

	Cabinet 9 March 2026
	Report from the Corporate Director, Neighbourhood & Regeneration
	Lead Member - Cabinet for Public Realm & Enforcement (Councillor Krupa Sheth)
Authority to delegate decision to Authorise Award of Contract(s) for (i)Transportation and Reprocessing of Co-Mingled Recycling Materials (Lot 1) & (ii) Reprocessing of Fibre Material (Lot 2).	

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	N/A
Background Papers¹:	None
Contact Officer(s): (Name, Title, Contact Details)	Rashmi Agarwal, Head of Service Development & Contract Performance Tel: 07949 267891 Email: Rashmi.Agarwal@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report concerns the delegation to the Corporate Director, Neighbourhood & Regeneration, in consultation with the Lead Member for Public Realm and Enforcement, to authorise the award of contracts for the transportation and reprocessing of co-mingled and paper and card recycling materials.
- 1.2 This report requests approval to delegate the decision to authorise the West London Waste Authority to award the contracts for the transportation and reprocessing of co-mingled and paper and card recycling materials.

1.3 The contracts cover the collection, sorting, processing and sale services for dry recyclables (co-mingled stream and a fibre stream) for the London Borough of Brent (LBB) and London Borough of Ealing (LBE) with a proposed commencement date of 06 June 2026. The procurement covers two Lots of material as detailed below:

- 1) Lot 1 Contract for the Transportation and Reprocessing of Co-Mingled Recycling Materials – LBB and LBE Contract Material (approx. 40,000 tonnes combined)
- 2) Lot 2 Contract for Reprocessing of Paper & Cards (Fibre stream collection) – LBB Contract Material (approx. 4,500 tonnes)

2.0 Recommendation(s)

That Cabinet:

2.1 Delegates authority to the Corporate Director, Neighbourhood & Regeneration in consultation with the Lead Member for Public Realm and Enforcement to authorise the West London Waste Authority (WLWA) to award the following contracts:

- (a) award the contract for Lot 1 for the Transportation and Reprocessing of Co-mingled Recycling Materials for an initial term of three (3) years, with the option to extend for up to four (4) additional years, exercised in two (2) extension periods of two (2) years each (on a 3+2+2 basis).
- (b) award the contract for Lot 2 for Reprocessing of Paper & Card for an initial term of three (3) years, with the option to extend for up to four (4) additional years, exercised in two (2) extension periods of two (2) years each (on a 3+2+2 basis).

2.2 Notes that a Memorandum of Understanding with the West London Waste Authority and the London Borough of Ealing will be entered into to cover the respective obligations of the parties in relation to the contractual arrangements and processing of payments.

3.0 Detail

3.1 Cabinet Member Foreword

3.1.1 *“Recycling is important in our journey towards sustainable environment, climate change and carbon neutrality. By securing a new partnership for transport and Materials Recovery Facility (MRF) for processing of dry mixed material and paper and card we are ensuring that Brent residents continue to receive a modernised, reliable service that maximizes our recycling performance.”*

The new contract will deliver significant value for money whilst also future proofing our waste management against national policy changes. Our priority remains reducing the environmental impact of our waste, and this contract will be instrumental in helping us achieve our recycling goals while providing the high-quality service our community expects”.

- 3.1.2 Brent’s Borough Plan sets out how we can achieve one of our strategic priorities “A cleaner, Greener Future”. The objective being to future proof the Borough to bring about positive changes to keep the environment clean and develop our services to residents. This decision has a direct link with the Borough’s aim to reduce the overall proportion of household waste being generated by encouraging more recycling and promoting reuse of items. By having the backend systems / processes in place, we can collect more types of recyclable materials.
- 3.1.3 One of the desired outcomes of our Climate & Ecological Emergency Strategy is to tackle climate change by reducing consumption, resources, and waste. A key factor in helping to achieve this outcome is to reduce carbon emissions from the disposal of recyclable packaging. The award of the contracts will help the Council in achieving desired outcomes as highlighted in Strategic Priority 2, A Cleaner, Greener Future.

