

NORTH LONDON WASTE AUTHORITY

REPORT TITLE:

ARSENAL RELOCATION - UPDATE

REPORT OF:

HEAD OF WASTE STRATEGY AND CONTRACTS

FOR SUBMISSION TO:

AUTHORITY MEETING

DATE:

28th April 2004

SUMMARY OF REPORT:

This report advises Members of progress with the relocation of the Authority's waste transfer station at Ashburton Grove to Hornsey Street. The construction work continues apace and the programme remains on-target for practical completion (and relocation of the Authority's operations) at the start of August 2004.

RECOMMENDATIONS

1. The Authority is recommended to note the report

**Signed by Head of Waste Strategy
and Contracts**

.....

Date:.....

1. INTRODUCTION

- 1.1 At its meeting in April 2003 the Authority agreed to the relocation of its Ashburton Grove waste transfer station to a new waste transfer station and recycling bulking facility at Hornsey Street, Islington and a rail-side location to facilitate possible future rail transfer of the wastes. The relocation is to be provided by Arsenal Football Club, who want the Authority's existing site as part of the land required for their proposed 60,000-seat stadium.
- 1.2 The new waste facility is part of a larger building designed to accommodate both the Authority's activities and those of LB Islington's vehicle, depot and waste contractor ICSL Accord (who also own and occupy part of Arsenal FC's development site).
- 1.3 The fundamental principals of the agreement are that Arsenal FC will pay for the design, construction and proving of the new waste facility, which they will then exchange for the Authority and LB Islington's land. The Authority and LB Islington together will have a long-term leasehold interest in the new site that is effectively a freehold interest. The Authority and LB Islington will let relevant parts of the new facility to their contractors and will pay their contractors to operate specified services.
- 1.4 The over-arching relocation agreement governing the whole transaction was signed on 8th October 2003 under the authority delegated to officers at the April 2003 meeting of the Authority. The Authority and LondonWaste Limited simultaneously agreed a contract variation and sub-lease for operating the facility. Arsenal re-commenced work on the Hornsey Street Waste and Recycling Facility in January 2004 with practical completion expected in the first week of August 2004.

2. RECENT PROGRESS

- 2.1 The relocation agreement was conditional on Ashburton Properties Ltd (the company set up by Arsenal FC for the purpose of this relocation) achieving financial close with its bankers, i.e. that the banks or other lenders or investors give final approval to the necessary loans. Financial close was completed on 21st February 2004.

Facility Construction

- 2.2 Construction at the facility has continued apace with all major architectural elements now completed. Mechanical and electrical services are largely finished in the Authority's parts of the building and linings and detailed fittings are being commenced. The six waste compactors are in place and will shortly be dry-tested in co-operation with LondonWaste Limited.

- 2.3 The London Borough of Islington have requested the Authority's agreement to the relocation of a dog pound to a small piece of land adjacent to the Hornsey Street entrance to the facility. The Head of Waste Strategy and Contracts has indicated that the dog pound raises new traffic safety and noise concerns and has requested that these be addressed before the Authority gives its agreement to the relocation.
- 2.4 Over 70 minor design change notices have so far been requested during the construction under a process and turnaround target times agreed as part of the relocation agreement. These design change notices have been reviewed and resolved by the Strategy and Contracts team and the Authority's Technical Consultant - Fichtner Consulting Engineers - at fortnightly design meetings.
- 2.5 The Independent Engineer, who has responsibility for confirming the project as complete and suitable for occupation by the relocation partners, has been monitoring the construction and the contractor's (Sir Robert McAlpine Limited) work. The Independent Engineer has been provided with the Authority's construction snagging list and is preparing a composite list from all the parties involved in the facility to ensure a co-ordinated approach to snagging is taken.
- 2.6 The Independent Engineer has requested the Authority's and LondonWaste Limited's support in commissioning and proving the Authority's parts of the building to ensure that the necessary tests and validations are to the Authority's satisfaction. As a result, the Authority and its Technical Consultant - Fichtner Consulting Engineers - and London Waste Limited will be attending fortnightly commissioning meetings and identifying and carrying out commissioning checks in addition to the Independent Engineer's checks on the overall construction.
- 2.7 Operational testing (including constituent borough vehicles starting to progressively move over to Hornsey Street) is now scheduled for July 2004 and "practical completion" (the trigger for the Authority actually re-locating) is scheduled for August 2004.

Timetable

- 2.8 Arsenal FC's latest programme timetable remains as follows:

PROGRAMME	DATE
Planning Application	End of May 2001
Public Consultation	June/July 2001
Amendments to Planning Application	Received 18 September 2001
Decision by LBI Special Council	Approved 10 th December 2001
Decision by Mayor of London	Approved 10 th January 2002
Decision by Secretary of State	Approved 20 th February 2002
Commence site clearance at Hornsey	July 2002

Street	
Commence construction at Hornsey Street	September 2002
Commence temporary access arrangements at Ashburton Grove	March 2003
Agree Terms with NLWA	8 October 2003
Agree Terms with LB Islington & IC SL Accord	8 October 2003
Recommence Construction at Hornsey Street	January 2004
Handover Period Ashburton Grove to Hornsey Street	Operational testing period July 2004
Contract Finish - Hornsey Street Operational	Practical completion August 2004

3. RECOMMENDATION

3.1 The Authority is recommended to note this report.

4. COMMENTS OF THE FINANCE OFFICER

4.1 The 2004/05 budget allows for the increased operating costs of the new Hornsey Street facility.

5. COMMENTS OF THE LEGAL ADVISER

5.1 The Legal Adviser's comments have been incorporated within the report.

Local Governments Act 1972 – Access to information

Reports to the Authority:-

Arsenal Relocation Update Report, 5/2/03, 23/4/03

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Report Ends