



Regeneration, Culture and Environment Overview and Scrutiny Committee

23 January 2024

Review of Christmas 2023 Waste Disposal Services

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Summary

This report provides an analysis of Christmas 2023/24 waste operations and the performance issues with Medway Councils residual waste and recycling contractor Veolia Environmental Services.

1. Recommendations

1.1. The Committee is asked to note the content of the report.

2. Budget and policy framework

2.1. This report is within the Council's policy and budget framework and ties in with all the identified Core Values, Strategic Priorities, Strategic Council Obligations and Departmental/Directorate service plans as detailed below.

2.2. Waste Disposal contracts follow the Council's core values relevant to the contract year to ensure we have services that put our customers at the heart of everything we do at the same time as giving value for money and fit with the strategic priority of a clean and green environment.

2.3. Such services need to support the Council's Waste Strategy that, in turn, provides the basis for targets in performance and community plans. The primary objectives are to:

2.3.1. Ensure compliance with statutory duties.

2.3.2. Meet statutory performance targets.

2.3.3. Ensure continuity of a frontline service.

2.3.4. Provide services within agreed budgets.

2.3.5. Meet requirements to achieve efficiency gains.

2.3.6. Provide environmentally sustainable services.

3. Background

- 3.1. Medway Council's waste disposal services comprise of three contracts, all of which were awarded to Veolia Environmental Services through competitive tendering processes. The services provided under contract including expiry dates are outlined below.
- 3.2. **Residual waste disposal (Oct 2010 – Sept 2035 +5)**
- 3.3. Provision of transfer station at Whitewall Road, Rochester, haulage and onward processing for contracted material including:
 - 3.3.1. Kerbside collected black bag waste.
 - 3.3.2. Bulky waste.
 - 3.3.3. Flytipping.
 - 3.3.4. Street arisings.
- 3.4. **Recycling bulking, waste transfer station services and haulage (Oct 2022 – Sept 2024 +2)**
- 3.5. Provision of transfer station at Whitewall Road, Rochester and haulage for contracted material including:
 - 3.5.1. Mixed Dry Recycling (MDR).
 - 3.5.2. Separately collected fiber.
 - 3.5.3. Bring site recyclables.
 - 3.5.4. Recyclables from flytipping and bulky waste.
 - 3.5.5. Organic waste (Transfer only. Haulage and processing managed via separate contract)
- 3.6. **Processing of recycling (Oct 2022 – Sept 2024 +2)**
- 3.7. Provision of onward processing for all contracted material (excluding organic waste) as per 2.5.1 to 2.5.4.
- 3.8. Waste collection dates over the Christmas and New Year period detailed in table 1 below, follows the Medway tradition of:
 - 3.8.1. Suspending organic, bulky waste and missed bin collections to support with seasonal waste increases (such as additional crews and redeployment of transfer station bays).
 - 3.8.2. Suspending collections on Christmas and Boxing Day.
 - 3.8.3. Completing Christmas waste cleanup of black bag and recycling waste by the end of New Year week (within 2 weeks).

Table 1 – Medway waste collections dates Christmas 2023

Date	Collection
Thur	Suspended organic and bulky
Fri	Suspended organic and bulky
Sat	
Sunday	
Monday 25 December 2023	No collections
Tuesday 26 December 2023	No collections

Table 1 – Medway waste collections dates Christmas 2023	
Date	Collection
Wednesday 27 December 2023	Wednesday collections
Thursday 28 December 2023	Thursday collections
Friday 29 December 2023	Friday collections
Saturday 30 December 2023	No collections
Sunday 31 December 2023	No collections
Monday 1 January 2024	No collections
Tuesday 2 January 2024	Monday collections
Wednesday 3 January 2024	Tuesday collections
Thursday 4 January 2024	Wednesday collections
Friday 5 January 2024	Thursday collections
Saturday 6 January 2024	Friday collections
Sunday 7 January 2024	No collections