3.2 Background

- 3.2.1 The Council requires the provision of Transport of Recyclable Materials, a contract for Reprocessing Comingled Recycling Materials and Reprocessing of Paper & Card. On 6 June 2020, the West London Waste Authority (“WLWA”) entered into a contract for the provision of services for the Sorting, Recycling and Sale of Dry Mixed Recyclable’. The contract was set up so that any of the West London boroughs could join the contract, with the London Borough of Ealing being the main borough included from the start of the contract. The contract was entered into for a period of 5 years until 5 June 2025.
- 3.2.2 The council entered a contract with WLWA for the reprocessing of comingled recycling materials and household bulky waste collections on 22 May 2023. The contract entered was for 2 years until June 2025.
- 3.2.3 As the existing contracts were coming to an end, in 2024, the Lead Member in consultation with the Leader delegated authority to West London Waste Authority to lead on the procurement of the transport and reprocessing of comingled and paper and card recyclable materials.
- 3.2.4 In April 2025, the lead member approved the variation of the West London Waste Authority contract for Materials Recovery Facility (MRF) services for reprocessing and sale of comingled dry mixed recyclable materials for Brent Council to permit the extension for a period of 12 months from 6 June 2025 to 5 June 2026.

- 3.2.5 The extension of the WLWA contract and associated agreement in 2025 was to allow WLWA to work on the new procurement with individual boroughs and complete a detailed assessment of different recycling collection arrangements in place and produce a robust tender specification to reprocur a new service in line with the Simpler Recycling Legislation introduced by the Government in March 2025.
- 3.2.6 The contract for the reprocessing of comingled recycling materials and paper and card now comes to an end on 5 June 2026. WLWA carried out an initial market analysis which demonstrated that suppliers are looking to secure long term contracts which includes Local Authority recycling tonnage due to its consistent supply. Suppliers are concerned about the uncertainty of the future (changes in legislation, materials composition, tonnage). There isn't much appetite in the marketplace for shorter terms contracts due to upcoming legislative changes in material collections / processing requirements and the investment required by Material Recovery Facilities (MRF) providers to comply.
- 3.2.7 The market conditions and appetite from MRF providers informed the term, risk share model and any possible extension periods as part of the new contracts. The new contract offering will have the ability to adapt the contract based on market conditions and legislative changes. The contract length is three (3) years with the option to extend for up to four (4) additional years, exercised in two (2) extension periods of two (2) years each (on a 3+2+2 basis).
- 3.2.8 The approach to the risk share model will consider the impact on the market and service providers of upcoming legislative changes. The key legislative changes that are being factored in during procurement and the likely impacts are detailed below:
- MRF Regulations (October 2024) – Requirement on MRF's to carry out additional sampling on recyclable materials thus increasing their operating costs which have been passed on.
 - Simpler Recycling – Requirement for all Local Authorities across England to collect the same recyclable waste streams for recycling from households. Brent is largely compliant. There will be a requirement for Local Authorities to collect plastic film packaging and plastic bags from 2027. The inclusion of these additional materials will require MRF's to adapt to enable them to process these materials.
 - The Extended Producer Responsibility (EPR) and Deposit Return Scheme (DRS) legislation will impact the amount of recycling generated by households which in turn will mean less materials for the MRF's to process. Producers will be held responsible for the collection, sorting, recycling, or disposal of their product packaging. The policy is designed to transfer the annual financial burden of household packaging waste collection from taxpayers to producers.

- If DRS is adopted, a lot of the most valuable materials MRF's look for could be reduced from the waste stream. The net impact of this legislative change will ultimately mean less of a rebate to Local Authorities however this would be somewhat offset by reduced processing costs.

3.2.9 Data collected from the current MRF contractor provides an insight into accepted and rejected loads, material composition, market value received from the sale of materials etc. This data analysis helps the council's waste and recycling team to focus on recycling improvement required. There is further scope for improvement by working closely with WLWA on the new procurement to include transportation, processing of dry commingled recyclable materials and paper and card.

3.2.10 The contractors for the new contracts will provide services to deliver the collection, sorting and separation of contract materials/Borough collected paper and card at a processing facility to maximise quality. The contractor will also ensure the onward processing/sale of Recyclable Materials for recycling. The material covered under this contract is Household Waste collected material and a small proportion from Communal Waste collections from Ealing and Brent. This material is collected from/bulked at:

- a) London Borough of Brent: Alperton Lane transfer station
- b) London Borough of Ealing: Greenford Road Depot

Lot 1 - Contract for the Transportation and Reprocessing of Co-Mingled Recycling Materials

The contract will include the collection of bulk haulage of material, which is currently managed through a separate contract by WLWA. The new arrangement is to ensure that the whole system costs are evaluated through the procurement process. Contract costs are based on a gate fee/operating cost and a basket value for material sales. The cost will include all collection, handling, sorting and sale of materials. The Operating Cost (OCr) or Gate fee will be subject to indexation on an annual basis.

