

NORTH LONDON WASTE AUTHORITY

REPORT TITLE: NORTH LONDON HEAT AND POWER PROJECT UPDATE

REPORT OF: PROGRAMME DIRECTOR

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 13 FEBRUARY 2025

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 note and comment on the contents of the report.

SIGNED:  Programme Director

DATE: 03 February 2025

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 with a new Energy Recovery Facility (ERF) and provide recycling and community facilities for north London's residents.

1.2. 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;

1.3.2.2. New ERF plant delivery

1.3.2.3. Enabling and wider site works

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. **Section 6:** 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 substantial first phase of the civil construction works is nearing completion. The workforce carrying out the activities covered by the National Agreement for the Engineering Construction Industry (NAECI) is currently delivering the structural steelwork for the boiler, flue gas treatment and access platforms.

2.2. The sub-contractors engaged by Acciona on the ERF have demonstrated consistent performance and competency throughout the project. However, delays from Acciona in procuring sub-contractors and the subsequent late start on the Mechanical, Engineering and Piping (MEP) are creating significant delays on the overall programme. As per the contract, an independent audit review is under way to inform the development of a revised programme. Subsequent recommendations, alongside potential impacts on project completion date, will then be discussed with Members.

2.3. The RRF and RRC continue to operate safely and efficiently in a steady state with the transition period now officially completed. A detailed EcoPark House update can be found in a paper also on this agenda.

2.4. The project continues to deliver a range of high-quality social value initiatives such as apprenticeships, local spend, community projects and school engagement. Educational activities are now taking place at EcoPark House. Having this permanent base at the EcoPark provides a long-term home for the highly successful

NLHPP schools programme to provide social value to north London's schools long after construction ends.

3. Delivery Developments

EcoPark South RRF, RRC and EcoPark House

- 3.1. The RRF and RRC are successfully operating safely and efficiently, with snags closed out with the main contractor Taylor Woodrow. Progress has been made on outstanding items with a clear plan for resolution.
- 3.2. LondonEnergy Limited (LEL) have completed the internal process to transfer the management of the RRF and RRC from construction to operations, principally governed by the EcoPark South Operational contract.
- 3.3. EcoPark House has welcomed its first schools. A full update report is also on this agenda.

New ERF delivery

- 3.4. As previously reported, the sub-contractors engaged by Acciona have demonstrated consistent performance and competency throughout the project. However, delays from Acciona in procuring sub-contractors and the subsequent late start on the Mechanical, Engineering and Piping (MEP) are creating severe delays on the overall programme. The MEP works were scheduled to commence in November 2023 but did not start until December 2024.
- 3.5. As reported in 2024, the project team have continued to press Acciona for a revised schedule and delivery plan. Sub-contractors are delivering well once procured and mobilised, but critical path delays to milestones are leading to programme slippage which cannot be recovered. Slow progress completing civil works which consist of the foundations, concrete tipping hall and turbine table construction and the structural steel work which will house the boilers has pushed out the critical path by several months. The boiler erection dependent on this work was further delayed due to issues with the sub-contractor procurement and commencement on site. Acciona have as yet been unable present a revised programme which gives the Authority sufficient confidence that it could be delivered on schedule.
- 3.6. As is best practice, a detailed audit review of Acciona's engineering, procurement, and construction (EPC) activities to date is under way by an independent contractor, Arup. The audit will provide a detailed understanding of the current project status and a roadmap for future improvements and decision making. The audit is expected to take around 12 weeks. Subsequent recommendations, alongside potential impacts on project completion date, will then be discussed with Members.
- 3.7. It was agreed by Members that the National Agreement for the Engineering Construction Industry (NAECI) would be applied for relevant trades to ensure high standards of employment relations. As reported in July 2024, Acciona faced delays in procuring and mobilising contractors to deliver works covered by this agreement (known as "in scope"). However, as reported in December 2024, in-scope work is

now being delivered on site. Since the last update, the sub-contractor responsible for delivering the first of two boilers has started site set up. The boiler is critical plant which is fuelled by waste to make energy.

