers and serving Councillors would generally be in breach of the relevant Codes of Conduct if they did not do so. A



reasonable timescale if any individuals or external organisations are interviewed would be at least four to six months.

- 4.4 It is important to consider both whether there is prima facie evidence of wrong-doing that requires an independent investigation and also whether an inquiry set up by the council is the best and most reasonable mechanism for doing so.
- 4.5 The link that is alleged to exist between the three entities referred to in the petition arises from a grant made by the Viridor Credits to Holy Trinity Church in Wallington, a church in which a number of former Sutton elected members are active members of the congregation. The allegation is that these members may have engineered the appointment of Viridor by the South London Waste Partnership (SLWP) as the provider of an Energy Recovery Facility in Beddington, following a procurement process run by SLWP in 2011, in return for a grant by the Viridor Credits to the Holy Trinity Church.
- 4.6 This is a serious allegation and if true would not simply involve a breach of the Nolan Principles. If there was any evidence that the allegation was founded, the council would immediately refer the matter to the police as it would more properly be a matter for them to investigate.
- 4.7 The first issue to consider, therefore, is whether there is any prima facie evidence of wrong-doing, either to refer the matter to the police or to consider setting up an inquiry. The allegation referred to in the petition is that a former council member, Mr John Drage, is a congregation member at Holy Trinity Church and also a personal friend of the former Chief Executive of Viridor Ltd, Colin Drummond, and that this connection led to the grant to the church and, in return, the awarding of the contract to Viridor by the South London Waste Partnership. It is alleged that there was a breach of the Code of Conduct because then Cllr Drage did not declare this friendship as a personal interest at the meeting of SLWP on 22 September 2011 which determined that Viridor would be the preferred bidder and the meeting of Sutton's Executive on 7 November 2011 which ratified that decision. It is known publicly that this friendship existed because in 2012 when Cllr Drage spoke at Sutton's planning committee on the planning application for the ERF, he did declare a personal interest. His publicly stated reason for not declaring it earlier is that the friendship (which was an old one, based on his wife having known Mr Drummond at university 40 years earlier) had fallen into abeyance and he did not regard it as a significant relationship - or in the language of the Code of Conduct at the time, a "person with whom you have a close association". By 2012, it had been renewed, following Mr Drummond inviting the couple to a formal dinner, which Cllr Drage also declared publicly in the hospitality register.
- 4.8 As far as the Council is aware, no council member (or indeed, officer) had any involvement in the decision-making by Viridor Credits over the grant to Holy Trinity Church. In relation to Council nominations to the local body that considers applications for Viridor Landfill Communities Fund grants and makes recommendations to the main board, Mr Drage was appointed to this body after he stepped down as a councillor, in 2014. He has been asked about this and states that he had no communication from the Viridor Credits Board while he was the Council's nominee between May 2014 and May 2015, and the organisation itself states that it has no knowledge of him. He has therefore not participated in making any recommendations in



respect of making any grants. He has also categorically stated that he had no role in his church applying for and gaining this grant other than pointing out to them that they fell within the boundaries to be eligible for Landfill Communities Fund grants.

- 4.9 The committee will be aware that when determining whether to investigate a complaint that there has been an alleged breach of the Code of Conduct, the Monitoring Officer is required under the current standards regime to consult the Independent Person and to consider a number of criteria, including whether the member concerned is a current member of Sutton Council. No formal complaint under the Code of Conduct has been made in relation to the matter referred to in the petition about any current or former member of Sutton Council.
- 4.10 Other than former Cllr Drage's non declaration of a relationship with Mr Drummond in 2011 (and his explanation of this set out above), no evidence has been provided to substantiate the claims of improper decision-making that may have been in breach of the Nolan Principles in relation to any links between Viridor Credits, Viridor Ltd and Sutton Council members.
- 4.11 It has been suggested that the council should set up an inquiry to find evidence to substantiate the allegations. The difficulty with this proposal is that Viridor Credits, Viridor Ltd and Holy Trinity Church are entirely independent entities over which the Council has no jurisdiction. Similarly a number of the individuals involved are no longer council members and the council therefore has no powers over them as private citizens. There are no statutory grounds on which the Council can compel any of these bodies or people to give evidence to an inquiry. The Council cannot require witnesses to give evidence under oath for example, as government-instituted inquiries can; nor can it require persons and papers to appear before or be submitted to any of its bodies as Select Committees in Parliament can. An inquiry set up by the Council would therefore be of limited value in attempting to produce any evidence to back up the allegations of wrong-doing.
- 4.12 Thirdly the committee may wish to consider that there are a number of other bodies, such as regulators which in the government's view are more appropriate to investigate whether there is a serious issue of public concern, before an independent inquiry is considered. If there are concerns about how funds have been distributed by Viridor Credits, an organisation called ENTRUST was set up in 1996 to regulate the original Landfill Tax Credits Scheme (now Landfill Communities Fund) on behalf of HM Revenue and Customs. ENTRUST oversees the distribution of funds under the LCF and is thus the regulator set up for the explicit purpose of determining whether grants have been properly or improperly made.
- 4.13 Viridor Credits itself is an independent charity (registered charity number: 1096538) set up to administer distribution of the Landfill Communities Fund and is wholly separate from Viridor Ltd. It is regulated by the Charity Commission, which has a remit to investigate any complaints about charity malpractice or breaches of charitable law.
- 4.14 If the concerns are with the actions of the Holy Trinity Church, although this is not mentioned directly in the petition, again the oversight for this institution does not lie with the council - indeed there are strict separations between secular and religious regulation. The Church of England website advises that serious complaints about members of their clergy or churches should be made in writing to the Diocesan Bishop.

- 4.15 It can therefore be seen that there are a number of regulators who do have jurisdiction over the external bodies mentioned in the petition and are better placed than the council to carry out any inquiries into whether there has been malpractice.
- 4.16 In relation to the further allegation in the petition that the true purpose and environmental impact of the ERF (described in the petition as an incinerator) has been hidden or misrepresented, the Council strongly refutes this. The Council has never knowingly provided any inaccurate information about the purpose or the environmental impacts of the Energy Recovery Facility, either through publication or omission. We are aware that there are often very strong opposing views about facilities such as the Beddington ERF and respect the right of individual residents and others to disagree with the decision (taken by all four of the councils who are members of the South London Waste Partnership) to set up the ERF. However, the Council is obliged - and has always sought - to take balanced decisions in the long-term overall interests of the borough and its citizens. Issues relating to the environmental impact of the facility were thoroughly tested through the planning process, which itself was fully tested through an exhaustive judicial process which ultimately dismissed all the grounds for appeal against the decision to grant permission. The hearings in the court proceedings were carried out in public and the judgment is available.
- 4.17 This Committee's remit does not include determination of environmental policy. However, the following background is provided for the Committee's information to facilitate its consideration of the issues raised by the petition. The Department of Environment, Food and Rural Affairs' definition of Energy from Waste, which is what the Beddington ERF will do, is that it is the process of creating energy, usually in the form of electricity or heat, but also potentially biofuels, from the thermal treatment of a waste source via technologies such as incineration, anaerobic digestion, gasification or pyrolysis. Energy Recovery Facility is the commonly used term for facilities like the one in Beddington which will use non-hazardous residual (post-recycling) waste as fuel to generate energy. There are over 20 such facilities already operating in the UK and hundreds more across Europe.
- 4.18 Each year the four councils in the SLWP handle in the region of 300,000 tonnes of residual and recyclable waste, with residual waste sent to the landfill site at Beddington. Replacing the Beddington landfill site with the ERF forms part of the aims of the four councils to improve the environment by reducing the amount of residual waste that goes to landfill. Landfill produces very damaging greenhouse gases such as methane, which is 24 times stronger than carbon dioxide (CO<sub>2</sub>), and contributes more towards global warming than vehicle emissions. As a result, in 2018 when residual waste from the SLWP is treated at the ERF instead of being land filled, CO<sub>2</sub> emissions will reduce by 128,000 tonnes each year.
- 4.19 The ERF is not an incinerator that burns waste and does nothing else. It will be designed to produce 26 megawatts of electricity a year for the national grid – enough to power the facility itself plus 30,000 homes. The ERF will also have all the internal technology needed to create 20 MW of heat energy a year, which has the potential to provide low-carbon heat (or non-fossil-fuel sourced heat) to local developments.



- 4.20 Energy Recovery Facilities burn waste at high temperatures under carefully controlled conditions. The process is extremely efficient, robust and safe. Emissions are treated to meet required standards under the stringent European Industrial Emissions Directive, which is strictly enforced and monitored by the Environment Agency. The process also produces bottom ash (the bulk of remaining materials after combustion), which can be recycled for use as aggregate material in the construction industry; metals, which are recycled; and Air Pollution Control residue (APCr), which is either recycled or safely disposed of at licensed facilities.
- 4.21 The above information comes from Sutton Council's website. The Council is committed to putting as much information as it can into the public domain and is working with the other boroughs in the SLWP and Viridor to ensure the company meets its obligations to keep residents fully and accurately informed as works on the site and facility progress.
- 4.22 The concerns raised by the petitioners illustrate the importance of all members thinking carefully about their obligations to declare interests under the Code of Conduct, whether these are the disclosable pecuniary interests specified in the Localism Act or the other interests to be declared as set out in the Council's Code of Conduct in accordance with members' Nolan Principles obligations. The Committee may wish to consider assuring themselves of the actions that the Council is taking to ensure all members are and remain reminded of these obligations.
- 4.23 There are items elsewhere on the Committee's agenda which demonstrate that the Council continues actively to review and promote the operation of the Code of Conduct and to uphold standards of good governance. It is suggested that the Committee may also wish to commission a report on the member development programme overall, with a particular focus on members' awareness of the code of conduct and the importance of good and ethical governance and decision-making.

