NORTH LONDON WASTE AUTHORITY

REPORT TITLE: MANAGEMENT OF WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT

REPORT OF: HEAD OF STRATEGY AND SERVICES

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 12 NOVEMBER 2026

SUMMARY OF REPORT:

This report provides Members with details of the current arrangements for the management of Waste Electrical and Electronic Equipment (WEEE) and seeks delegated authority to secure a restructured contract when the current arrangements expire.

RECOMMENDATIONS:

The Authority is recommended to:

A. It is proposed that Members approve the re-procurement of the core Waste Electrical and Electronic Equipment (WEEE) collection and recycling contract, and the commissioning of the kerbside WEEE collection service as separate contracts.

B. It is proposed that Members agree to the commencement of a procurement process (either through the Open Procedure or via a direct award to LondonEnergy Limited) to procure and enter into contract for a term of 3 years, with an option to extend for a period or periods of up to 3 further years in respect of the kerbside WEEE collection service.

C. It is proposed that the procurement process should be for a contract for a term of 3 years, with an option to extend for a period or periods of up to 3 further years in respect of the core WEEE collection and recycling service and the WEEE Bring Bank Network; and

D. It is proposed that Members delegate authority to the Managing Director to undertake the procurement processes, and to award and manage the contracts and report back at a future meeting.

SIGNED:  Head of Strategy and Service

DATE: 5 November 2026

1. CURRENT WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT (WEEE) SERVICES

1.1. The Authority currently contracts with an organisation called European Recycling Platform (ERP) for the treatment of Waste Electrical and Electronic Equipment (WEEE). As required by law, this contract is funded by producers of Electrical and Electronic Equipment through a Producer Compliance Scheme (PCS).

1.2. Legal obligations on WEEE producers are specified in the Waste Electrical and Electronic Equipment Regulations 2013. These require that producers of electrical and electronic equipment are obligated to fund the collection and treatment of specified categories of household WEEE. This is typically delivered through an Environmental Agency administered PCS. The service offer from an approved PCS typically includes a WEEE collection and treatment service from designated collection facilities, principally reuse and recycling centres (RRCs) that are accessible to residents. This is at no cost to local authorities. In addition, the scheme in north London provides a service to empty a network of on-street containers for the deposit of small mixed WEEE items, distributed across the Authority area.

1.3. The current contract delivers the core statutory service described in the previous paragraph at zero cost to the North London Waste Authority (NLWA). PCS Schemes commonly offer additional unfunded discretionary enhancements to improve service accessibility and convenience for residents. These discretionary services are funded by the Authority.

1.4. The Authority currently funds three discretionary elements of the WEEE services:

Kerbside WEEE collection services

1.5. The Kerbside WEEE collection service is a bookable service providing residents with free collections of WEEE items directly from their kerbside properties (this is not available for estate properties). This service offers a minimum of one collection day per week in each borough, with capacity that can be flexed in response to demand.

1.6. Since 2023 there has been a notable increase in WEEE items being disposed of by residents in the Dry Mixed Recycling (DMR) and Residual waste streams, particularly vapes and batteries. This has led to an alarming increase in the number of fires across the Waste Transfer estate at significant cost and disruption to the overall waste management service. It has also contributed to additional contamination of DMR and affected the value of the commodities we sell back to producers. In response the Authority approved, in December 2025, a proposal to use an element of the money received from producers as part of the Packaging Extended Producer Responsibility scheme to expand the WEEE kerbside service to all seven constituent boroughs. This expansion provides residents with safer and more appropriate disposal routes for such materials and is valued above the procurement threshold detailed in the Authority's Contract Standing Orders and the Procurement Act 2023. As set out in the Schedule 2 Appendix.

Commercial WEEE

1.7. The management of commercial WEEE (especially Fridges and Freezers) presents an additional challenge due to gaps in current legislation. In situations where local authorities become the final holder of commercial WEEE such as through fly-tipping or misuse of RRCs, there is currently no funding mechanism in place to cover collection and treatment costs. This results in additional financial pressures for the Authority estimated at £10,000 per annum and is included in the annual budget.

On-Street collection Service

1.8. As referenced at section 1.2 of this report, the PCS contractor collects WEEE from a network of on street containers at no cost to the authority. However, responsibility for managing, maintaining and replacing the network of on-street bins falls to the Authority at a cost which includes a rolling replacement program. This cost of the replacement program is £8,000 per annum and is included in the annual budget.

2. SERVICE PROVISION

2.1. The current contract with ERP commenced in June 2023 and is due to expire on 31 May 2027. ERP formally notified the Authority that it does not wish to exercise the option to extend the contract any further under the existing terms and conditions. The contract included provision that it could be extended for up to two years by mutual agreement. ERP has agreed that they will provide the service until a new contract is awarded.

2.2. The position adopted by ERP reflects a range of sector-wide challenges. These include increased volumes of material to handle, insufficient funding mechanisms for PCS operations, unfunded commercial WEEE streams, limited treatment capacity at Authorised Approved Treatment Facilities (AATFs).

