

**Report for:** Cabinet Member Signing, Cabinet Member for Housing, 11 June 2026

**Item number:** 6

**Title:** Veolia Waste Contract award for 2027 for Housing Estates

**Report authorised by:** Sara Sutton, Corporate Director Adults Housing and Health

**Lead Officer:** Neehara Wijeyesekera, Assistant Director Housing Management

**Ward(s) affected:** All

**Report for Key / Non Key Decision:** Key Decision

## **1. Describe the issue under consideration**

- 1.1 At its meeting of 10 March 2026, Cabinet resolved to award a contract for recycling & waste collection and street cleansing services, subject to the completion of a 30-day section 20 consultation with leaseholders.
- 1.2 This paper presents the results of the leaseholder consultation for consideration, and it is the view of the council that following the review of all observations received, there is nothing which would prevent the Council from entering into the contract arrangements with Veolia as agreed in March 2026 by Cabinet.

## **2. Cabinet Member Introduction**

- 2.1 n/a

## **3. Recommendations**

It is recommended that the Cabinet Member for Housing:

- 3.1 Approve the final award of the waste contract to the preferred bidder Veolia ES (UK) Ltd for the sum of £230,358,134 commencing from 17 April 2027 for an initial period of 8 years with an option to extend for a further period(s) of 8 years in aggregate, having taken full account of the observations about the housing external cleaning element of the overall contract made by leaseholders, and the Council's comments and responses.

## **4. Reasons for decision**

- 4.1 The council has an obligation to consult with leaseholders under Section 20 of Landlord and Tenant Act 1985 where it intends to award a contract which exceeds 12 months with costs over £100 per year.

- 4.2 Cabinet approved the provisional award of a contract for recycling & waste collection and street cleansing services in March 2026 which contains external cleansing on housing estates as part of the contract award. The decision was subject to the completion of the required Section 20 leasehold consultation and review any observations made.
- 4.3 The council has completed its review of the observations received and reports on the observation received for the Cabinet Member to take into account in making the final award.

## **5. Alternative options considered**

- 5.1 The council could do nothing. However, this would leave the council unable to award the Contract and therefore would not be able to deliver statutory services from April 2027.
- 5.2 The council could decide not to proceed with the award of the contract, however none of the observations received have provided a reason for the council to do so. Not awarding the contract would again leave the council unable to deliver statutory services from April 2027.

## **6. Background information**

- 6.1 During 2025 the council undertook a procurement exercise for recycling & waste collection and street cleansing services, which included services provided across the external areas of housing estates.
- 6.2 In March 2026 Cabinet approved the award of a contract to Veolia ES (UK) Limited starting on 17 April 2027 for an initial 8 year period, with a total value of £230,358,134.
- 6.3 The contract scope includes all statutory waste collection services, including recycling, food waste and non-recycling collections and additional services such as garden waste and bulky waste as well as cleansing of the public highway across the borough.
- 6.4 The contract also provides external cleansing services across the council's housing estates, providing a consistent approach across the highway and estates, and delivering management efficiencies and sharing of resources.
- 6.5 The services provided across housing estates includes litter picking and sweeping of pavements, roads & grassed areas, emptying of litter bins, cleansing of play areas, washing of containers and bin stores and removal of fly-tipping and graffiti.
- 6.6 The services provided to housing estates is estimated to cost approx. £4m per year and will be recharged to the residents of the estates. This is consistent with current practices.
- 6.7 Section 20 of Landlord & Tenant Act 1985 requires landlords to formally consult leaseholders before undertaking qualifying works or entering into qualifying long-term agreements where individual leaseholders' contributions are expected to exceed prescribed financial thresholds. The consultation process is set out in regulations and

involves issuing notices to leaseholders, inviting observations, and, where applicable, allowing leaseholders to nominate contractors. The purpose is to ensure transparency, accountability, and value for money in the procurement of works and services.