## **5. Options Considered**

- 5.1 If the Committee determines that an independent inquiry is required in all the circumstances the Committee can decide to make such a recommendation to the Strategy and Resources Committee which has the delegated authority to establish such an inquiry. The inquiry would be carried out by an appropriate individual or respected firm engaged by the Council with terms of reference agreed by the Strategy and Resources Committee. The timescale can be estimated at four to six months and the cost would be in the region of thirty to fifty thousand pounds.
- 5.2 An independent inquiry as requested by the petition is not recommended due to the likelihood that it would not be able to uncover any further information that is not already in the public domain and the fact that alternative regulators and remedies to address the issues raised already exist and are better placed to investigate the issues raised. Many issues surrounding the ERF have already been exhaustively reviewed and investigated during the judicial review process and it is unlikely that a council-commissioned inquiry could uncover further information beyond that which has been fully tested in the courts.
- 5.3 In relation to those matters under Sutton Council's and this Committee's jurisdiction, namely ensuring that Sutton members and officers conform to the highest ethical standards, the Council



is strongly committed to this. No complaints have been brought against any serving Council members in relation to the issues raised in the petition, but there is a clear process that exists to do so, which this Committee keeps carefully under review. There are reports elsewhere on this agenda demonstrating the Council's commitment to continually improving its ethical standards and processes. The committee is asked to endorse the recommendations in this report to remind all serving members of their obligation under the code of conduct to abide by the Nolan Principles and ensure the maintenance of high standards of conduct and behaviour, through the Council's member development programme.

## 6. Impacts and Implications

### Financial

- 6.1 The cost of an independent inquiry as requested by the petitioners is estimated at £30,000-£50,000. This cost is not budgeted and therefore would have to be met from savings in other budgets, from reserves or from a combination of the two. This information is provided to ensure that the Committee has comprehensive information on the potential impact of a decision to set up an inquiry. The decision should be based on all the considerations set out in this report and the potential cost of an inquiry is expected to have only minor significance.

### Legal

- 6.2 The legal implications are set out in the report.

## 7. Appendices and Background Documents

Appendix Letter	Title
None	

Background Documents
Petition submitted to Full Council on 13 July 2015 by Councillor Nick Matthey.

Audit Trail		
Version	Final	Date: 2 September 2015
Consultation with other officers		
Officer	Comments Sought	Comments checked by
Finance	Yes	Phil Butlin, Executive Head of Finance
Legal	Yes	Paul Evans, Head of South London Legal Partnership

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<b>Report to:</b>	Standards Committee	<b>Date:</b>	16 September 2015
<b>Report title:</b>	Addendum to Petition Report		
<b>Report from:</b>	Jessica Crowe, Monitoring Officer		
<b>Ward/Areas affected:</b>	Borough wide		
<b>Chair of Committee/Lead Member:</b>	Tony Hazeldine, Independent member		
<b>Author(s)/Contact Number(s):</b>	Jessica Crowe, Monitoring Officer, 020 8770 6519		
<b>Corporate Plan Priorities:</b>	<ul style="list-style-type: none"> <li>An Open Council</li> </ul>		
<b>Open/Exempt:</b>	Open		
<b>Signed:</b>		<b>Date:</b>	16 September 2015

## 1. Summary

- 1.1 This is an addendum to the main report on the petition that has been referred to the Standards Committee. It provides clarification to the Committee on the points which the lead petitioner has requested be considered particularly by the Committee and seeks to answer some detailed questions that have been raised by the lead petitioner in support of the petition's request.

## 2. Recommendations

- 2.1 That the Committee note the lead petitioner's request to focus on the second part of the petition and the advice provided on the further detailed points raised.

## 3. Background

- 3.1 A petition has been referred from Full Council requesting an independent inquiry on the grounds that the Council has breached the Nolan Principles and hence it has been referred to the Standards Committee for consideration.
- 3.2 Since the agenda was published, officers have been in discussion with the lead petitioner to understand how we can best enable the issues raised in the petition to be considered by the Committee and he has requested further clarification of the focus that he, on behalf of the petitioners, wishes the Committee to take.

## 4. Issues

- 4.1 Since the background report on the petition referred to the Standards Committee was published, the lead petitioner has requested that the Committee's attention is drawn in particular to the second element of the petition, namely the information put out by Sutton Council in relation to



the Energy Recovery Facility (ERF), or incinerator, as described in the petition. The lead petitioner has acknowledged, on behalf of the petitioners overall, that the questions that he and others have raised over the last few months about the relationship between Viridor Credits, Viridor Ltd and Sutton Council members, as raised in the first part of the petition, amount to speculation and allegation, and he has asked the Committee to disregard these issues in favour of what he argues are the key points in the petition. These are the allegations that Sutton Council breached the Nolan Principles by putting out misleading information about the nature and environmental impact of the Energy Recovery Facility (referred to as the incinerator in the petition).

4.2 The points that the lead petitioner has requested the Committee specifically consider in support of this second element of the petition are his contentions:

- That in calling the incinerator an Energy Recovery Facility (ERF) rather than an incinerator the council deliberately sought to conceal its nature as the name ERF is not a commonly used term as the report suggests;
- That in 2013 the council only signed a Section 106 planning agreement for a 2005 application relating to the extension of the permission for the landfill until 2023 in order to be able to convince the public to support the planned ERF as otherwise there would be continued landfill activity until 2023;
- That the council failed to tell local residents that the country park promised in 1997 would not be delivered in 2015 and would instead only be delivered along with the ERF;
- That the council has misled residents about traffic movements associated with the landfill and ERF respectively.

4.3 These are the fundamental points into which the lead petitioner, on behalf of the other petitioners, has requested that the Council consider setting up an independent inquiry on the grounds that these alleged actions constitute a breach of the Nolan Principles of honesty and openness.

4.4 Since the petition was submitted and the agenda for this Committee has been published, a number of complaints have been made under the Council's Code for Conduct against current and former members. As these complaints are not mentioned in the petition and as there is due process to follow in respect of how these complaints are considered and investigated before they can be determined to have been substantiated, these complaints cannot be considered by the Committee at this meeting. In accordance with the Council's member complaints process an update will be provided for information to the next meeting after the process has been concluded.

4.5 In response to the specific points made in support of the second part of the petition, officers from Environment, Housing and Regeneration have provided the following information, which the Committee may find helpful:

4.6 The Council does not accept that the term Energy Recovery Facility was used in order to mislead or deceive, or to conceal its true nature. It is a term in common use to describe modern



waste treatment facilities, and is used in public documents and websites across the country and overseas to describe waste to energy plants in, for example:

- West London;
- SE London;
- Cardiff;
- Leeds;
- Leicestershire;
- Newhaven;
- Oxfordshire;
- Sheffield; and
- Staffordshire

- 4.7 The 2005 landfill application was granted permission in 2013 following the signing of the Section 106 legal agreement containing the planning conditions by which the applicant had to agree to abide. The reference to the 2008 permission relates to when the Development Control Committee first resolved to grant the 2005 application, subject to the completion of the legal agreement. This permission is still valid and is being implemented. The separate ERF planning permission, also granted in 2013, amends the restoration plan (reducing the void available for landfilling) and (by virtue of its s106 agreement) brings forward the date for the end of landfilling from 2023. The s106 that accompanies the landfill is also still valid, but only as amended by the ERF s106 agreement.
- 4.8 The previous landfill permission required cessation by 2015 so it was essential that the 2005 application was concluded and permission issued to ensure that the landfill operation had a valid planning permission and continued to serve local authorities and local businesses for waste disposal. This is the reason why the S106 agreement was signed in 2013, not as part of a deal to enable the council to 'sell' the ERF. If Viridor were to utilise all of the void permitted by the 2005 application, it is unlikely that the landfill would be full before 2023. The ERF application, however, provided for a significant void reduction as the waste that would have filled it will be diverted to the ERF, hence the earlier end date.
- 4.9 The change in the date for providing the country park was referred to during the consultations on the planning applications and at numerous public meetings. It is the case that no council can bind a future one and a democratically elected council is at liberty to make its own decisions on the basis of the best evidence and advice available at the time and in the context of the statutory framework in place at the time. It is fully accepted that some residents are unhappy about the decision to set up the ERF, but this does not mean that the decision was improperly taken.
- 4.10 In relation to the contention about traffic movements, the council has used a range of expert reports to assess the likely volume of traffic and has never sought to mislead the public about this. Viridor submitted a traffic management report as it was required to do as part of its planning application and environmental analysis was commissioned by the Council from SHM Enviro, to bring independent rigour to the analysis of the applicant's own submissions in respect of environmental impact.



- 4.11 The Committee is reminded again that the planning application decision went through a judicial review process and the Council was found to have behaved properly in all its decision-making on this application. Judicial review by the courts is the only mechanism for setting aside a decision by a public authority on grounds of unlawfulness; there is a strict timescale applied by the courts for bringing grounds for judicial review and this deadline has long since passed. It was for the challengers of the decision to choose the grounds for review, and a wide set of issues were considered by the courts during the review and all grounds for further review dismissed. It is unclear what further value could be added by a council commissioned independent review when there has in effect already been an exhaustive one into the lawfulness of the planning decisions through the courts.
- 4.12 The Committee is also reminded that the decision to build an ERF to replace the landfill was not taken by Sutton Council alone, and followed a rigorous and transparent procurement process undertaken by the South London Waste Partnership. This process involved the evaluation of bids (including financial models and environmental performance of proposed solutions) by partner borough officers as well as external advisors (financial advisors – PwC, legal advisors – Wragge & Co and technical advisors – Entec). The outcome of this process was the joint award of the contract to Viridor which will save the partner boroughs £200m over the life of the contract.

## 5. Options Considered

- 5.1 There is nothing further to add to the options previously set out in the original report.

## 6. Impacts and Implications

### Financial

- 6.1 There is nothing further to add to the original report.

### Legal

- 6.2 Legal implications are covered in the body of the report.

## 7. Appendices and Background Documents

Appendix Letter	Title
	None.