2.3. The current contract manages approximately 3,500 tonnes of WEEE annually.

2.4. The current contractual position provides an opportunity to review and reshape service delivery. In particular, it presents an opportunity to decouple the discretionary kerbside WEEE collection service from the core PCS contract. This would enable the Authority to: test the market with updated specifications that better reflect current operating conditions; and/or explore in-sourcing delivery of kerbside collections via LondonEnergy Limited to achieve improved value for money.

2.5. It is therefore proposed that the Authority undertakes a procurement exercise for: the core and fully funded WEEE collection and recycling service including the emptying of on-street bring banks. As NLWA is a large Authority and handles a relatively large volume of WEEE, there may be options during the procurement to award more than one PCS provider, this will help to improve operational resilience in a volatile market.

2.6. Additionally, it is recommended that the Authority conducts a separate commissioning process for (the discretionary) kerbside WEEE collection service, with an option to award a contract to a third party or direct award the contract to LEL. The Authority is able to direct award a contract to London Energy as the arrangements falls outside the scope of the Procurement Act 2023 and the arrangements with LEL meet the requirements for direct award.

2.7. As noted, the core collection of WEEE from RRCs and Bring Banks is funded by producers through the PCS and is provided at no cost to the Authority. However, the total concession contract value over 6 years, including extensions, is valued above the procurement threshold detailed in the Standing Orders, as set out in the appendix.

2.8. The kerbside collection service represents a discretionary enhancement at an estimated value that is above the procurement threshold detailed in Contract Standing Orders.

3. RECOMMENDATION

3.1. It is proposed that Members approve the re-procurement of the core Waste Electrical and Electronic Equipment (WEEE) collection and recycling contract, and the commissioning of the kerbside WEEE collection service as separate contracts.

3.2. It is proposed that Members agree to the commencement of a procurement process (either through the Open Procedure or via a direct award to LondonEnergy Limited) to procure and enter into contract for a term of 3 years, with an option to extend for a period or periods of up to 3 further years in respect of the kerbside WEEE collection service.

3.3. It is proposed that the procurement process should be for a contract for a term of 3 years, with an option to extend for a period or periods of up to 3 further years in respect of the core WEEE collection and recycling service and the WEEE Bring Bank Network; and

3.4. It is proposed that Members delegate authority to the Managing Director to undertake the procurement processes, and to award and manage the contracts and report back at a future meeting.

3.5. This approach will ensure that future contractual arrangements align with current market conditions, deliver appropriate service levels, and provide flexibility to tailor services to the needs of constituent boroughs and residents.

4. EQUALITIES IMPLICATIONS

4.1. There are no equalities implications associated with this report.

5. COMMENTS OF THE LEGAL ADVISER

5.1. The Authority must adhere to the Contract Standing Orders and the Procurement Act 2023. Under Section 12 of the Procurement Act 2023, the Authority is legally obligated to deliver value for money; maximise public benefit; share information to allow suppliers and others to understand the Authority's procurement policies and decisions; and act, and be seen to act, with integrity.

5.2. In respect of the concession the core WEEE collection and recycling service and the emptying of the on-street network: The proposed procurement will amount to a concession type arrangement which is below the threshold at which the Procurement Act 2023 would apply and as such the Authority's Contract Standing Orders are applicable. It is important that a proper audit trail is maintained throughout the procurement process to evidence that the Authority's Standing Orders have been adhered to and that there has been a competitive process which satisfies the principles that underpin the Procurement Act 2023. In addition, there is a discrete service element relating to the WEEE Bring Bank collection. This aspect of the arrangement falls below the relevant procurement threshold at which the Procurement Act 2023 would apply.

5.3. In respect of the services provision discretionary service (kerbside WEEE collection service): The Authority must ensure that the tendering process complies with the rules for public procurement as contained in the Procurement Act 2023, including adhering to minimum notice periods for tender submissions and ensuring that all interested parties have sufficient time to prepare bids. The Authority must also establish a clear and documented evaluation process, ensuring that the award decision is made based on the pre-defined criteria, such as cost, technical ability, and social value, without bias or discrimination.

5.4. Should the Authority wish to award a contract deemed to be above threshold via a direct award to LondonEnergy Limited, this is permissible as the arrangement falls outside the scope of the Procurement Act 2023 in accordance with Schedule 2 (exempted contracts). In particular, the "Teckal" (in-house) exemption is satisfied. For these purposes, the Authority must exercise control over LondonEnergy Limited similar to that exercised over its own departments. This includes circumstances where: (i) the Authority is a parent undertaking within the meaning of the Companies Act 2006, with no shares owned by any person that is not a public authority; (ii) no person other than the Authority (or authorities acting jointly) exerts a decisive influence over the entity; and (iii) more than 80% of the activities carried out by the entity are undertaken for or on behalf of the Authority (or other entities controlled by it).

5.5. The Authority will need to have regard to the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) and consider whether they may apply to this re-procurement, in particular whether the arrangements constitute a "service provision change" within the meaning of the Regulations or otherwise fall within their scope.

6. COMMENTS OF THE FINANCIAL ADVISER

6.1. The Financial Adviser has been consulted in the preparation of this report and comments have been incorporated.

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