3.8. The site remains busy with significant progress made in several areas. The images below show recent progress made.



Figure 1: In scope mechanical works include steel columns for flue gas treatment equipment and roof support



Figure 2: Shuttering ready to pour the concrete walls for the waste chutes



Figure 3: Support columns ready for the administration building floor. The yellow rails form the crane system which will allow a 'grab' to move ash waste from the boilers into trucks ready to be recycled



Figure 4: Turbine table cast

Enabling and wider site works

- 3.9. Alongside the works directly on the ERF, various other workstreams are being progressed successfully and on programme. The southern section, which links to the access into the EcoPark from Advent Way, was completed under the contract with Taylor Woodrow for the RRF and the upgrading of the central section of the Western Road is on schedule.
- 3.10. The ERF will have a dedicated gas pipeline, which will enable the boilers to start up and then continue firing on waste. Cadent Gas completed the first phase in Meridian Way in October 2024. The second phase commences in summer of 2025, with procurement programmed imminently, as soon as required easements are agreed with Enfield Council.

4. PROGRAMME WIDE INITIATIVES

Social Value

- 4.1. To the end of December 2024, the Project has delivered:
- 4.1.1. 60 new apprenticeship opportunities, and 101 apprenticeship years delivered or committed (Development Consent Order (DCO) Target: 100 apprenticeship years delivered);
 - 4.1.2. 221 training placements, by 170 individuals (DCO Target: 225 training placements delivered);
 - 4.1.3. 548 jobs for local people (in headcount terms), equivalent to 19.7% of the workforce (Project Target 25%);
 - 4.1.4. Approximately £51.6 million spend with local businesses in the supply chain, representing 8.9% of total spend on the Project (Project Target 10%);
 - 4.1.5. Project team engagement with over 4,239 students from 74 local schools and colleges;
 - 4.1.6. Approximately £154,670 donations and nearly 1,715 volunteering hours donated to 67 local community organisations (ERF Contract Donations Target: £187,500 and Volunteering Target: 9,775 hours);
 - 4.1.7. Over 1000 hours of EDI training delivered to the on-site workforce.
- 4.2. 42 hours of volunteering hours were delivered in December, including: assisting Mind in Haringey with a gardening project, helping a local school in Barnet with a theatre trip and delivering a Christmas collection for the Single Homelessness Project at St Mungos Hostel St Pancras Way.

Communications

- 4.3. A promotional video about EcoPark House¹ is being used to support outreach efforts and generate interest in the building among local community groups and schools. An EcoPark Developments video² was produced to provide an update on how the Resource Recovery Facility and public Reuse and Recycling Centre have performed since they've opened.
- 4.4. Interest in EcoPark tours is increasing. Officers are managing requests from Members, Borough officers and community groups interested in visiting the EcoPark in the first half of 2025. A separate EcoPark house update paper is on the same agenda.
- 4.5. Following an announcement by the government to impose stricter standards for new waste incinerators, NLWA shared a statement welcoming the decision. New incinerators should use the best pollution controls, make use of the heat they produce and be carbon capture ready. These criteria, and more, are already being met or exceeded by NLWA. A further statement was shared with Greater London Authority in response to capacity questions around the new Energy Recovery Facility, raised as part of a wider discussion on incineration in London.
- 4.6. Promotion of construction activities continues across social media, showcasing progress on steelworks and concrete installation.

