

NORTH LONDON WASTE AUTHORITY

REPORT TITLE: NORTH LONDON HEAT AND POWER PROJECT UPDATE

REPORT OF: PROGRAMME DIRECTOR

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 05 DECEMBER 2024

SUMMARY OF REPORT:

This report provides the Authority with an update on progress of the North London Heat and Power Project including the Energy Recovery Facility.

RECOMMENDATIONS:

The Authority is recommended to:

- A. Note and comment on the contents of the report.

SIGNED:  Programme Director

DATE: 25 November 2024

1. INTRODUCTION

- 1.1. The North London Heat and Power Project (NLHPP) is North London Waste Authority's ambitious plan to redevelop the 53-year-old Edmonton EcoPark, delivering a new sustainable waste hub to replace the existing Energy from Waste (EfW) plant and provide flagship recycling facilities for north London's residents.
- 1.2. The existing EfW plant will be replaced with a new Energy Recovery Facility (ERF), which will provide a green solution to treat non-recyclable waste in the UK. The programme of works also includes a Resource Recovery Facility (RRF) for reception and transfer of waste, incorporating a public Reuse and Recycling Centre (RRC) and EcoPark House, a vibrant visitor and education centre which will be home to Edmonton Sea Cadets. Officers are working closely with LondonEnergy Ltd (LEL) as operators of the existing and new facilities.
- 1.3. The report structure provides:
 - 1.3.1. **Section 2:** Programme summary
 - 1.3.2. **Section 3:** Delivery developments
 - 1.3.2.1. EcoPark South, the RRF, RRC, EcoPark House; and
 - 1.3.2.2. New ERF plant delivery
 - 1.3.3. **Section 4:** Programme wide initiatives: Social Value, Communications and Health, Safety and Environment update
 - 1.3.4. **Sections 5:** Cost and Risk position
 - 1.3.5. **Appendix A:** Glossary of abbreviations

2. PROGRAMME DIRECTOR'S SUMMARY

- 2.1. Construction on the ERF is progressing, with a good level of productivity on site. The first phase of the construction works is nearing completion; which allows the follow on of Mechanical, Electrical and Piping (MEP) works. The workforce carrying out the activities covered by the National Agreement for the Engineering Construction Industry (NAECI) is currently delivering the structural steelwork. The workforce is being well utilised with numbers remaining constant and expected to increase soon. NLWA and Acciona are nearing the end of discussions to consider contractual changes with the aim to give certainty to the next stages of delivery.
- 2.2. The RRF and RRC continue to operate safely and efficiently in a steady state. The RRF started accepting waste from boroughs in April, and the RRC opened to the

public in July 2024 with positive feedback received from users of both facilities. EcoPark House, the final EcoPark South facility was handed over to LEL in mid-September, and external groups are expected to be able to be booked in from mid-December. All three EcoPark South assets will be operating in business as usual from January 2025.

- 2.3. The NLHPP, through Acciona and their supply chain, have continued to deliver a range of high-quality social value initiatives for north London communities, such as apprenticeships, local spend, community projects and school engagement. Four new apprentices have been secured to secured through Acciona and the supply chain.
- 2.4. The focus remains on health, safety and environment including the regular Health, Safety and Environment forum held in October to discuss lessons learnt, best practice, sharing of knowledge and plan for initiatives. This was attended by NLHPP, principal and sub-contractors.

3. DELIVERY DEVELOPMENTS

EcoPark South RRF and RRC

- 3.1. The RRF and RRC are successfully operating safely and efficiently, with snags and defects being identified and closed out with the main contractor Taylor Woodrow. The RRF continues to operate at 100% availability.
- 3.2. NLWA hosted elected Members, Borough senior officers and officers from East London Waste Authority on a visit to the RRC; as they are looking at best practice examples as they prepare for retendering the service in East London. They were particularly interested in the exemplar safety features and enhanced user experience, the pedestrian and cycle access and split-level design.

EcoPark House

- 3.3. EcoPark House is almost ready for external visitors. The building was handed over in mid-September, with Taylor Woodrow close to completing the final snagging activities.
- 3.4. As part of transition into Business as Usual (BAU); activities to finalise readiness for operations by LondonEnergy Limited (LEL) include arranging cleaning services, completing safety and operational policies and technical aspects such as IT.. This work is nearing completion and there are not expected to be any operational barriers to commencing the education offer.
- 3.5. The education offer and facility readiness test events will involve LEL and NLWA staff and have been taking place successfully. The first external group, Ferry Lane Primary school from Haringey, is due to visit in mid-December. Testing and

optimisation will continue into January with initial groups including borough councillors, community organisations, and more schools involved.

