

NORTH LONDON WASTE AUTHORITY

REPORT TITLE: TRANSFER STATION IN WEST OF AREA

REPORT OF: HEAD OF STRATEGY AND SERVICES

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 5 DECEMBER 2024

SUMMARY OF REPORT:

This report provides an update on the development of a long-term replacement for Hendon Waste Transfer Station and Rail Head.

RECOMMENDATIONS:

The Authority is recommended to note the update provided.

SIGNED:  Head of Strategy and Services

DATE: 25 November 2024

1. PURPOSE OF REPORT

- 1.1. The report updates Members on the progress that has been made in developing a long-term replacement for the Hendon Waste Transfer Station and Rail Head (Hendon WTS). Under a settlement agreement with the London Borough of (LB) Barnet, LB Barnet has lead responsibility for securing a replacement. This report updates on latest developments.

2. BACKGROUND

- 2.1. To facilitate the development of Brent Cross and Cricklewood, LB Barnet submitted on 15 September 2016 the Compulsory Purchase Order (No 3) 2015 to the Secretary of State to authorise a compulsory purchase of the Hendon WTS, under section 226 (1)(a) of the Town and Country Planning Act 1990.
- 2.2. On 12 September 2017, a Settlement Agreement between LB Barnet, NLWA and LondonEnergy Ltd (LEL) was agreed, whereby LB Barnet agreed not to use its compulsory purchase powers in return for NLWA and LEL complying with the terms of the settlement. Under the Settlement Agreement Barnet agreed to acquire a replacement site and carry out the required works to provide an alternative transfer station.
- 2.3. The settlement agreement identified a potential site at Geron Way in Barnet and a detailed design was developed with a capacity of 130,000 tonnes. The transfer station in the west of the area is used by LB Barnet and LB Camden. Under the terms of the settlement agreement, Camden had guaranteed capacity of 36,475 tonnes per annum (tpa) in 2025/26 rising to 37,201 tpa in 2034/35. Therefore, to the extent that LB Barnet in the future generates more waste than can be accommodated at Geron Way, alternative arrangements would be needed, such as direct delivering a proportion of waste to the EcoPark.
- 2.4. In early 2020 a Transfer Station operated by Seneca Environmental Solutions Ltd (Seneca) situated in Hannah Close, Wembley (Wembley TS) was identified as being available on a short-term lease basis.
- 2.5. On 7 September 2020, the Programme Committee approved the leasing of the Seneca Resource Recovery facility in Wembley, for a period of seven years with a break clause after five. This would operate in place of the Hendon transfer facility. The Programme Committee also approved a variation to the Settlement Agreement, so as to give LB Barnet greater time to provide a long-term new facility. The lease commenced on 27 November 2020.
- 2.6. Taking a lease at Wembley was beneficial for both the LB Barnet and the Authority. The option supported the early exit from Hendon TS before the Geron Way facility was developed. The much larger Wembley TS also provide additional operational

flexibility that gave greater resilience to operations during the delivery period of the North London Heat and Power Project (NLHPP).

- 2.7. In early 2022, Seneca sold the Wembley Transfer Station and surrounding land to British Land. The sale of the freehold provided an opportunity to discuss with the new landowner the possibility of entering a long-term lease for the site on Hannah Close or part of it. This was led by LB Barnet who retain the responsibility to provide a long-term facility. During initial discussions with British Land, they indicated would seek a substantial uplift in annual rent if the lease for the current footprint of facility were extended for the long term.
- 2.8. There are potential benefits to locating to an alternative site other than Geron Way. Such an alternative would free up the Geron Way site for residential or commercial development as part of the Brent Cross regeneration project and could provide increased capacity for managing waste compared to the relatively constrained site at Geron Way. Recognising the risk to LB Barnet, as described in section 2.3, two possible designs for an alternative facility at Wembley were developed by teams from LB Barnet and the Authority. One was a replica of the Geron Way facility, and the other was a larger facility which would provide additional capacity giving resilience against future waste volume changes and reducing the risk to LB Barnet.
- 2.9. LB Barnet have led negotiations with British Land, as the key question is whether the increased cost of providing a site at Wembley is outweighed by operational and placemaking benefits from freeing up the Geron Way site. The feedback from LB Camden is that the location of the Wembley facility works well for their services.

3. UPDATE

- 3.1. The Settlement Agreement was varied in 2022 following a December decision taken by Members, highlighted at paragraph 3.1.1, to provide time for additional modelling and feasibility work on a revised Wembley facility.
 - 3.1.1. ***Agree to delegate to the Managing Director, in consultation with the Chair and Vice Chairs, the authority to revise the Settlement Agreement with the London Borough of Barnet (LB Barnet), the operating contract with LondonEnergy Ltd (LEL) and the lease agreement for the Wembley site***
- 3.2. Work was undertaken to model the maximum performance which could be obtained from a smaller facility – replicating the requirements set out in the current Settlement Agreement described in paragraphs 2.2 and 2.3 above so that LB Barnet can have the best understanding of the capacity risk they would be likely to be carrying and assess the value of that.

3.3. Following completion of the work described in paragraph 3.2, officers have received confirmation from LB Barnet that it had not be possible to secure an agreement with British Land for a smaller facility at the Wembley location. As a result, the focus has now returned to Geron Way - the site identified in the 2016 Settlement Agreement.

4. NEXT STEPS

4.1. LB Barnet has submitted outline plans for a new facility at Geron Way and has served notice on the Authority to respond to these plans before the 25th of November 2024.

4.2. NLWA officers working with LEL (the operator) and WSP as joint technical advisers are currently reviewing these plans ahead of issuing a formal response, required by the Settlement Agreement.

4.3. LB of Barnet have provided a high-level timeline indicating the achievement of key milestones in delivering a new facility at Geron Way, ahead of the current temporary lease at Wembley coming to an end.

- RIBA 4 Design completion – **December 2024**
- Price and Programme for construction – **February 2025**
- Construction Start Date – **September 2025**
- Practical Completion – **August 2027**
- Dual Running Period – **Sept 2027 to Nov 2027**
- Wembley Lease End – **27 November 2027**

4.4. Officers will coordinate with LB Barnet to secure the new facility in line with this timeline and will report to future meetings on progress.

5. EQUALITIES IMPLICATIONS

5.1. There are no equality implications associated with this report

6. COMMENTS OF THE LEGAL ADVISER

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

7. COMMENTS OF THE FINANCIAL ADVISER

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

List of documents used:

Conformed Settlement Agreement

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