- 6.8 This contract is a Qualifying Long Term Agreement for the purposes of the relevant law. The stage one leasehold consultation under section 20 should have taken place prior to going out to tender during 2024. However, while there was large scale engagement in 2024 about the waste contract and methods of delivery options, formal section 20 consultation was not undertaken. The engagement was highlighted in the 10<sup>th</sup> March 2026 Cabinet decision.
- 6.9 However, to mitigate this omission, in January/February 2026, letters were served which explained the implications to leaseholders and sought views with regard to the long term arrangements for housing estates external cleaning. This highlighted how and why the housing element of the contract would result in a continuation of similar arrangements but under one overall large council wide contract. The letter also indicated that the Council would seek dispensation from stage one consultation. As there were no observations about the tendering process undertaken to date, and no objections to the award, Cabinet provisionally awarded the contract on 10<sup>th</sup> March 2026 subject to stage two consultation.
- 6.10 The formal stage two section 20 leasehold consultation started on 19 March 2026 and concluded on 19 April 2026, it was delivered to all leaseholders, and received 15 observations in response.
- 6.11 An overview of all observations received and officers' responses is provided in Appendix 1.
- 6.12 The main observations were regarding transparency, fairness, and oversight of costs and service delivery under the new contract, alongside support for improvements such as more consistent cleansing standards, enhanced digital reporting, and clearer performance monitoring. The proposed contract addresses these issues through a more data-driven approach to cost apportionment, strengthened performance management arrangements, defined service standards, including response times and frequencies, and commitments to improved communication, accessibility, and service coverage across all estates.
- 6.13 The cost of the external cleansing services will be recharged to tenants and leaseholders through annual service charges. This is a continuation of external cleansing recharges under contract arrangements, which will proceed into the new contract arrangement based on the new contract award values.
- 6.14 It is the view of officers that following the review of all observations received, there is nothing which would prevent the Council from entering into the arrangements with Veolia.

## **7. Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes**

7.1 This decision relates to the Responding to the Climate Emergency theme of the Corporate Delivery Plan, specifically supporting:

7.1.1 a cleaner, low waste Haringey,

7.1.2 a greener Haringey,

7.1.3 a zero carbon and climate resilient Haringey, and

7.1.4 better air quality in Haringey.

7.2 The estate environment also contributes towards maintaining environment in line with homes for the future

## **8. Carbon and Climate Change**

8.1 Further comments are not required, as the actions from the previous are still relevant and will support the mobilisation of the contract.

## **9. Statutory Officers comments (Director of Finance ( procurement), Head of Legal and Governance, Equalities)**

### **Finance**

9.1 The purpose of this report is to seek approval from the Cabinet Member for Housing and Planning to note the responses received during the consultation process, in order to enable the award of the contract to the preferred bidder, Veolia ES (UK) Limited. Leaseholders were consulted on the proposed external cleansing of housing estates in accordance with Section 20 of the Landlord and Tenant Act 1985.

9.2 In March 2026, Cabinet approved the award of the contract to the preferred bidder, Veolia ES (UK) Limited. The contract is scheduled to commence on 17 April 2027 for an initial term of eight years, with a total contract value of £230 million, which includes the provision of external cleansing services across housing estates.

9.3 The services proposed across housing estates include litter picking; sweeping of pavements, roads, and grassed areas; emptying of litter bins; cleansing of play areas; washing of refuse containers and bin stores; and the removal of fly-tipping and graffiti. The estimated annual cost of these services is approximately £4 million, which will be recharged to estate residents.

9.4 The cost of the external cleansing services will be recharged to tenants and leaseholders through annual service charges from the Housing Services. This is a continuation of external cleansing recharges under contract arrangements, which will proceed into the new contract arrangement based on the new contract award values.

### **Procurement**

- 9.5 Strategic Procurement has been consulted on and notes the contents of this report. There are no procurement ramifications arising from the recommendations at paragraph 3 of the report

### **Director of Legal & Governance**

The Director of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.