- 3.6. NLWA's education sessions have been delivered in seven schools and has been well received. Work continues positively on gaining the Council for Learning Outside the Classroom accreditation.
- 3.7. The Sea Cadets, EcoPark's lasting social value legacy, are planning the substantial task of returning their equipment to EcoPark House, recruiting and training volunteers, and completing required paperwork. In parallel, we are ensuring all necessary legal, health, and safety documentation is in place.

New ERF plant delivery

- 3.8. Construction activity on site has increased, and it is being carried out efficiently. MEP equipment has begun to be delivered to site, including the main station transformer, several process water tanks, the Incinerator Bottom Ash (IBA) steel works and the Bunker steelwork and associated crane rails.
- 3.9. The IBA structure has most of the precast support columns installed, which will be used to support the main office area. IBA steelwork which supports the IBA cranes and the administration block is currently underway. The main hopper deck steel work is being installed. This month, NLHPP is expecting to take delivery of some of the main roof support steel columns which in time will support the roof over the Flue Gas Treatment (FGT) hall.
- 3.10. Within the NLHPP and NLWA; there is a focus on people for the next stage to efficiently deliver the ERF on the client side to best value principles. This includes a NAECI specialist post within the team, as a mitigation to the delivery challenges around this aspect.
- 3.11. The client team has been assessed in light of the current stage of delivery. Where possible, resources are being shared across NLWA and the NLHPP project, and a restructure and rationalising within the NLHPP team has taken place to provide focus to the ERF; now that EcoPark South is substantially complete. The uncertainty with delivery has been factored in to allow a flexible approach.
- 3.12. Digital tools are being optimised, and more activity coming in under NLWA from external consultants including the programme software; automating links between different workstreams and giving up to date cost and schedule information for the wider team and for reporting.



Figure 1: Substation concrete foundation slab for substation, one of the last deep pours.



Figure 2: Billington, a subcontractor, continue IBA steelwork.

4. PROGRAMME WIDE INITIATIVES

Social Value

- 4.1. The Project has continued to deliver progress against its Social Value targets over the last few months. In total to the end of October 2024 the Project has delivered:
- 4.1.1. 57 new apprenticeship opportunities created, and 96 apprenticeship years delivered or committed (DCO Target: 100 apprenticeship years delivered);
 - 4.1.2. 221 training placements, by 170 individuals (DCO Target: 225 training placements delivered);
 - 4.1.3. 518 jobs for local people (in headcount terms), equivalent to 20% of the workforce (Project Target 25%);

- 4.1.4. Approximately £50.7 million spend with local businesses in the supply chain, representing 9.0% of total spend on the Project (Project Target 10%);
- 4.1.5. Project team engagement with over 4,150 students from 71 local schools and colleges;
- 4.1.6. Approximately £154,200 donations and nearly 1,640 volunteering hours donated to 53 local community organisations (ERF Contract Donations Target: £187,500 and Volunteering Target: 9,775 hours);
- 4.1.7. Over 900 hours of EDI training delivered to the on-site workforce.
- 4.2. Three Acciona trainees completed their training during October. Two long-term trainees have now been onboarded into roles in Acciona, and a short-term trainee completed a two-week placement with the Social Value team.
- 4.3. One new trainee joined Acciona beginning a long-term (three month) Construction Site Supervisor training placement over the last period.
- 4.4. Two school engagements have taken place; eight students from West Lea SEN School in Enfield visited the NLHPP site and Acciona colleagues delivered a presentation on Energy from Waste and career insights; and two Acciona colleagues attended an apprenticeship event at Bridge Academy Secondary School in Hackney and spoke to a group of over 100 students about the apprenticeship journey from application to career.
- 4.5. In the past two months, four new apprentices have been onboarded (three with Byrne Bros. and one with Acciona). Once their onboarding forms have been completed, they will be added to the reporting.
- 4.6. The ERF social value data verification process is underway and is due to be completed by the end of the year.