<b>Background Documents</b>
petition submitted to Full Council on 13 July 2015

<b>Audit Trail</b>		
Version	Final	Date: 16 September 2015



Sutton

<b>Consultation with other officers</b>		
<b>Officer</b>	<b>Comments Sought</b>	<b>Comments checked by</b>
Finance	Yes	Phil Butlin, Executive Head of Finance
Legal	Yes	Paul Evans, South London Legal Partnership
Other Officers:	Yes	Mary Morrissey, Strategic Director EH&R

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

**Date:** 10<sup>th</sup> December 2015

**Report of:** SLWP Management Group

**Author(s):**  
Andrea Keys Contract Manager

**Chair of the Meeting:**  
Councillor Stuart Collins, Chair SLWP Joint Waste Committee

**Report title:**

**PHASE A Contract Management Report**

**Summary:**

This report provides Joint Waste Committee with an update on the performance of the three Phase A Contracts applicable to the South London Waste Partnership:

- i. Contract 1 - Transport and Residual waste management
- ii. HRRC services - HRRC site management and material recycling
- iii. Contract 3 - Marketing of recyclates and treatment of green and food waste

This report provides quarter 2 performance data for the period 1<sup>st</sup> July 2015 to 30<sup>th</sup> September 2015.

**Recommendations:**

Joint Waste Committee is asked to note the contents of this report, and comment on any aspects of the performance of the Partnership's Phase A contracts.

**Background Documents:**

Contract Performance Monitoring updates have been presented to the Joint Waste Committee since 22 July 2010. The most recent reports were presented at the meeting on 15<sup>th</sup> September 2015 by the Contract Manager.

## **1. BACKGROUND**

- 1.1. Contract 1 is operated by Viridor Waste Management Ltd and includes the bulk haulage of material and the disposal of residual waste.
- 1.2. The HRRC service is operated by Veolia (ES) (UK) Ltd. The new HRRC contract commenced on the 1<sup>st</sup> October 2015 and includes the management of the 6 partnership HRRC sites in addition to the marketing of recyclates collected at each of the sites.
- 1.3. Contract 3 is operated by Viridor and includes the marketing of recyclates and the treatment of green and food waste.
- 1.4. The London Boroughs of Croydon, Sutton and Merton direct deliver kerbside collected waste, organics, and recyclates into the Beddington site, operated by Viridor.
- 1.5. The Royal Borough of Kingston (RBK) direct delivers kerbside collected waste, organics, and recyclates into the Kingston Villiers Road waste transfer station (WTS). Viridor operate Villiers WTS on behalf of RBK under Contract 1.

## **2. PERFORMANCE DETAIL**

### **2.1. Contract 1: Transport and Residual waste management (Viridor Waste Management Limited)**

- 2.1.1. Under Contract 1, during the quarter two from 1<sup>st</sup> July 2015 to 30<sup>th</sup> September 2015, the Partnership managed just under 89,000 tonnes of residual waste. Please see Appendix A section 1 for further detail.
- 2.1.2. Thermal Treatment – Year to date just under 15,000 tonnes of SLWP residual waste has been diverted from landfill via the Lakeside ERF. This equates to the diversion from landfill of 12% of our residual waste. Viridor have direction on which Borough's waste is diverted to Lakeside, largely determined by the location and capacity at the facility receiving the waste. Please see Appendix A section 3 for further tonnage data.
- 2.1.3. ERF Construction - Beddington landfill, the current Beddington waste transfer station (WTS), and the construction of the new Beddington WTS, are all located on the same site as the SLWP Phase B Energy Recovery Facility (ERF) construction. The new facility will be built alongside the redevelopment of our Phase A waste facilities.

- 2.1.4. The ERF construction is estimated to take just over three years. Site preparation commenced in July and a breaking ground ceremony is planned for late November.
- 2.1.5. The ERF construction programme is designed to have minimal impact on SLWP Phase A waste deliveries and turn-around times at the site. However, the ability to divert residual waste to Lakeside from Beddington will reduce as the construction programme at the site moves forward. This will not affect the RBK tonnes sent via the Villiers Road WTS in Kingston.
- 2.1.6. During the three year ERF works period, the site will be shared by construction crews and delivery crews and the operational area will be reduced at certain times. To mitigate traffic flow issues at the site the H&S campaign 'Stop and Think' was launched in quarter 1. This campaign continues in Q2 and is progressing well. Partner Boroughs are actively involved with Viridor in H&S 'refresher talks' and 'tool box talks' to remind users of site rules and best practice.
- 2.1.7. The Contract is operating effectively. There were no major operational or performance issues and no formal complaints reported under Contract 1.

## **2.2. Contract 2: Management of the Household Reuse and Recycling Centres (Royal Borough of Kingston)**

- 2.2.1. Contract management – The HRRC contract with Veolia ES UK Ltd (Veolia) was signed in September 2015. The mobilisation was managed jointly by RBK and Veolia and the service handover took place on the 1<sup>st</sup> October 2015.
- 2.2.2. Contract management – The scope of services can be summarised in three parts: the general management of the sites –staffing, equipment, and site layout improvements; the transportation of all materials; and the recycling, treatment, and/or disposal of waste collected at all of the HRRC sites (excluding green and residual waste). The contract focuses on three key performance areas: site user experience, including availability of containers and an annual satisfaction survey; health and safety; and material recycling.
- 2.2.3. HRRC Mobilisation - Customer facing: the operational aspects of the service transferred to Veolia on the 1<sup>st</sup> October 2015 with no complaints from the public or site users and no issues to report.
- 2.2.4. HRRC Mobilisation – HR: personnel were transferred from RBK to Veolia with no issues to report. One employee involved in the HRRC site cleansing is

still in the process of transferring from an RBK facilities management subcontractor to Veolia.

2.2.5. HRRC Mobilisation - Off takers: material off-takers were either transferred from RBK to Veolia or contracts with RBK were terminated successfully with no issues to report.

2.2.6. Recycling performance – The quarter two report provides the final recycling performance report for the sites under RBK’s management of the service. The HRRC service achieved good recycling rates across all six sites with a year to date average across the service of 72%. See Appendix A sections 4 and 5 for more details.

2.2.7. Given the significant challenges faced by the service, and in particular the transfer of services to the Veolia, the site operatives have engaged positively with the service and the site users.

### **2.3. Contract 3 – Materials Recycling Services, composting, and Additional treatment Services (Viridor Waste Management Limited)**

2.3.1. Green waste is delivered to the Viridor Beddington facility where it is bulked and hauled off-site for treatment in the following facilities: KPS Isfield and pease pottage, Woodhorn Runcton and Tangmere, Tamar beddingham and Swanley, and Birch Airfield.

2.3.2. The green waste is processed in order to produce a BSI PAS100 compost product. There are no issues to report on this element of the service. Detailed green waste tonnage data can be found in Appendix A section 6.

2.3.3. Food waste is delivered to either the Beddington facility or the Villiers Road transfer station facility. From both sites the food is transferred by Viridor to the Agrivert Trump Farm Anaerobic Digestion facility (AD) located in Surrey. The Agrivert facility produces a BSI PAS 110 compost product. There are no performance issues with this element of the contract 3 service. Appendix A section 7 contains further food waste information.

2.3.1. Comingled recyclates are delivered to the Viridor Beddington facility and then transferred to the Viridor Materials Recycling Facility (MRF) located in Crayford.

2.3.2. Contamination criteria has become more stringent at both Viridor and at the end-user sites since the drop in value in the recycling market. As a result of the increase in demand for quality from the recycling market, the rejection levels for the comingled have increased slightly for both Sutton

and Merton. The comingled project to establish a method to reduce contamination at the point of collection is ongoing with an update to a future JWC

- 2.3.3. The Source segregated recyclates collected by the Royal Borough of Kingston are delivered to the Villiers Road TS and then transferred to either re-processors direct, to the Viridor MRF at Crayford, the paper MRF in Erith, or the newly developed polymer processing facility.
- 2.3.4. Following a change to the RBK collection methodology (the collection contract sits outside of the SLWP suite of contracts) the collection of source segregated material at kerbsides in Kingston will cease in February 2016. The new system will collect a 'twin stream' comingled material. A separate RBK led procurement, supported by the SLWP, is in progress for the marketing and reprocessing of this material.
- 2.3.5. Finance - The pressure on both the quality and the prices in the recycling market continues. Forecasts outline that this will not improve in the immediate future. Whilst contamination levels have increased as a result of the higher quality requirements, the partnership contracts continue to generating material of a sufficient standard to meet the quality requirements of some end markets and generate an income from the sale of recyclates. Year to date the partnership has generated over £230,000 of revenue from the sale of recyclable materials. A monthly report detailing recyclates revenue can be found in Appendix A table 9.

### **3. RECOMMENDATIONS**

- 3.1. It is recommended that the Joint Waste Committee:
  - a) Note the contents of this report, and comment on any aspects of the performance of the Partnership's Phase A contracts.

### **4. IMPACTS AND IMPLICATIONS**

#### Legal

- 4.1. Legal Shared services (SLLP) are assisting on the procurement of RBK recyclates procurement.