- 3.9. The Medway collection methodology detailed in table 1 has been successfully delivered by Medway since Christmas 2021 with no significant issues reported in the post-Christmas review meetings.
- 3.10. However, this favored approach to Christmas waste increases pressure on the waste transfer station supply chain during the second week of service. The pressure arises from the fact that properties who did not have waste collected on 25/12/2023 and 26/12/2023 have accumulated 15 days' worth of waste to dispose of instead of the usual 7. The volumes of collections on 02/01/2024 and 03/01/2024 were therefore doubled in comparison to a regular collection day. During the Christmas period, when waste levels are already elevated, the waste transfer station faces added pressure as it is not designed to handle such a high volume of waste.
- 3.11. As part of all contracted services detailed in 2.2, 2.4 and 2.6, Veolia is responsible for ensuring that there is sufficient transfer capacity, haulage and treatment facilities in place to manage increased demand for waste disposal over the Christmas period.
- 3.12. Following a series of issues in Veolia's supply during Christmas 2023/24, there was insufficient capacity at the Veolia transfer station (Whitewall Road, Rochester) for collected waste to be unloaded. This resulted in collection delays on Wednesday's round and a full suspension of Thursday and Friday rounds (due to be collected on Friday and Saturday).
- 3.13. This report will provide an account of the incidents that resulted in the service failure of waste disposal contracts for Overview and Scrutiny committee to review. Please note that due to reporting deadlines, at the time of writing this report an investigation was still in progress. Veolia are in attendance at this committee meeting to answer any questions.

4. Analysis

- 4.1. The scale of the Christmas waste operations in Medway is significant due to the volume of waste, bank holiday dates, collection methodology and operational logistics.
- 4.2. Table 2 below details actual tonnage tipped into Veolia’s transfer station over the Christmas period compared to normal ‘off peak’ operational tipping. For Christmas 2023/24 there were 2,991 tonnes of waste tipped into the Veolia transfer station, an increase of 65% from normal ‘off peak’ tipping. Analyses of this data shows that waste collected over the Christmas period decreased by 4% from 3,131 in 2022/23 to 2,991 in 2023/24.

Table 2 – Number of collection vehicle tips into Veolia transfer station over 2-week Christmas waste operational period*					
Christmas waste tonnage	2021/22	2022/23	2023/24	Normal tonnage	Change (%)
Black sack waste	2,325	2,207	2,145	1,398	53% Up
Kerbside recycling	948	924	847	414	105% Up
TOTAL	3,273	3,131	2,991	1,812	65% Up

*Tonnage data uses a ‘like-for-like’ comparison approach where operational days are matched year-on-year. Average tipping is based on November 2023, where there are no bank holidays, and it is a typical winter waste operation.

- 4.3. Table 3 below details the number of times collection vehicles tip into Veolia’s transfer station over the Christmas period compared to normal ‘off peak’ operational tipping. For Christmas 2023/24 there were 507 collection vehicles that tipped into the Veolia transfer station, an increase of 68% from normal ‘off peak’ tipping (302 tips). Analyses of this data shows that the number of collection vehicle tips into Veolia’s transfer station decreased by 1.4% this year from 514 in 2022/23 to 507.

Table 3 – Number of collection vehicle tips into Veolia transfer station over 2-week Christmas waste operational period*					
Collection vehicle tips over Christmas	2021/22	2022/23	2023/24	Normal tipping	Change (%)
Black sack waste	361	313	306	206	49%
Kerbside recycling	208	201	201	96	109%
TOTAL	569	514	507	302	68%

*Tonnage data uses a ‘like-for-like’ comparison approach where operational days are matched year-on-year. Average tipping is based on November 2023, where there are no bank holidays, and it is a typical winter waste operation.

- 4.4. Pre-meetings and site visits with Veolia in the run up to Christmas 2023 highlighted no issues with meeting the demand of Christmas waste collections. Veolia had in place contingency haulage and disposal points ready for increased demand and in the event of service failures.
- 4.5. On 28/12/2023 a significant incident occurred at Veolia’s primary residual waste disposal facility that led to waste being diverted to Veolia’s contingency residual waste disposal facility. However, the contingency site could not meet the full requirement for residual waste which led to a backlog building up. The primary residual disposal facility was open again by 30/12/2024 however, severe delays

were reported on site for the next 7 operational days which had a knock-on impact on Veolia's primary haulage contractor.