Communications

- 4.7. The NLHPP communications team have continued to provide milestone updates against key project achievements. Most recently this has featured the start of steel works, marking the next phase of construction, a transformer arriving onsite and awareness days delivered with Acciona to support Suicide Prevention, Breast Cancer and Men's Health. Job advertisements continue to be promoted across the NLHPP website, borough contacts and social media posts.
- 4.8. Activity to respond to enquiries about the ERF project phases continues with reference to the reporting made publicly in Authority Papers. This has included responding to local media enquiries to reinforce that construction is progressing to

build the new ERF and to deliver a proven, sustainable, and cost-effective solution for treating north London's waste. Briefings continue to reference how the ERF represents the best environmental solution, and the best value option for taxpayers as a publicly owned facility, instead of sending waste elsewhere for private sector contractors to profit.

HSE

- 4.9. Health and Safety activities continue to focus on the ERF works and minor snagging on the EcoPark South project along with minor works being carried out on the Western Road utilities project. The accident frequency rate (AFR) for reportable injuries in accordance with Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) 2013 for October is 0.120 on a 12-month rolling AFR period.

The AFR and Lost Time Injury Rate (LTI) continue to remain favourable when compared to similar projects and the construction industry generally. The team work with all Principal Contractors to strive for continual improvement, which is reflected in the safety performance of the project.



Figure 3: Healthy and Safety Leading Indicators

- 4.10. Principal Contractor Key Performance Indicators (KPI) are meeting requirements as per the criteria laid down in the Health, Safety and Wellbeing Manual.
- 4.11. Healthy and Safety initiatives carried out include:
- 4.11.1. A two-day confined space training course was attended by Acciona's management team.
 - 4.11.2. A women's health awareness day was held on 14th October 2024 giving information to employees as well as raising over £800 from the proceeds of a cake sale to donate to a cancer care charity. Toolbox talks raised

awareness of breast cancer and menopause, with the medical team offering advice on how to check yourself for signs of cancer. The campaign was well received across the project.

- 4.11.3. Acciona amended their Point of Work Risk Assessment (POWRA) to allow for better focused assessments of areas and conditions.
 - 4.11.4. Sub-contractors Byrne Brothers carried out mental health awareness training for the operatives.
 - 4.11.5. Sub-contractors O'Keefe carried out asbestos awareness training for all their ground workers and plant operators.
 - 4.11.6. HSE forum was held to discuss lessons learnt, best practice, sharing of knowledge and plan for initiatives. This was attended by NLHPP, principal and sub-contractors.
 - 4.11.7. A deep dive audit was conducted by the NLHPP HSE team on confined spaces.
 - 4.11.8. Winter safety tips information was circulated via the NLHPP round-up newsletter.
- 4.12. A review of the emergency arrangements for the mechanical tower crane situated in the waste bunker was carried out. A call point alarm has now been placed upon the crane and a rescue plan developed. A drill will be carried out in November ensuring that the plan and arrangements are suitable.

Environment

- 4.13. The project continues to work collaboratively with the construction delivery contractors to deliver on the project's environmental and sustainability commitments, managing risks as they develop and pursuing opportunities for improvements.
- 4.14. While there is much focus on the ERF and working with Acciona to deliver the civil engineering works for the ERF and Galldris on the Western Road Utilities Works and supported Taylor Woodrow toward close out, ensuring that all environmental requirements for the EcoPark South contract are met.
- 4.15. Each subcontractor has a target of delivering two 'Toolbox Talks' per month to upskill, collaborate and reiterate Health, Safety and Environmental principles. In October, sub-contractor Galldris undertook three toolbox talks on the topics of 'Management of Consumables & Equipment', 'Fuel and Oil' and 'Be a Good Neighbour'.

5. COST AND RISK POSITION

- 5.1. The NLHPP outturn cost forecast is currently £1.52bn considering the costs incurred up to the end of September 2024 and is in line with the £1.42 to £1.52bn estimate reported in April 2023. This assessment is based on the contractual risk allocation between Acciona and the Authority under the contract for construction of the ERF. As referenced in the ERF delivery update above, senior level discussions with Acciona are ongoing to clarify what is necessary to provide assurance on delivery to a clear timetable and provision of a high-quality facility for north London. Any update in expected public sector costs depends on the result of this work.
- 5.2. When Acciona's schedule and delivery plan are in place, and officers are in a position to advise Members on actions needed to complete the facility on the planned schedule, there will be an update on the complete finance position to Members accordingly. Officers expect to share with Members an analysis of options considered, the legal and cost implications, and a risk management plan in due course. Officers are currently engaging the Borough Directors in decision-making through the forum of a Steering Group prior to advising Members.