#### Finance

- 4.2. None

### **5. Appendices**

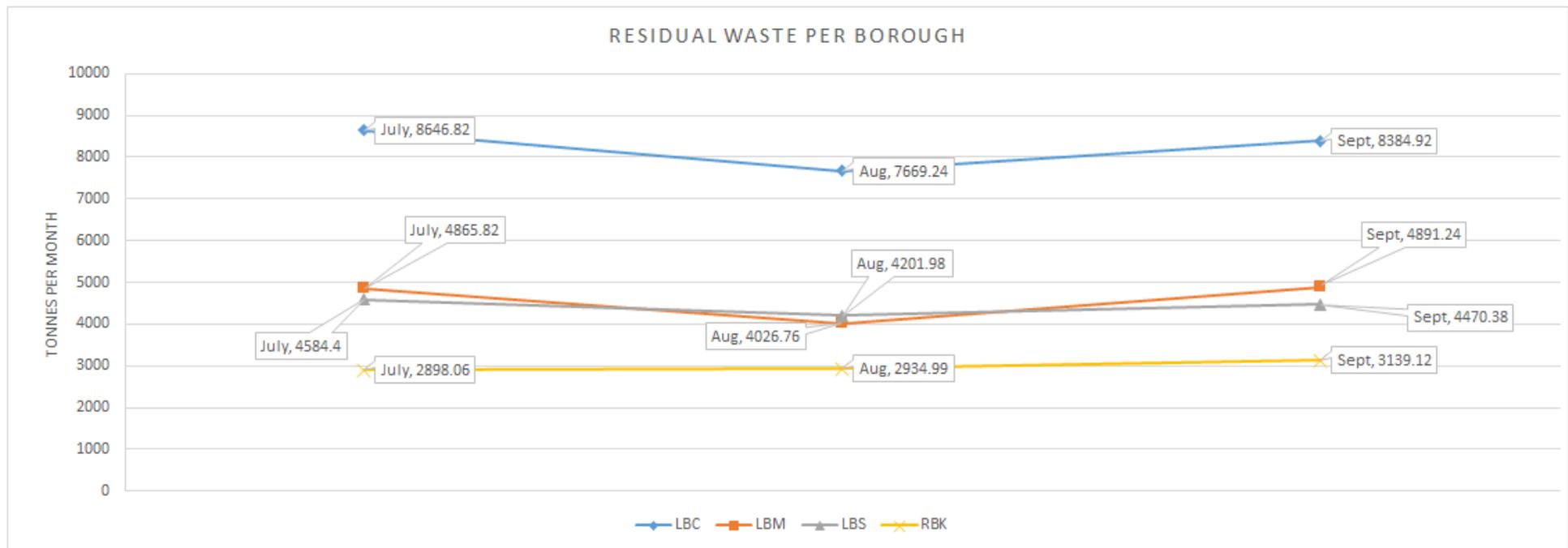
- 5.1. Appendix A provides data on the performance of the Phase A contracts for the quarter 1 reporting period 1<sup>st</sup> July 2015 to 30<sup>th</sup> September 2015.

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**Appendix A**

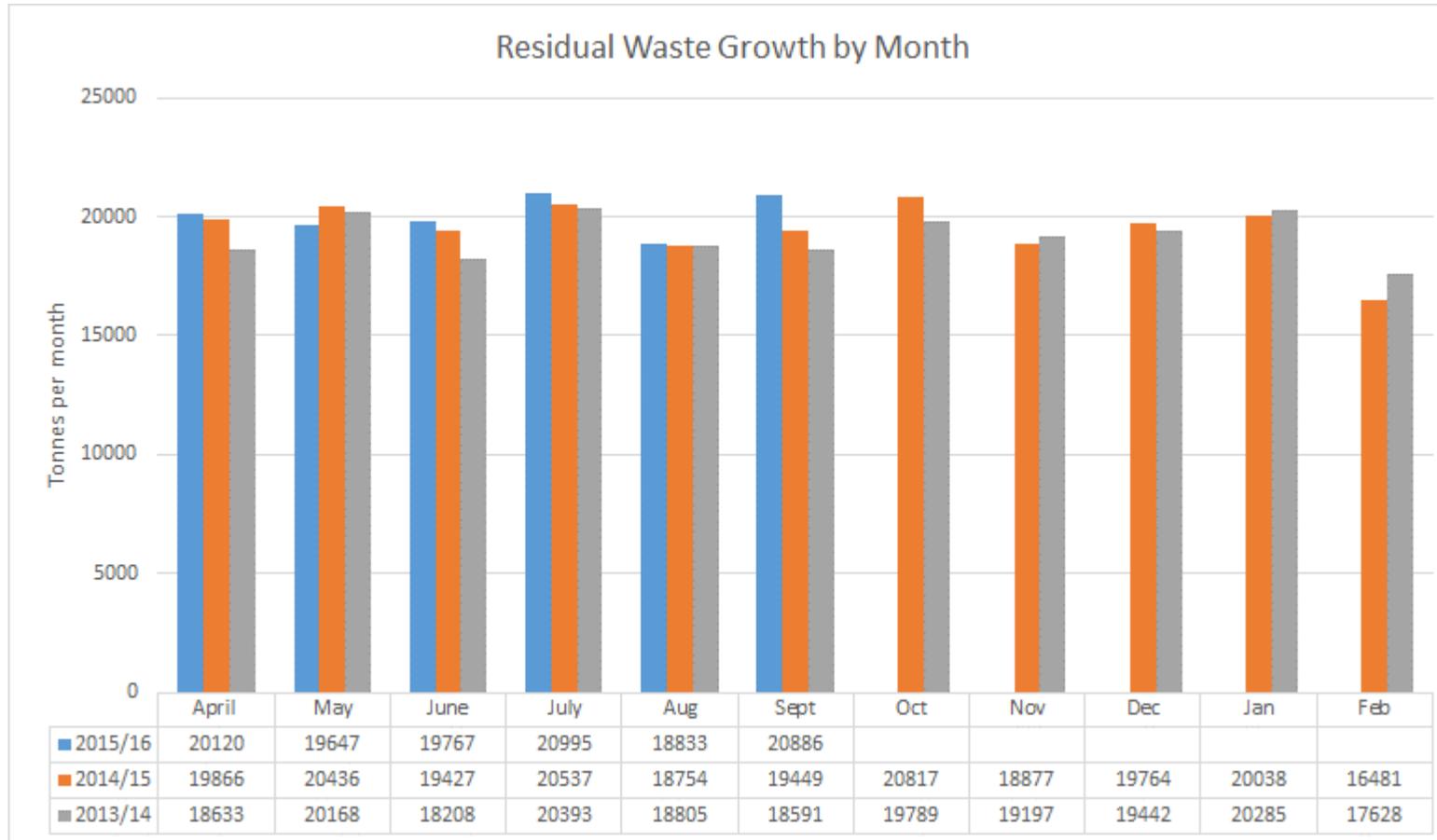
**Phase A: Contract Performance Data for the period 1<sup>st</sup> July 2015 to 30<sup>th</sup> September 2015**

1. Residual Waste – tonnes per month per Borough for Q2:



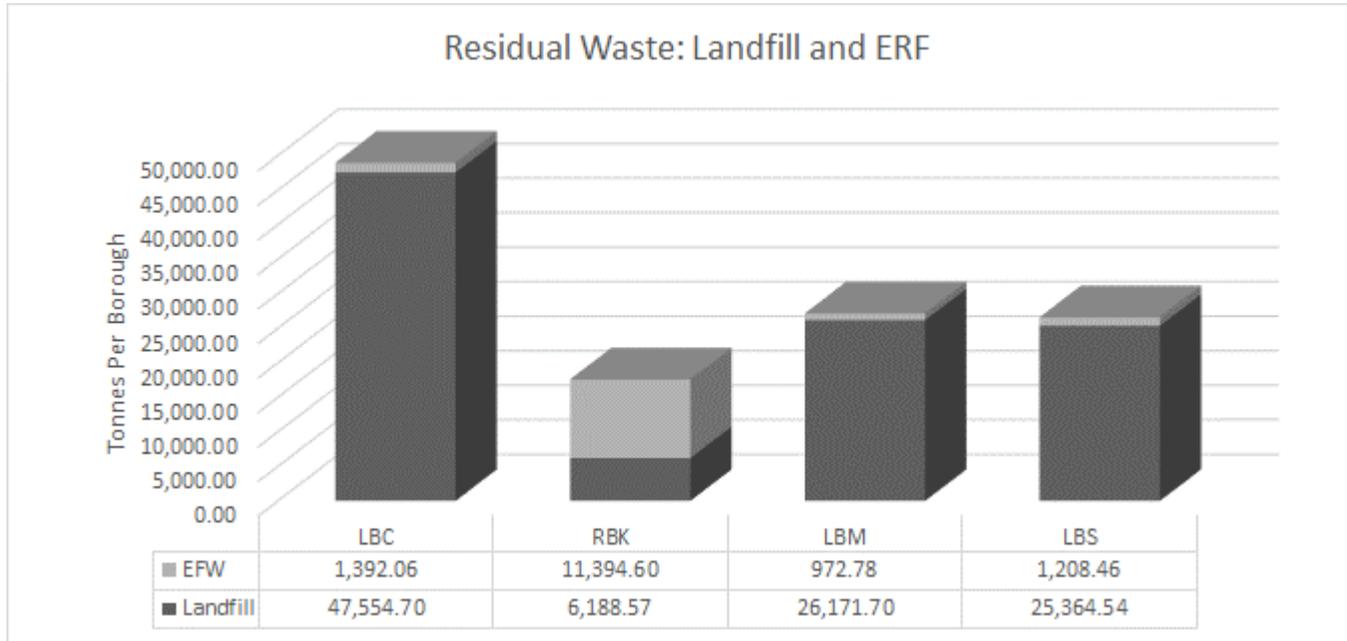
Residual	July	Aug	Sept
LBC	8646.82	7669.24	8384.92
LBM	4865.82	4026.76	4891.24
LBS	4584.4	4201.98	4470.38
RBK	2898.06	2934.99	3139.12

2. Residual Waste Growth 2015/16 against 2014/15 and 2013/14:





3. Residual Waste Disposal for the Q1 period 1<sup>st</sup> July 2015 to 30<sup>th</sup> September 2015:



Residual Waste year to date	Total Partnership Diversion	LBC	RBK	LBM	LBS
Landfill	105,279.51	47,554.70	6,188.57	26,171.70	25,364.54
EFW	14,967.90	1,392.06	11,394.60	972.78	1,208.46
Total Tonnes	120,247.41	48,946.76	17,583.17	27,144.48	26,573.00
% diverted	12%	3%	65%	4%	5%