The contract will be based on an open book basis with the aim of creating transparency. The revenue generated through the sale of materials will be based on actual rates achieved and will be subject to a WLWA share of 95% of the value of the materials. The 95% sale value is then passed on to Brent, and the contractor gets to keep the remaining 5% of the value. As part of the pricing evaluation suppliers are requested to submit sales invoices over a twelve-month period for evaluation through the basket. Basket value prices are based on actual sales prices rather than being pegged to Lets Recycle Index prices.

Contamination thresholds will be 15% which is in line with current arrangements, industry standard and detailed financial modelling carried out by

WLWA. Where material is too contaminated to be processed loads will be downgraded for processing as Energy from Waste (EfW). Borough material will be individually processed so that a clear revenue generation split can be identified and reported back to respective Borough's.

Lot 2 - Contract for Reprocessing of Paper & Cards

This Lot covers the collection and processing service for baled fibre material (Paper and Card) arising from segregated paper and card collections, within Brent (LBB). The contract has been written to create the flexibility for Ealing (LBE) to join the contract in the future so that LBE fibre material will also be processed via Lot 2 and will not remain with Lot 1 contractor.

The contract is expected to generate an income for Brent, with the income from sale of materials and no processing costs to Brent. The contract will cover the collection of baled material and onward sale of materials. Contamination thresholds are 5% and 12% moisture thresholds and is specified in the contract documents. This is again in line with current contract arrangement and industry standards.

3.2.11 WLWA are currently carrying out the procurement process. Brent's Contract Manager for Integrated Street Cleansing, Waste Collections and Winter Maintenance Services is part of the panel for procurement evaluation and moderation. A high-level procurement timetable is provided below for reference.

Activity	Dates
Publish tender documents	Friday 12th December 2025
Site visit date	Morning (am) of Thursday 18th December 2025
Deadline for Clarification Questions	Friday 9th January 2026 at 12:00 GMT
Clarification response deadline (responses made available within the DPS, where the ITT is published)	Wednesday 14th January 2026
Deadline for Tender Returns	Thursday 29th January 2026 at 12:00 GMT
Evaluation of Tenders (including moderation and borough governance approval process (estimated))	Between Monday 2nd February 2026 and Wednesday 18th March 2026
Contract Award Notification	Thursday 19th March 2026
Voluntary Standstill Period (10 x calendar days)	Friday 20th March 2026
Contract Award (estimated)	Monday 30th March 2026
Mobilisation Period (estimated)	Tuesday 31st March 2026 until Friday 5th June 2026
Proposed Contract Start Date	Saturday 6th June 2026

4.0 Stakeholder and ward member consultation and engagement

- 4.1 A market testing exercise with stakeholders was undertaken by WLWA last year on procuring a new contract for the transport and reprocessing of comingled and paper and card dry recyclable materials.
- 4.2 The West London Waste Authority also consulted Brent and Ealing on the procurement exercise. The lead member for Environment has been kept updated on the procurement progress

5.0 Financial Considerations

- 5.1 The estimated contract value for the transportation and processing of comingled recycling materials (Lot 1) over the 7 years term is £12.2m excluding VAT. A breakdown of estimated cost is provided below.

Estimated costs for Lot 1

		Annual Cost	Cost for 3 years initial period	Cost for 5 years including two years extension period	Total contract cost over 7 years including two extension period
Lot 1	Brent	£ 1,750,000.00	£ 5,250,000.00	£ 8,750,000.00	£ 12,250,000.00

- 5.2 The payment to the contractor is dependent on several variables as below and is based on average for the last 12 months.
- Volume of collected recycling tonnage
 - Gate fees (operating cost)
 - Transportation of recycling materials
 - Volume of collected recycling material deemed not recyclable.
 - Material prices at time of processing and an estimated basket income
- 5.3 The cost of the contract for Lot1 will be funded from the existing Shared Contract and Data Hub budget. If clean tonnage is redirected to the processor, the rebate received from the sale of materials will offset some of the costs.
- 5.4 There are no processing costs associated with Paper/Card (Lot 2). The contractors will collect fibre from London Borough of Brent and sell it off in the market and part of the revenue generated is passed on to Brent as income from the fibre recycle. It should be noted that based on market conditions and material price fluctuations income for paper and card will vary month on month. A rough estimate of income breakdown is provided below.