6. EQUALITIES IMPLICATIONS

- 6.1. There are no equalities implications arising from this paper, though in section 4 the paper notes actions being taken to make the NLHPP an exemplar project in promoting diversity and inclusion.

7. COMMENTS OF THE LEGAL ADVISER

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

8. COMMENTS OF THE FINANCIAL ADVISER

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

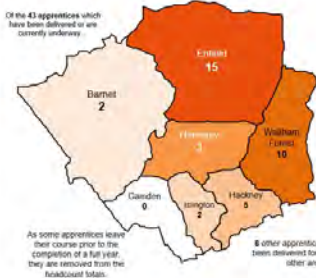
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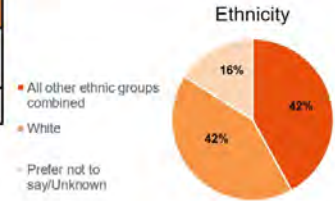
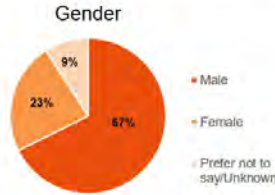
APPENDIX A GLOSSARY OF ABBREVIATIONS

Abbreviation	Definition
AFR	Accident Frequency Rate
BPIC	Black People in Construction
CDM	Construction Design and Management
EDI	Equality, Diversity and Inclusion
EfW	Energy from Waste
ERF	Energy Recovery Facility
HSE	Health, Safety and Environment
ICE	Institute of Civil Engineering
KPIs	Key Performance Indicators
LEL	LondonEnergy Ltd
NAECI	National Agreement for the Engineering Construction Industry
NLHPP	North London Heat and Power Project
PIM	Project Insights Manager
POWRA	Point of Work Risk Assessment
PPE	Personal Protective Equipment
PPM	Project and Programme Management
RFPF	Recycling and Fuel Preparation Facility
RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013
RRC	Reuse and Recycling Centre
RRF	Resource Recovery Facility

Apprenticeships: Resident borough of apprentices



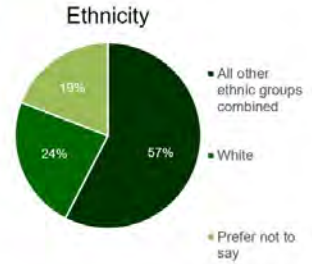
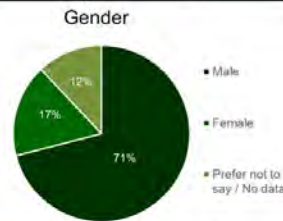
Target	100 Apprentices	100 Years
Delivered or underway	New opportunities created	Apprenticeship years created
43	57	96



Training Placements: Resident borough of trainees



Target	225
Current Headcount	Placements completed
170	221



Schools Programme: Number of individual schools engaged with by borough



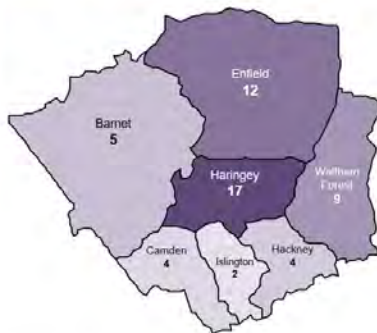
	Number of Institutions	Students
Total no. of schools ('mainstream' primary + secondary + SEN +PRU)	65	3,664
No. of Primary Schools	9	577
No. of Secondary Schools	56	3,087
No. of SEN schools	9	381
No. of PRUs	1	11
No. of Colleges	6	493

Local Business Spend



This is the equivalent of: **£50.7 million** spent by contractors with local businesses

Community Projects: Number of community organisations supported by borough



Volunteer hours
 Delivered: 1,637 hours
 Target: 9,775 hours

Donations
 Delivered: £154,237
 Target: £187,500

Community Action



Acciona team members delivered 45 volunteering hours assisting the Enact Community Allotments with gardening tasks during October.