#### 4. HRRC Performance Data: Recycling and Composting

Kingston Villiers Road HWRC						Merton Garth Road HWRC						Sutton Kimpton Park Way					
Month	2011	2012	2013	2014	2015	Month	2011	2012	2013	2014	2015	Month	2011	2012	2013	2014	2015
Jan	69%	74%	70%	70%	69%	Jan	68%	72%	68%	69%	65%	Jan	71%	70%	66%	71%	70%
Feb	72%	75%	71%	72%	71%	Feb	67%	76%	71%	68%	66%	Feb	67%	60%	71%	69%	70%
Mar	75%	77%	72%	74%	73%	Mar	69%	72%	71%	71%	69%	Mar	73%	80%	74%	74%	73%
Apr	78%	76%	74%	76%	76%	Apr	69%	73%	71%	68%	71%	Apr	75%	74%	74%	73%	74%
May	76%	80%	79%	77%	78%	May	74%	76%	72%	75%	73%	May	72%	76%	77%	73%	75%
Jun	76%	79%	78%	77%	76%	Jun	75%	73%	73%	75%	74%	Jun	71%	74%	70%	75%	75%
Jul	75%	78%	73%	72%	72%	Jul	77%	74%	70%	69%	70%	Jul	75%	71%	68%	70%	69%
Aug	74%	74%	76%	74%	72%	Aug	74%	69%	70%	70%	71%	Aug	72%	75%	73%	70%	69%
Sep	77%	76%	76%	76%	72%	Sep	76%	76%	72%	72%	74%	Sep	72%	75%	68%	74%	69%
Oct	75%	75%	75%	74%		Oct	75%	71%	67%	67%		Oct	79%	71%	71%	71%	
Nov	76%	75%	74%	73%		Nov	76%	73%	69%	68%		Nov	76%	69%	69%	69%	
Dec	72%	65%	67%	68%		Dec	72%	65%	66%	61%		Dec	72%	71%	67%	68%	

Factory lane HWRC					
Month	2011	2012	2013	2014	2015
Jan	72%	70%	67%	68%	70%
Feb	71%	72%	69%	60%	66%
Mar	74%	71%	71%	70%	68%
Apr	72%	73%	69%	69%	68%
May	72%	69%	75%	63%	69%
Jun	71%	73%	69%	61%	66%
Jul	74%	72%	68%	63%	62%
Aug	74%	71%	64%	65%	61%
Sep	71%	69%	66%	67%	62%**
Oct	74%	67%	68%	66%	
Nov	77%	66%	64%	67%	
Dec	67%	67%	59%	66%	

Fishers Farm HWRC					
Month	2011	2012	2013	2014	2015
Jan	71%	70%	66%	65%	66%
Feb	67%	60%	71%	73%	71%
Mar	73%	80%	74%	77%	75%
Apr	75%	74%	74%	77%	75%
May	72%	76%	77%	77%	71%
Jun	71%	74%	70%	78%	74%
Jul	75%	71%	68%	72%	69%
Aug	72%	75%	73%	71%	69%
Sep	72%	75%	68%	76%	71%
Oct	79%	71%	71%	71%	
Nov	76%	69%	69%	68%	
Dec	72%	71%	67%	69%	

Purley Oaks HWRC					
Month	2011	2012	2013	2014	2015
Jan	79%	77%	72%	75%	73%
Feb	83%	73%	77%	73%	68%
Mar	84%	82%	76%	Closed*	77%
Apr	80%	79%	81%	82%	78%
May	83%	80%	83%	80%	77%
Jun	78%	81%	79%	80%	79%
Jul	81%	78%	79%	80%	74%
Aug	80%	77%	75%	75%	71%
Sep	82%	76%	76%	78%	77%
Oct	84%	75%	77%	75%	
Nov	83%	78%	75%	78%	
Dec	78%	73%	76%	73%	

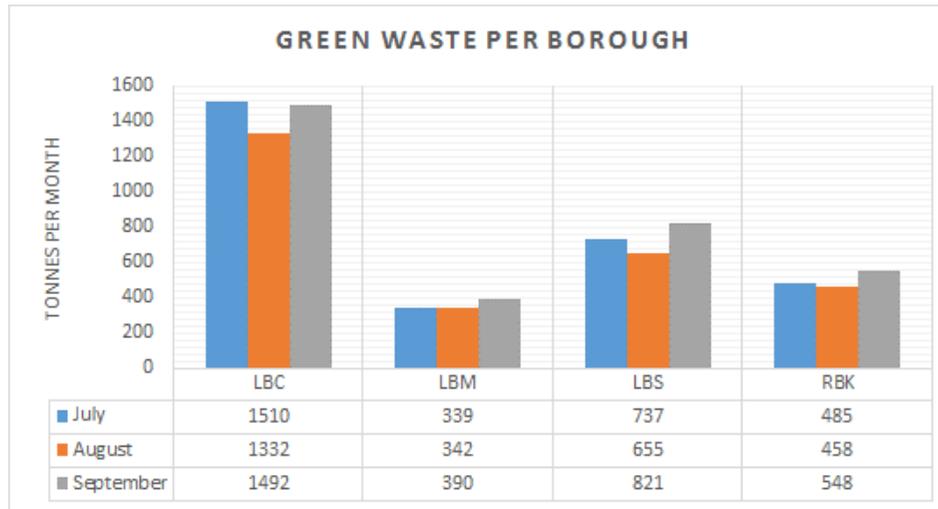
\*Purley Oaks closed due to flood control measures in the area.

\*\*Factory Lane - wood tickets from end of RBK contract with wood off-taker still being verified.

5. Average Recycling and Composting Rate across all SLWP HRRC sites:

2015/16	Factory lane	Fishers Farm	Purley Oaks	Villiers Road	Garth Road	Kimpton Park Way
Apr-15	68%	75%	78%	76%	71%	74%
May-15	69%	70%	77%	77%	73%	75%
Jun-15	66%	74%	79%	76%	74%	75%
Jul-15	62%	69%	74%	72%	70%	69%
Aug-15	61%	69%	71%	72%	71%	69%
Sep-15	62%	71%	77%	72%	74%	69%
YTD Avg	65%	71%	76%	74%	72%	72%
Rank	6	5	1	2	3	4

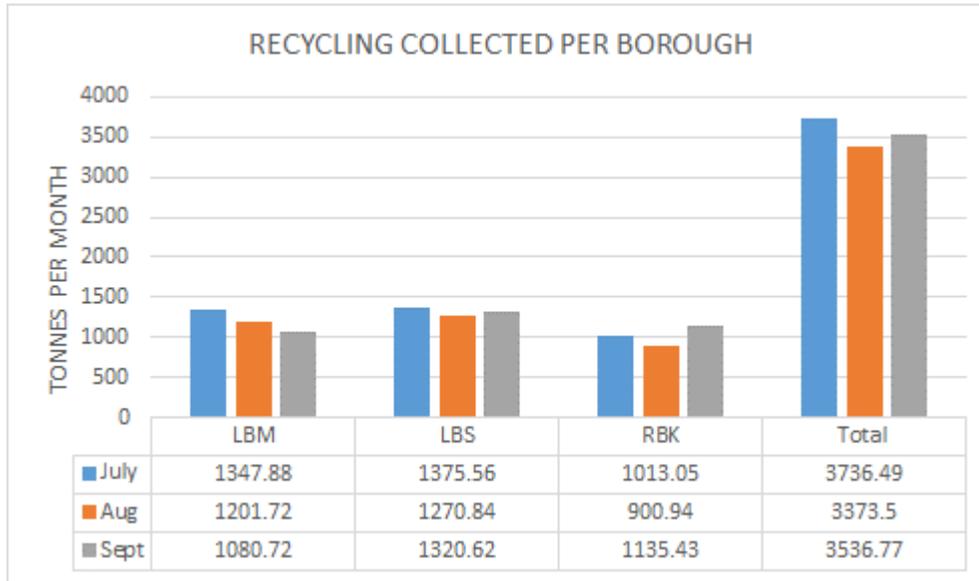
## 6. Green Waste Tonnage



## 7. Food Waste Tonnage



## 8. Recycling data



## 9. Financial Information – Total Contract Cost

SLWP C1	April	May	June	July	August	September	Year to date total
Acceptance, Transfer and Disposal	£1,851,052.88	£1,807,489.96	£1,818,555.72	£1,931,549.20	£1,732,633.24	£1,921,480.72	£11,062,761.72
Acceptance, Bulking And Transfer - Indexed element	£121,105.96	£116,852.73	£125,204.38	£123,973.31	£111,235.94	£122,882.46	£721,254.78
Acceptance, Bulking And Transfer- Pass-through	£26,092.71	£24,033.62	£25,784.96	£27,357.69	£22,827.18	£25,813.01	£151,909.18
	<b>£1,998,251.55</b>	<b>£1,948,376.31</b>	<b>£1,969,545.06</b>	<b>£2,082,880.20</b>	<b>£1,866,696.36</b>	<b>£2,070,176.19</b>	<b>£11,935,925.68</b>
SLWP C3							
Monthly Contract Payment - Green & Kitchen Waste	177,583	213,588	219,772	180,893	160,170	£185,563.00	£1,137,569.84
Monthly Revenue paid to SLWP for Recyclates	32,454	33,151	27,643	50,908	50,607	£36,183.00	£230,946.12
	<b>£145,129.62</b>	<b>£180,437.34</b>	<b>£192,128.61</b>	<b>£129,985.27</b>	<b>£109,562.89</b>	<b>£149,380.00</b>	<b>£906,623.72</b>
<b>Total SLWP charges</b>	<b>£2,143,381.17</b>	<b>£2,128,813.65</b>	<b>£2,161,673.67</b>	<b>£2,212,865.48</b>	<b>£1,976,259.25</b>	<b>£2,219,556.19</b>	<b>£12,842,549.40</b>

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

**Date:** Thursday 10 December 2015

**Report of:** South London Waste Partnership Management Group

**Author(s):**  
Michael Mackie, Finance Lead

**Chair of the Meeting:**  
Councillor Stuart Collins, Chair SLWP Joint Waste Committee

**Report title:**

**SOUTH LONDON WASTE PARTNERSHIP BUDGET UPDATE**

**Summary**

This paper provides an update on the Partnership's budget position at month 6 of the financial year and the projected outturn for the 2015/16 financial year.

**Recommendations**

To note the content of this report.

**Background Documents and Previous Decisions**

Previous budget reports.

**1. Background**

- 1.1 The Partnership sets its budget in September for the forthcoming financial year. Therefore the budget for core activities illustrated below was constructed last year assuming particular time scales specifically in relation to the planning process for the Energy Recovery Facility by.
- 1.2 The budget is monitored by Management Group every month to allow the budgets to be flexed where appropriate in order to respond to any budget pressures.