Health, Safety and Environment (HSE)

- 4.7. Acciona has successfully attained full marks for the Considerate Constructors Scheme (CCS) audit, achieving the prestigious 5-Star Ultra Site status. The scheme aims are to guide contractors how to reduce their negative impact, instead to provide positive contributions to the community and the environment and improve workforce conditions. The award builds on earlier success by subcontractor Galldris, who also scored full marks in 2024. This represents the outstanding ongoing commitment in the Health, Safety and environment within the NLHPP.
- 4.8. The accident frequency rate (AFR) for reportable incidents in accordance with Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) for December the AFR is 0.131 on a 12-month rolling AFR period.
- 4.9. The AFR and Lost Time Injury Rate (LTI) continues to remain favourable when compared to similar projects and the construction industry generally. As shown in figure 5 below, Key Performance Indicators (KPIs) are exceeding the requirements in the Health, Safety and Environmental Manual.

¹ https://www.youtube.com/watch?v=Go_tYjCJ4zE

² <https://www.youtube.com/watch?v=1pi3Pncjz1A>

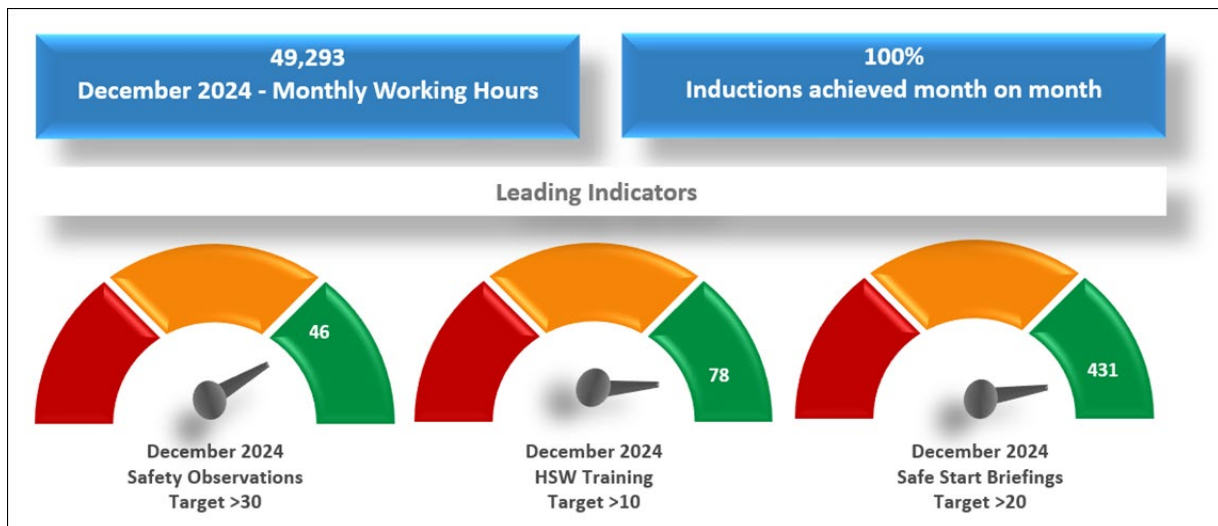


Figure 1: Healthy and Safety Leading Indicators

- 4.10. Health and Safety initiatives carried out included a wellbeing initiative for December: don't drink or drug drive. This was also backed up with a take away leaflet on mental health awareness over the Christmas period and an opportunity to discuss the session with the wider project and delivery team in the site canteen.

Environment

- 4.11. 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. Contractor environmental management documents are reviewed and regular site walkovers and audits covering general environmental, air quality, waste, noise and vibration and ecology topics take place. Environmental observations to enhance performance and reduce risks take place. Continual improvement is promoted through training and awareness raising and progressing sustainability opportunities.
- 4.12. The project team has continued 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.
- 4.13. In December, Acciona procured the use of two items of electric powered energy intensive plant equipment (air dryer and condenser), reducing the demand for diesel to reduce adverse air quality impacts and carbon emissions.

Environmental Performance

- 4.14. In general, there was positive performance against Environment and Sustainability Key Performance Indicators (KPIs) in December 2024, with no environmental incidents reported on site for the December period.