Estimated Income from Lot 2

		Annual Income	Income over 3 years	Income over 5 years	Total income over 7 year
Lot 2	Brent	£ 247,500.00	£ 742,500.00	£ 1,237,500.00	£ 1,732,500.00

Contract Procurement and Management Guidelines

Cabinet Authority to Delegate Report

May 2025

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5.5 Both contracts are subject to inflationary increases, and this risk will be considered as part of the Council's Medium Term Financial Planning.

6.0 Legal Considerations

6.1 Officers are seeking a delegation to the Corporate Director, Neighbourhood & Regeneration, in consultation with the Lead Member for Environment and Enforcement, to authorise the West London Waste Authority (WLWA) to award the contracts referred to in recommendation 2.1. Following completion of the procurement process, and subject to approval of these delegations, Officers will then seek authority from the Corporate Director, Neighbourhood & Regeneration, in consultation with the Lead Member for Environment and Enforcement, to proceed with the award of the contracts.

6.2 The award of the contracts are subject to the Council's own Standing Orders in respect of High Value and Medium Value contracts, given the value of the contract for Lot 1 is valued at £12.2m, and the contract for Lot 2 is valued at less than £2m.

6.3 The contracts are being procured via a Dynamic Purchasing System established prior to 24 February 2025 by the West London Waste Authority, as such, the procurement of the contracts are governed under the Public Contracts Regulations 2015 (PCR 2015). The award decision will also be subject to a 10-day standstill period under the PCR 2015.

6.4 Recommendation 2.2 notes that the Council will enter into a Memorandum of Understanding with the West London Waste Authority and the London Borough of Ealing to cover the respective obligations of the parties in relation to the contractual arrangements and processing of payments. Approval to enter into this Memorandum of Understanding was previously obtained from the Cabinet Member for Environment & Enforcement when authorising the procurement via a waiver of the usual Contract Standing Orders for the procurement. Paragraph 13 of Part 3 of the Constitution gives Individual Cabinet Members, in consultation with the Leader, delegated authority to enter into agreements.

6.5 Officers have been advised by the current contractors that there are no staff eligible to transfer to a new contractor under the Transfer of Undertakings (Protection of Employment) Regulations 2006.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

7.1 Pursuant to s149 Equality Act 2010 (the "Public Sector Equality Duty"), the Council must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act

- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,
- 7.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 7.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.
- 7.5 The proposals in this report have been subject to screening and officers believe that there are no equality implications.
- 7.6 The proposals in this report have been subject to screening and officers believe that there are no health equality implications.

8.0 Climate Change and Environmental Considerations

- 8.1 Both the Borough Plan and Climate & Ecological Emergency Strategy include commitments to expand recycling collection services to all properties in the Borough, thereby, increasing recycling and reducing waste. The procurement of the new contracts will help to achieve these commitments. Diverting more waste from general disposal methods to recycling / reuse is proven to reduce the amount of greenhouse gases produced and allows for the repurposing of materials in the use of manufacturing thus reducing the need to use virgin resources.

9.0 Human Resources/Property Implications (if appropriate)

- 9.1 The services will be provided by an external contractor and there are no human resources implications for Council staff. There are no property implications either at this stage.
- 9.2 Officers have been advised by the current contractors that there are no staff eligible to transfer to a new contractor under the Transfer of Undertakings (Protection of Employment) Regulations 2006.

10.0 Communication Considerations

- 10.1 There are no communication considerations at this stage in the process. Following the award of new contracts the waste and recycling service will work with appointed contractors to plan and produce recycling communication campaign to increase recycling and reduce contamination.

Related document(s) for reference

[Authority to delegate authority to WLWA to lead on procurement for transport and reprocessing materials.pdf](#)

Report sign off:

Jehan Weerasinghe

Corporate Director,
Neighbourhoods & Regeneration