- 4.6. From 29/12/2023 Veolia's primary haulage contractor begun dropping increasing numbers of loads over the next 3 operational days. Assurances were given to Veolia on 02/01/2024 that when the transfer station opens on 03/01/2024, haulage vehicles would be made available to clear the back log prior to collection crews unloading their first load.
- 4.7. On 03/01/2024, Veolia's primary haulage contractor failed to honor this arrangement and by 08:00 the transfer station was officially full and could not safely or legally accept any further waste. Veolia called on contingency haulage contractors, however the earliest any could provide meaningful support was from the 04/01/2024 onwards.
- 4.8. At 09:30 on 03/01/2024, tipping operations for collection vehicles were altered to allow the primary haulage contractor priority loading and maintain the safe operation of Veolia's transfer station. Despite this, collection crews were severely impacted and waited upwards of 3 hours to tip.
- 4.9. A further assessment of Veolia's transfer station capacity and haulage was made in the afternoon of 03/01/2024 and found that the transfer station was still full, haulage was slow, collection crews had been severely delayed and alternative delivery models (such as delivery to an alternative licensed facility) were not available. This led to the Deputy Director of Place making the difficult decision to suspend collections for Thursday and Friday rounds (due to be collected on Friday and Saturday) to allow Veolia to clear the back log.
- 4.10. The significant waste levels at the transfer station on 03/01/2024 meant that collection crews could not complete Wednesday's waste round. Collection crews left the yard at 07:00 and the final collection vehicle tipped at 20:00 which is 4 hours later than what would be considered normal for this time of year.
- 4.11. Waste levels in the Veolia transfer station remained heavy and were finally back to normal by 12:00 on 06/01/2024 ready for collections to commence on 08/01/2024.

5. Summary

- 5.1. Through analyses of tonnage and tipping data, haulage bookings and disposal point operations for the two-week Christmas and New Year period (Monday 25 Dec to Sat 6 Jan) it is clear that:
- 5.2. Medway's collection methodology over the Christmas period caused additional pressure on the Veolia supply chain.

- 5.3. Tonnage and number of collection vehicle tips shows that waste was lower this year when compared to previous Christmas periods.
- 5.4. Significant delays at Veolia's primary residual waste disposal facility caused a knock-on delay with Veolia's primary haulage contractor.
- 5.5. Veolia's primary haulage contractor failed to meet the demand of collected black bag and recycling waste which led to the transfer station becoming full.
- 5.6. Veolia's contingency haulage contractors could not be deployed quickly enough to rectify the issue.
- 5.7. Veolia's contingency residual facility could not meet the full demand of Medway's residual waste.

6. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Contractual Delivery	Termination of Contract due to default by Contractor	Adequate contract provision to enable the Council to take effective action when necessary. Clause in contract to enable Medway to reclaim losses	D II
Contractual Delivery	Volume of waste less than or greater than anticipated	Allowance made for this in contract conditions.	C III
Service Delivery	Closure of plant or inability to provide Service due to Force Majeure or relief events	Shared responsibility under contract conditions.	E II
Service Delivery	Failure of waste management services contractor to meet contract standards for service delivery to the Council	KPI & default system in place for financial compensation. Adequate contract monitoring and enforcement in relation to operations. In appropriate cases by including provisions in the contract for deductions where these standards are not met	D II
Service Delivery	Interruption of availability of some facilities.	Adequate contract monitoring and enforcement in relation to maintenance, security, health and safety, staff training. Contractual provision of back-up equipment and facilities. Fire insurance. In appropriate	D II

Risk	Description	Action to avoid or mitigate risk	Risk rating
		cases by including provisions in the contract for deductions where such interruptions occur.	
Health & Safety	Serious injury/death of staff or public while services are in operation	Robust health and safety monitoring procedures in place, the waste services contracts in Medway were audited by the HSE in 2011/12 as part of their routine inspection.	D I
Legal	Changes in Government regulations/law	Incorporated into the contract which is likely to be a known change. Clear ground rules have been incorporated into the contract conditions for negotiating future changes in law. However, waste industry is likely to be affected substantially in future. Especially for the 25-year waste disposal contract. The impact of these would be subject to review at the time of establishing whether the financial implications are the responsibility of the Council or shared.	C II
Financial	Budgeted net expenditure exceeded	Prudent budgeting. Robust arrangements for management within budget. Prompt and accurate assessment of unbudgeted proposals and developments. Early negotiations undertaken with contractor when impacts of budget pressures are apparent.	B II

7. Financial implications

- 7.1. There are presently no financial implications for the Council arising from this report, although this will be kept under review.

8. Climate change implications

- 8.1. There are no climate change implications from this report, any amendments to Medway's Christmas Collection methodology will be reviewed.

9. Legal implications

- 9.1. There are presently no legal implications for the Council arising from this report, although this will be kept under review.

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Appendices

There are no appendices for this report.

Background papers

There are no background papers for this report.