**2. Financial Position 2015/16**

- 2.1 The table below refers to the Partnership's budget position for its core activities at month 6 (September) of the 2015/16 financial year. It relates to expenditure in the following areas; procurement, project management, administration, contract management and communications.

Item	Approved Budget £	Latest Budget £	Actuals £	Forecast Outturn £	Variance £
<i>Advisor Consortium</i>	50,000	50,000	58,143	60,000	10,000
<i>Project &amp; Contract Management</i>	300,000	325,000	101,350	239,000	(86,000)
<i>Internal Advisors and Accounting</i>	75,000	75,000	3,650	75,000	0
<i>Document and Data Management</i>	20,000	20,000	0	18,000	(2,000)
<i>Audit Fee</i>	2,500	2,500	0	2,500	0
<i>Communications</i>	50,000	25,000	0	25,000	0
<b>TOTAL</b>	<b>497,500</b>	<b>497,500</b>	<b>163,143</b>	<b>419,500</b>	<b>(78,000)</b>
<b>COST PER BOROUGH</b>	<b>124,375</b>	<b>124,375</b>	<b>40,786</b>	<b>104,875</b>	<b>(19,500)</b>

2.2 The Partnership's budget for core functions forecasts an under spend for the year of £78,000 (£19,500 per borough). The major variances are detailed below.

2.3 There is a forecast overspend on Advisor Consortium of £10k as a result of the work required as part of the Notice to Proceed. This work included checks on re-basing Viridors financial model, a check by Rathbones on the foreign exchange rate for construction and also included a check on insurance during the construction of the facility. These checks are expected to realise a reduction of costs to the partnership of £4.5million over the life of the contract.

2.4 Underspend on salaries of £33k due to the Contract Data Officer post being held vacant pending a decision on the requirements of the post, £15k from the Project Support Officer post being vacant until July 2015, whilst the substantive post holder is on secondment, and £33k from the vacant fixed term Communications Officer that is due to be recruited to shortly.

2.5 The partnership is currently undertaking 1 project

- 1). a procurement exercise for the Household Reuse and Recycling Centres (HRRC's); and

The forecast position for 2015/16 for the project is illustrated below.

#### **HRRC Procurement Exercise**

Item	Estimate £	Actuals £	Forecast Outturn £	Variance £
<i>Advisor Consortium</i>	94,870	33,628	56,000	(38,870)
<i>Project &amp; Contract Management</i>	59,850	37,749	55,000	(4,850)
<i>Internal Legal Advice</i>	18,000	2,775	17,000	(1,000)
<b>TOTAL</b>	<b>172,720</b>	<b>74,152</b>	<b>128,000</b>	<b>(44,720)</b>
<b>COST PER BOROUGH</b>	<b>43,180</b>	<b>18,538</b>	<b>32,000</b>	<b>(11,180)</b>

2.6 The HRRC procurement is complete following contract mobilisation on 1 October 2015. The service is now being operated by Veolia.

2.7 The budget position for all activities for 2015/16 is shown below and forecasts an under spend for all activities of £122,720 (£30,680 per borough).

<b>Item</b>	<b>Approved Budget £</b>	<b>Outturn Forecast £</b>	<b>Variance £</b>	<b>Variance per borough £</b>
<i>Core Activities</i>	497,500	419,500	(78,000)	(19,500)
<i>HRRC Procurement</i>	172,720	128,000	(44,720)	(11,180)
<b>TOTAL</b>	<b>670,220</b>	<b>547,500</b>	<b>(122,720)</b>	<b>(30,680)</b>
<b>COST PER BOROUGH</b>	<b>167,555</b>	<b>136,875</b>	<b>(30,680)</b>	

### 3. Recommendations:

3.1 To note the content of this report.

### 4. Impacts and Implications:

#### Finance

4.1 Contained within report.

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

**Date:** Thursday 10 December 2015

**Report of:** South London Waste Partnership Management Group

**Author(s):**  
Michael Mackie, Finance Lead

**Chair of the Meeting:**  
Steve Iles, Chair of Management Group

<p><b>Report title:</b> <b>SOUTH LONDON WASTE PARTNERSHIP DRAFT BUDGET FOR 2016/17</b></p>
<p><b>Summary</b> This paper provides the proposed budget for the Partnership for 2016/17 for its core activities.</p>
<p><b>Recommendations</b></p> <ol style="list-style-type: none"> <li>1. To agree the proposed budget for the core activities of the Partnership as set out in 2.1.</li> <li>2. To agree the proposed budget for Residual Waste Procurement as set out in 2.7.</li> </ol>
<p><b>Background Documents and Previous Decisions</b> Previous budget reports.</p>

## 1. Background

- 1.1. The Partnership is required to produce a draft budget for consideration by the Joint Waste Committee by 31<sup>st</sup> October each year. In accordance with the Inter Authority Agreement (IAA) the agreed draft budget is then subjected to consideration by the individual boroughs before a finalised budget is taken to the Joint Waste Committee for approval. The IAA sets out that the final budget must be approved by 31<sup>st</sup> December each year.

## 2. Issues

- 2.1. The draft budget for Core Activities and the Residual Waste Procurement were agreed at Joint Waste Committee on 15 September 2015. The tables below provide detail of the budgets for 2016/17 agreed at JWC and the proposed budgets to be presented to JWC for approval at its next meeting on 10 December. The tables below also include the approved 2015/16 budget for comparison.

## Core Activities

Item	2015/16 Approved Budget £
<i>External Advisors</i>	50,000
<i>Project &amp; Contract Management</i>	300,000
<i>Internal Advisors and Accounting</i>	75,000
<i>Document and Data Management</i>	20,000
<i>Audit Fee</i>	2,500
<i>Communications</i>	50,000
<b>TOTAL</b>	<b>497,500</b>
<b>COST PER BOROUGH</b>	<b>124,375</b>

Item	2016/17 Budget agreed JWC 15/9/15 £	2016/17 Final Proposed Budget £
<i>Internal &amp; External Advisors and Accounting</i>	125,000	125,000
<i>SLWP Staff Resources</i>	300,000	325,000
<i>Document and Data Management</i>	20,000	20,000
<i>Audit Fee</i>	2,500	2,500
<i>Communications</i>	50,000	25,000
<b>TOTAL</b>	<b>497,500</b>	<b>497,500</b>
<b>COST PER BOROUGH</b>	<b>124,375</b>	<b>124,375</b>

- 2.2. Inflation has been contained within the above budgets, resulting in an estimated saving of approximately £6k for 2016/17.
- 2.3. The Internal & External Advisors and Accounting budget allows the Partnership to engage external and internal (legal) advisors to provide expert legal, financial and technical advice in respect of both Phase A and Phase B contracts. This also includes a recharge from Kingston for providing finance activities for managing Phase A transactions (£25k), and a recharge from

Croydon for providing finance activities for Phase B and HRRC transactions (£25k).

- 2.4. The SLWP Staff Resources budget contains provision for five posts, the Strategic Partnership Manager, a Contract Manager, a Project Support Officer, a Contract Data Officer, and a Communications Officer. The Contract Data Officer post is currently being held vacant and the need for this post is being reviewed by the Strategic Partnership Manager. The Communications Officer post is to be recruited shortly on a fixed term contract. The SLWP Staff Resources budget also contains a small provision for staff training.
- 2.5. Document and Data Management provides data storage for the Partnership's data room to allow the sharing of documents across the Partnership and for the storage of project documentation in an online library which is available on-licence to authorised stakeholders.
- 2.6. The communications budget of £25k provides for communications resources in respect of planning and delivering communications activities.

### **Project Activities**

- 2.7. The table below details the proposed budget requirement of the Partnership for a Residual Waste Procurement.

<b>Item</b>	<b>Estimate £</b>
<i>Advisor Consortium</i>	55,000
<i>Internal Legal Advice</i>	4,500
<b>TOTAL</b>	<b>59,500</b>
<b>COST PER BOROUGH</b>	<b>14,875</b>

- 2.8. The Residual Waste Procurement budget provides resources for a project to procure short term provision for residual waste disposal prior to the Energy Recovery Facility reaching operational completion. This capacity is required in the short term due to a two year delay in the ERF project associated with the Judicial Review of the planning decision. This delay has created a gap in residual waste disposal capacity of about 12 months duration, however is dependent upon the ERF construction programme, where additional provision is needed. The current disposal contractor Viridor are contractually obliged to receive this waste, however the procurement would aim to secure an improved price.

### **3. Recommendations**

- 3.1. To agree the proposed budget for the core activities of the Partnership as set out in 2.1.
- 3.2. To agree the proposed budget for a Residual Waste Procurement as set out in 2.7.

### **4. Impacts and Implications:**

## Finance

- 4.1 Contained within report.

## Legal

- 4.2 Section 9 of the Inter Authority Agreement sets out the budget setting process for the Joint Waste Committee. This is referred to within the body of the report.

## **5 Appendices**

- 5.1 None

**Report to:** **SLWP Joint Waste Committee**

**Date:** **Thursday 10<sup>th</sup> December 2015**

**Report of:** **Residual Waste Contract Update**

**Author(s):** **Annie Baker** – SLWP Strategic Partnership Manager

**Chair of the Meeting:** **Councillor Stuart Collins**, Chair SLWP Joint Waste Committee

**Report title:**

**PHASE B UPDATE - Energy Recovery Facility (ERF) Disposal Contract**

**Summary**

This report provides an update on the position of the ERF project.

Planning permission was granted by London Borough of Sutton on 14<sup>th</sup> March 2014 following completion of the agreement made pursuant to section 106 of the Town and Country Planning Act 1990 relating to the application.

A Judicial Review was heard in October 2014 and the Planning Authority's decision was upheld. Further to this judgement, a request to appeal was made to the Court of Appeal and this was refused. The appellant subsequently requested an oral hearing to apply for leave to appeal and this was heard on April 28<sup>th</sup> 2015; again the application was refused.