- 9.6 In accordance with Section 20 of the Landlord and Tenant Act 1985 (as amended) and Schedule 2 of the Service Charges (Consultation Requirements) (England) Regulations 2003, the Council is required to consult all affected leaseholders and Recognised Tenants' Associations where it wishes to enter into a qualifying long-term agreement - an agreement for the provision of works or service for in excess of one year where the amount payable by any one contributing leaseholder under the agreement exceeds £100 in any one year.
- 9.7 The legislation requires a two-stage consultation process; firstly, before tenders are invited, leaseholders are invited to comment on what the Council intends to do; secondly, once the Council has formulated its proposal – including (provisionally and subject to consultation) to whom to award the contract – leaseholder comments are invited on that proposal. Once that consultation has been concluded, the decision maker must then make a final decision, taking conscientiously into account any observations made. As set out in the body of the report, the Council has not complied with all the statutory consultation requirements. It is open to the Council to apply to the First-tier Tribunal (Property Chamber) for an order dispensing with the statutory requirements, and leaseholders have been advised that that is the Council's intention. This application will take place after the decision to which this report relates.
- 9.8 Pursuant to the provisions of the Council's Contract Standing Order (CSO) 2.01(c), Cabinet may approve the award of a contract where the value of the contract is £500,000 or more and as such the recommendation in paragraph 3.1 of the report is in line with the Council's CSO.
- 9.9 Further to paragraph 9.8 above, and pursuant to the provisions of the Council's CSO 0.08, a decision reserved for Cabinet may be taken by a Cabinet Member with the agreement of the Leader and as such the recommendation seeking approval from the Cabinet Member for Housing in paragraph 3 of the report is in line with the Council's CSO so long as the Cabinet Member is taking the decision with the agreement of the Leader.
- 9.10 There is no legal reason why the Cabinet Member should not adopt the recommendations set out in this report.

### **Equality**

- 9.11 An Equality Impact Assessment (EqIA) was undertaken as part of the original Cabinet decision in March 2026 and considered the potential impacts of the new waste, recycling and street cleansing contract, including estate cleansing services. This report relates specifically to the outcome of the statutory Section 20 consultation with leaseholders and does not introduce any substantive changes to the service model or scope previously assessed. Therefore, a further full EqIA has not been required.
- 9.12 The proposal is expected to have overall positive impacts on residents, including those with protected characteristics, through:
- 9.13 Improved and more consistent cleansing standards across housing estates, which particularly benefits older people, disabled residents, and families with young children, who may be more reliant on clean, safe and accessible communal areas.
- 9.14 Enhanced removal of fly-tipping, graffiti and waste, supporting community safety and wellbeing, which can disproportionately affect more vulnerable groups.
- 9.15 A more consistent borough-wide approach to service delivery, improving fairness and service equity across estates.
- 9.16 The Section 20 consultation process was undertaken to ensure leaseholders had the opportunity to provide observations on the proposals. While only a small number of responses (15) were received, key themes included transparency of costs, fairness in charging, and service quality. These have been addressed through strengthened performance monitoring, improved communication commitments, and clearer cost apportionment mechanisms within the contract.
- 9.17 There is a potential financial impact on leaseholders and tenants, as external cleansing costs (approximately £4m per annum) will continue to be recharged through service charges. This may disproportionately affect residents on lower incomes, who may also share protected characteristics. However:
- 9.18 These arrangements represent a continuation of existing charging practices rather than a new charge.
- 9.19 The contract aims to deliver improved value for money and service quality, helping to mitigate the impact of costs.
- 9.20 Residents will continue to have access to existing financial support mechanisms where applicable.
- 9.21 No specific adverse impacts on any protected characteristic group have been identified that would prevent the Council from proceeding with the contract award. The Council will continue to monitor service delivery and resident feedback, including from underrepresented groups, throughout contract mobilisation and delivery, and will take reasonable steps to mitigate any emerging disproportionate impacts.

## **10. Use of Appendices**

10.1 Appendix 1 - List of observations & responses

## **11. Background papers**

11.1 Cabinet Report, 10 March 2026

<https://www.minutes.haringey.gov.uk/documents/s156417/Award%20of%20RWC%20and%20AC%20contract.pdf>