

**INDIVIDUAL CABINET MEMBER DECISION-MAKING
RECORD OF DECISION**

PART A

DETAILS OF REPORT <i>(Officers to complete this section prior to issuing to cabinet member)</i>	
Title of report	Gateway 3 – Variation Decision Deed of Variation Waste PFI
Decision-maker	Cabinet Member for Clean Air, Streets and Waste
Earliest date when decision can be taken	2 July 2024
Key decision – Yes/No?	Yes
Date published on forward plan	May 2024
Date sent to cabinet member	20 June 2024
Recommendation	<p>1. That the Cabinet Member for Clean Air, Streets and Waste approves a variation to the Waste PFI Contract with Veolia ES Limited (Veolia) with a total net benefit value to the council of £2.144m (over the life of the contract) to take account of the following:</p> <ul style="list-style-type: none"> • confirmation of changes to services for the period 2011/12 to 2032/33 that deliver savings to the council with a value of £13.649m (including alternate week collections) • confirmation of changes to services for the period 2010/11 to 2014/15 at a cost to the council of £2.474m (early implementation of kerbside organics collections) • confirmation of implementation of the London Living Wage for the period 2013/14 to 2032/33 for all relevant staff employed in the Waste PFI Contract at a cost to the council of £6.885m • a payment by the council to Veolia with a value of £2.146m for settlement of the claim for planning consent delay compensation • resolution of other contractual matters that have been raised by Veolia and as are documented at appendix A

	<p>2. That the Cabinet Member for Clean Air, Streets and Waste delegates approval to the Director of Environment to agree the final terms of the deed of variation/settlement agreement to be entered into with Veolia to formalise the variations noted in this report and notes that completion of the deed of variation/settlement agreement will be subject to approval of the Department of Environment, Food and Rural Affairs (DEFRA).</p> <p>3. That the Cabinet Member for Clean Air, Streets and Waste notes an amendment to the lease for the Integrated Waste Management Facility that will be dealt with under separate delegated authority to permit the operation of a separate commercial operation by Veolia for the period 2024/25 to 2032/33 in return for rental payments to the council to the value of £1.023m.</p> <p>4. That the Cabinet Member for Clean Air, Streets and Waste notes that the closure of the contract issues highlighted in this report, will allow the council to focus on the process of planning for a new Waste Management Strategy to be in place from 2026 and to begin to plan for the new service delivery arrangements that will be required for waste collection and disposal services from February 2033 to replace the current Waste PFI Contract.</p>
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ORIGINATING AUTHOR'S DETAILS

(Officers to complete this section prior to issuing to cabinet member)

Lead officer	Matt Clubb – Director of Environment
Report author	Michael McNicholas - Head of Waste and Cleaning
¹Contact officer	Michael McNicholas - Head of Waste and Cleaning
Contact Number	020 7525 3449

¹ Named officer to contact on whether representations have been received or not

PART B

(Cabinet member to complete this section)

DECISION(S)

As in report

REASONS FOR DECISION

As in report

**ALTERNATIVE OPTIONS
CONSIDERED**

As in report

REPRESENTATIONS RECEIVED

None

ADDITIONAL ADVICE RECEIVED

N/A

ANY INTERESTS DECLARED

Note: If the decision-maker has a disclosable pecuniary interest in the matter the report must be referred to the full cabinet for decision.

Where a cabinet member may discharge a function alone and becomes aware of a disclosable pecuniary interest in a matter being dealt with or to be dealt with by her/him, the cabinet member must notify the monitoring officer of the interest within 28 days and must not take any steps or further steps in the matter.

If a member is unsure as to whether an interest is a disclosable pecuniary interest they should contact the governance team for advice.

None

DECLARATION

I approve/~~reject~~ the recommendations set out in the report.*

~~or~~

~~I approved an alternative course of action set out in Part B.*~~

~~or~~

~~I have referred this matter to the Full Cabinet for decision.*~~

~~(* - Please delete as appropriate)~~



Signed

Dated 12/07/2024

Cabinet Member

Please return completed hard copy of the form to Constitutional Team, 160 Tooley Street, PO BOX 64529, London, SE1P 5LX – tel: 020 7525 7187.

Seeking advice

You should seek advice from the relevant officer on a number of occasions:

- (a) If you wish to consider alternative options
- (b) If you are considering rejecting the proposals

Otherwise it is at your discretion when you should seek further advice and you should do so when you consider it appropriate.