Viridor have resolved all outstanding issues around the planning conditions and issued formal confirmation that Satisfactory Planning, free from legal challenge, was achieved on the 1<sup>st</sup> June 2015.

Financial close took place on 9th June 2015 and Notice to Proceed (NTP) was issued by Viridor to their EPC contractors on the 1<sup>st</sup> June 2015.

Now that NTP has been issued, the construction of the ERF is underway.

**Recommendations**

To note the progress on the ERF Project

**Background Documents and Previous Decisions**

Previous Phase B Update reports held by Chair of Management Group.

## 1. Background

1.1. Viridor South London Limited ('Viridor') was formally awarded a contract for the treatment and disposal of Residual Waste in November 2012. The Contract involves Viridor designing, building and operating an Energy Recovery Facility (ERF) which will remain in its ownership and through which it will dispose of municipal residual waste arising in the South London Waste Partnership area.

## 2. Detail – Satisfactory Planning

2.1. Full planning consent was granted for the Construction of the ERF in March 2014, the Judicial review concluded on the 28<sup>th</sup> April 2015, following which Viridor confirmed that Satisfactory Planning, free from legal challenge, was achieved on the 1<sup>st</sup> June 2015.

## 3. Detail – Financial Close

3.1. Financial close took place on 9th June 2015, at which point the Sterling Euro exchange rate for the construction capital was agreed and fixed, in addition, the construction indexation was also fixed.

3.2. Following the agreement of the variable rates detailed above, an updated base case Financial Model was agreed by all parties and the model was locked. Completion of the financial close stage provided a revised and more beneficial ERF gate fee for the Partnership.

3.3. Copies of the Financial Model have been provided on CD for each Borough, together with the necessary signed documentation confirming the process that was followed and the updated rates confirmed.

## 4. Detail – Notice to Proceed

4.1. Notice to Proceed (NTP) was issued by Viridor to their Engineering Procurement and Construction contractors on the 1<sup>st</sup> July 2015. Following the issue of NTP construction works are deemed to have started, and this is termed the Works Commencement Date. The key dates in relation to the Phase B ERF construction are updated and agreed between the Partnership and Viridor to be as follows:

- |  |                              |
|--|------------------------------|
| • Interim Services Commencement Date     | 1 <sup>st</sup> April 2014   |
| • Stack construction complete            | April 2017                   |
| • Cold commissioning begins              | September 2017               |
| • First firing                           | January 2018                 |
| • Key Facility Planned Readiness Date    | 24 <sup>th</sup> May 2018    |
| • Key Facility Planned Commencement Date | 31 <sup>st</sup> August 2018 |

## 5. Recommendations

5.1. To note progress on the ERF project

5.2. That the Phase B update report is combined with the Phase A report for future JWC meetings

## **6. Legal Impacts and Implications**

6.1. The process set out above to agree Notice to Proceed was the process that was contractually agreed by the Partnership and Viridor South London Limited and was set out in the 'Project Agreement' entered into in November 2012.

## **7. Financial Impacts**

7.1. The financing risk in relation to the construction indexation is now closed.

7.2. The Partnership risk on the Sterling Euro exchange rate for the construction capital is now closed.

7.3. Revised Project Plan risk is now closed.

7.4. Due to a number of variable factors built into and agreed as part of the Contract, the revised gatefee now locked in the model is an improvement on the gate fee submitted at the point of tender in 2012.

## **8. Communications**

8.1. A communications plan has been worked up with the Partnership's Communications Lead, and shared with borough Heads of Communications. The communications plan has been updated for the next stage of the construction project, which includes the key construction activities that may be experienced by the immediate residents around the site.

8.2. Activities to date include:

- The Sutton Council Combined Community Forum met 24th June
- Resident Newsletter was delivered to a pre-agreed list of postcodes and was received by residents in July.
- Community Liaison Group (CLG) – these meetings are scheduled quarterly and have been held on 22<sup>nd</sup> July and 22<sup>nd</sup> October. Next CLG is to be held in January.
- Meet the Buyer – The Meet the Buyer event took place at the Beddington Conference centre for the 28<sup>th</sup> July. Press releases were issued to local and trade press. Press adverts were booked at the Croydon, Kingston, Sutton and Wimbledon Guardians. Posts were also issued on Viridor's social media channels and website. A total of 59 companies attended.
- A rolling 3 month Communications and construction plan is being managed by Viridor.
- Viridor have updated their Viridor Beddington ERF website. Follow the attached link: <http://viridor.co.uk/our-developments/beddington-erf/>

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

**Date:** Thursday 10 December 2015

**Report of:** SLWP Management Group

**Author(s):**  
Annie Baker – Strategic Partnership Manager

**Chair of the Meeting:**  
Councillor Stuart Collins, Chair SLWP Joint Waste Committee

<b>Report title:</b>	<b>SLWP Risk Report</b>
<b>Summary</b>	This report presents the red risks around the Partnership’s waste disposal service contracts.
<b>Recommendations to Committee</b>	a) To note the key developments on the Risk Register and the mitigation of these risks.
<b>Background Documents and Previous Decisions</b>	Previous Risk reports and Risk Registers held by Chair of Management Group

**1. Red Risks**

2.1 There are no open red risks on the current risk register

**2. Closed Risks**

2.1 Legal risk number 7.5 (LEG 5) has been removed. This risk related to the continuation of the EWC service by Kingston on behalf of the SLWP and the potential for challenge by a potential third party provider and has been closed now that the HRRCs are managed through a new contract with Veolia.

**3. New Risks**

3.1 There are no new risks

#### **4. Impacts and Implications**

##### Legal

5.1 There are no direct legal implications resulting from the content of this report

##### Finance

5.2 There are no direct financial implications resulting from the content of this report.

##### Environmental Impact

5.3 There are no direct environmental implications resulting from the content of this report.

**SLWP Risk Register**  
Sep-15

Phase	Risk no	Category	Risk Description	Cause	Consequence	Date Risk Identified / Changed	Risk Owner	Likelihood (5 = high level of certainty and 1 = unlikely)	Impact /5	Risk Score /25	Current Mitigation	Further Planned Action
<b>Strategic/ Partnership</b>												
Strategic	1.1	STRAT 1	Failure to maintain a strong Partnership structure	Failure to agree Partnership's key objectives, Governance or approach to the procurement.	Cannot benefit from Partnership economies of scale. Lack of credibility weak/inconsistent will suffer reputational damage.	18/03/14	Chair of MG	1	5	5	Governed by IAA, which was reviewed in September and reported to JWC in December 2013 Strategic Steering Group provide ongoing review and challenge	
Strategic	1.2	STRAT 2	Failure to develop, implement or regularly review a Joint Waste Strategy		Lack of cohesive direction. Loss of confidence, reputational risk with DEFRA.	18/03/14	AB	1	3	3	Second review of JMWMS taken place and presented to JWC on 10/12/13	Next review planned for 15/16
Strategic	1.5	STRAT 5	Failure to recruit and retain sufficient staff resources, or change in key personnel	Lack of staff resource.	Inability to manage Partnership matters appropriately	03/12/12	Chair of MG	3	4	12	Recruited to Project Support Officer and Contract Manager and Strategic Partnership Manager in Dec 13, Feb 14 and Oct 14 respectively	Recruitment processes underway to ensure adequate resources are in place asap.
Strategic	1.6	STRAT 6	Change to political control in Councils which results in one or more councils attempting to withdraw from the Partnership and its contracts		Changes to Partnership arrangement.	06/02/13	Chair of MG	1	3	3	Existing IAA and Contractual obligations	
Strategic	1.9	STRAT 9	Partner Boroughs do not release sufficient officer time to support the Management Group			18/03/14	Chair of MG	1	4	4	Continued Engagement of Management Group/Strategic Steering Group	
Strategic	1.12	STRAT 12	Complete ban on Landfill of certain waste streams			03/04/09	Tech Lead	1	4	4	Regulatory environment monitored.	
Strategic	1.13	STRAT 13	Lack of internal project capacity to manage transition to Contract Management	Lack of resource. Availability of staff against competing priorities.	Impact on project timescales leads to slippage	18/03/14	Chair of MG	1	4	4	Recruited to Project Support Officer and Contract Manager and Strategic Partnership Manager in Dec 13, Feb 14 and Oct 14 respectively	
Phase B	1.15	STRAT 15	Phase B construction programme communication failure	Phase B Construction and Communication programme are not sufficiently managed	Reputational risk; resident complaints	20/08/15	AB	2	4	8	This is mitigated through management of the contract with Viridor and regular review of their comms programme	
<b>Financial</b>												
Strategic	2.11	FIN 11	Continued Landfill tax increases - impact on affordability.	Changes in the rate of landfill tax.	Possible additional costs borne by the Council.	19/03/14	AB	1	4	4	Landfill Tax position is fixed until March 2016. Partnership will look to maximise landfill diversion through Viridor contract and new HRRC contract.	No change

Phase	Risk no	Category	Risk Description	Cause	Consequence	Date Risk Identified / Changed	Risk Owner	Likelihood (5 = high level of certainty and 1 = unlikely)	Impact /5	Risk Score /25	Current Mitigation	Further Planned Action
Strategic	2.14	FIN 14	Financial standing of ERF Contractor affects their ability to deliver the contract or sub contractors.		Potential loss of savings already realised by boroughs Fracture of relationship requiring Partnership to seek new contractual relationship	18/03/134	AB	1	4	4	Regular checks by financial advisors. Require contractor to notify partnership of any material change in financial standing.	Continued monitoring through monthly contractor meetings
Strategic	2.20	FIN 20	Failure to agree costs for individual work streams into the Partnership		Delay to tasks being completed	03/12/12	Chair of MG	2	3	6	IAA, Governance and SSG meetings in place to ensure oversight of work streams	
Phase A	2.22	FIN22	Changes in prices available for recyclable materials and their handling costs	Poor performance of the recycle market	Increased costs in handling recyclable materials and reduced ability to mitigate these through income generation. Worst case scenario would be no end market availability for one or more material		AB	4	3	12	Recyclate framework set up to improve end market availability and ongoing review of market position.	Monthly market forecast requested from Viridor.
Phase B	2.23	FIN23	Risk that construction completion is delayed.	Variety of unforeseen technical, operational and/or contractual issues	The Partnership pay 'Phase B interim' prices for longer than anticipated; reputational damage; contractual issues require additional negotiation and resources to resolve	20/08/15	AB	1	5	5	The risk is mitigated through management of Viridor to ensure no unnecessary delay to construction plus a potential procurement exercise to seek a lower disposal price than the Phase B interim price.	
<b>Procurement Planning</b>												
Phase B	4.10	PL 10	Limited viable CHP opportunity	Commercially difficult to tie up	Possible impact on planning outcome and perceived long term viability of the site	29/08/14	AB	2	4	8	Viridor have developed substantive CHP Business Case. Ongoing negotiation between Viridor and planning authority	Subject to ongoing negotiation between Viridor and planning authority.
<b>Sites</b>												
Phase B	5.2	SITE 2	Delays caused by failure to address timetable impacts of site surveys/species relocation required as part of EIA on partnership sites.	Lack of knowledge about sites.	Delays and costs.	08/04/10	Tech Lead	2	3	6		
Phase B	5.3	SITE 3	Failure to get critical Utility connections to sites	Insufficient utility supplies. e.g. electricity.	Delays and costs.	03/04/09	Tech Lead	2	4	8		
Phase B	5.4	SITE 4	Partnership site conditions are not as expected	Geo-technical survey information not up to date.	Bidders will not accept risk transfer. Partnership must have up to date information prepared.	27/03/12	Tech Lead	2	2	4	Conduct asset condition survey	

Phase	Risk no	Category	Risk Description	Cause	Consequence	Date Risk Identified / Changed	Risk Owner	Likelihood (5 = high level of certainty and 1 = unlikely)	Impact /5	Risk Score /25	Current Mitigation	Further Planned Action
<b>Technical</b>												
Phase A	6.50	TECH 5	Prosecuted for the failure of the contractor to manage health and safety resulting in serious injury/death.	Inadequate monitoring of health and safety standards	Bad publicity, prosecution, fine, civil suit	08/10/12	Chair of MG	2	5	10	H&S training has been undertaken by Borough Officers responsible for sites, and by the Management Group. New HRRC contract includes appropriate H&S requirements; now in contract, inspections to involve officers from each borough and representatives of Veolia. H&S staff in each Borough also to be involved. Regular reporting of these inspections to the Management Group is ongoing, and H&S is a regular item on the Management Group agenda.	H&S Officers across the councils to benchmark, develop checklist and train monitoring officers
Phase B	6.1	TECH 1	Waste model does not predict the future waste trends with sufficient accuracy.	Amec and Waste Officers do not validate data.	Inaccurate waste flows distort the financial model and affordability and costs are inaccurate.	05/10/11	Tech Lead	2	4	8	Current model has been reviewed by each Borough. Regular ongoing review, to reflect the changing nature of the waste.	
Phase B	6.2	TECH 2	Technical failure in interface arrangements between Phase A and Phase B contracts.	IAA's do not fully cover the scope of the projects, cannot be agreed, or are not adhered to.	Contract/s are not awarded. Or post award, unforeseen problems arise, including delay to construction or operation and/or damage to Contractor property.	03/04/09	Tech Lead	2	3	6	Monitored by Technical lead.	
Phase B	6.3	TECH 3	Failure in existing collection services to meet facility input specifications.	Collections do not meet the input needs of residual technology	Poor technology performance.	03/04/09	Tech Lead	2	3	6	Monitored by Technical lead.	
Phase B	6.9	TECH 9	Failure of Contractor to deliver services / Technology fails to perform as specified	Poor choice of technology	Poor service and performance	03/04/09	Tech Lead	2	4	8	Performance Management System and Project Agreement proposed to address failure of technology.	
Phase B	6.10	TECH 10	Prosecuted for the failure of the contractor to manage health and safety resulting in serious injury/death	Inadequate monitoring of health and safety standards	Bad publicity, prosecution, fine, civil suit	03/12/12	Tech Lead	2	5	10	Work carried out by H&S working group, H&S method statement received with Final Tender submissions	H&S training for H&S Borough Leads

Phase	Risk no	Category	Risk Description	Cause	Consequence	Date Risk Identified / Changed	Risk Owner	Likelihood (5 = high level of certainty and 1 = unlikely)	Impact /5	Risk Score /25	Current Mitigation	Further Planned Action
<b>Legal</b>												
Phase A	7.7	LEG 7	Risk of legal challenge from existing materials suppliers for HRRC sites	Lack of proper arrangements in place with existing suppliers which the Partnership inherited from EWC	Competitive prices are not achieved, Partnership fails to maximise income  Potential legal challenge from existing suppliers	09/04/2014	AB	1	3	3	Legal advice followed on the approach to suppliers in regard to materials offtake.	No change
<b>Communications</b>												
Strategic	8.1	COM 1	Communications Strategy and supporting Plan is insufficient to enable stakeholders' engagement with the programme	Officers have insufficient information or time with which to brief stakeholders	Poor level of engagement. Stakeholders are not informed.	04/09/14	AC/ JH	2	4	8	Comms strategy is in place.	SLWP Comms work currently under review, recommendations to be brought to future JWC
Phase B	8.2	COM 2	Public opposition to the preferred solution.	Media/personal views	Negative public perception to solution may hinder progress.	18/03/14	AC/ JH	5	3	15	Proactive press release following JR outcome issued by LB Sutton, same for subsequent request to appeal outcomes.  Reactive press release by Partnership and Viridor drafted and agreed as needed.	Keep under review. Monitored by Comms Lead. Develop and maintain an open and honest relationship with local media.
Phase B	8.3	COM 3	Environmental lobby opposition to facility / solution	Negative perception of solution. Localised issues with solution.	Delay or need to amend solution.	18/03/14	AC/ JH	5	3	15	Environmental groups are a key target audience in the Communications Strategy	No change
Phase B	8.7	COM 7	Risk That Residents/Public are not appropriately engaged	Inability to resource the work required	Missed opportunity / increased likelihood of public opposition to preferred solution	18/03/14	AC/ JH	2	2	4	Viridor have developed a comms plan which has been agreed by MG	Annual Communications Plan to be delivered until completion. SLWP to work with Viridor to undertake engagement work with resident groups.

Phase	Risk no	Category	Risk Description	Cause	Consequence	Date Risk Identified / Changed	Risk Owner	Likelihood (5 = high level of certainty and 1 = unlikely)	Impact /5	Risk Score /25	Current Mitigation	Further Planned Action
Phase B	8.9	COM 9	'Break-away' messaging from individual boroughs	Specific local issues take precedence	Contradicts or dilutes the messages of the Partnership.	18/03/14	AC/ JH	2	4	8	Communications Coordination Group established as agreed at September 2013 JWC	Continue to engage with Comms leads in each borough to ensure appropriate attendance at Comms Coordination Group and with Partnership comms activities
Phase B	8.11	COM 11	Organised opposition groups – secure significant media coverage, over-simplifying and sensationalising the issues in the process.	Desire to halt or hamper development of waste treatment facilities.	Leads to a ground-swell of public concern and suspicion	08/10/12	AC/ JH	4	3	12	Provide residents with consistent, honest and timely information that refer back to the key messages.	No change
Phase B	8.12	COM 12	Sensationalist media coverage – the local media sensationalise the issues,	Quest for a 'good story'	Misinforming residents and damaging the reputation of the SLWP.	08/10/12	AC/ JH	3	3	9	Provide timely, robust responses to all media enquiries that consistently refer back to the key messages. Adopt an open and honest approach reinforced by regular contact and good relationships.	No change
Phase B	8.13	COM 13	Individual activists – use the letters pages of the local media to get their views across.	Desire to halt or hamper development of waste treatment facilities.	Creates an unrepresentative impression of opinion and damages the reputation of the SLWP	08/10/12	AC/ JH	4	2	8	Respond proportionately to any letters which contain factual inaccuracies	No change
Phase B	8.14	COM 14	Unintentional consequences - residents perceive the environmental impact of putting recyclable waste in their landfill bins as being reduced.	Message that the residual waste treatment facility will prevent waste from ending up in landfill.	Negative impact on recycling and composting rates	29/08/14	AC/ JH	2	3	6	Consistently reiterate the reduce, re-use and recycle message.	

Phase	Risk no	Category	Risk Description	Cause	Consequence	Date Risk Identified / Changed	Risk Owner	Likelihood (5 = high level of certainty and 1 = unlikely)	Impact /5	Risk Score /25	Current Mitigation	Further Planned Action
Phase B	8.18	COM 18	Further commercially sensitive information enters the public domain	Officers or Members with access to, or knowledge of confidential information leak details to the public or press.	The commercial process is hampered, weakening the partnership's negotiating position or even leaving it vulnerable to legal action from the Preferred Bidder.	08/10/12	AC/ JH	2	3	6	Mutual agreement with Newsquest in place to consult Partnership before publishing any further story.	Review of processes for publication of JWC papers in each of the boroughs underway to minimise accidental publication of confidential information
Phase B	8.19	COM 19	Public perception is that the Partnership is just about commissioning an ERF / Partnership does not receive recognition it deserves for managing recycling materials contracts	Insufficiently effective communication		29/08/14	AC/ JH	2	2	4	Communications plan includes specific activities promoting Phase A and related work.	
<b>Political</b>												
Phase B	9.2	POL 2	Risk that political considerations take precedence over wider service delivery, strategic and economic objectives.	Politicians at individual or party level pursue a political agenda in light of any forthcoming elections	Delays or halt to procurement, which would have serious economic impact on the partner boroughs.	06/02/13	Chair of MG	3	4	12	Member briefing and involvement is key to the success of the procurements. Joint Committee and Joint Member Planning Working group are encouraged to disseminate the message that this is as far as possible an apolitical issue	
<b>Stakeholders</b>												
<b>Operational Risk</b>												