Figure 6: Environmental Leading Indicators

- 4.15. Acciona continue to report over 95% diversion from landfill for waste generated during construction. This figure is achieved in part by implementing and monitoring the segregation of waste streams at source on site.

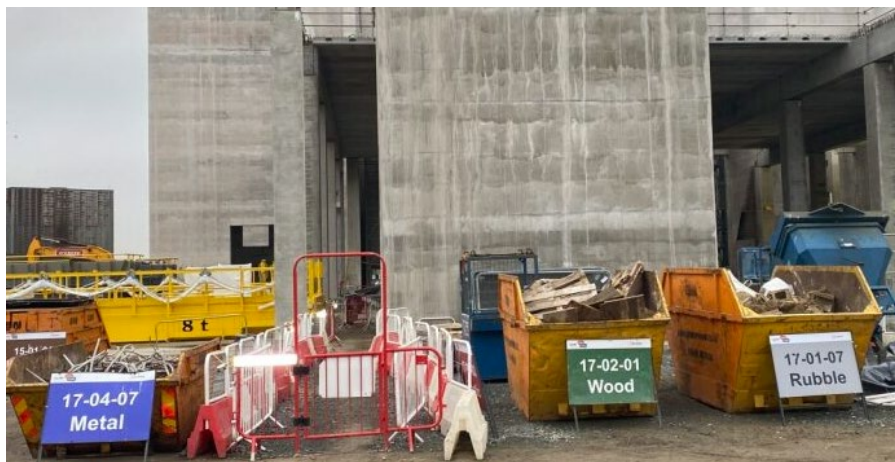


Figure 7: Segregated system to reduce waste going to landfill

5. COST AND RISK POSITION

- 5.1. The NLHPP outturn cost forecast 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 section 3, the overall programme is facing delays and an audit is under way. Any recommendations to alter the programme, and any potential cost implications, would be discussed and agreed by members at Authority meetings.

5.2. EQUALITIES IMPLICATIONS

- 5.3. 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.

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.

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APPENDIX A GLOSSARY OF ABBREVIATIONS

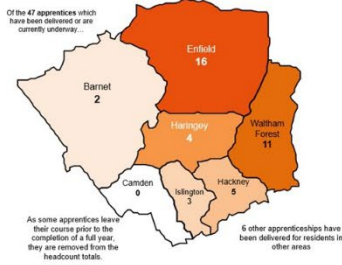
Abbreviation	Definition
AFR	Accident Frequency Rate
BPIC	Black People in Construction
CDM	Construction Design and Management
EDI	Equality, Diversity and Inclusion
EfW	Energy from Waste
ERF	Energy Recovery Facility
HSE	Health, Safety and Environment
ICE	Institute of Civil Engineering
KPIs	Key Performance 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

APPENDIX B SOCIAL VALUE DASHBOARD

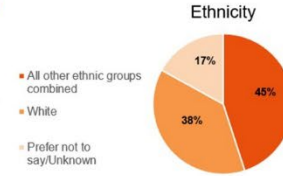
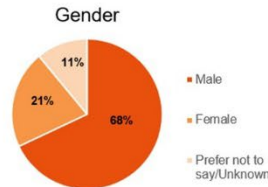
Social Value Dashboard — February 2025 (showing data up to the end of December 2024)



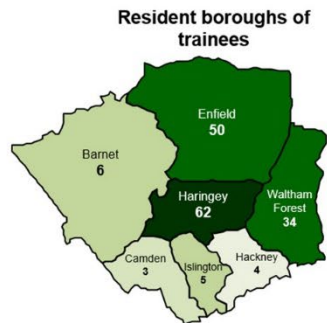
Apprenticeships: Resident borough of apprentices



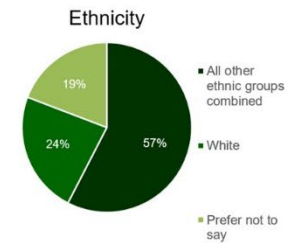
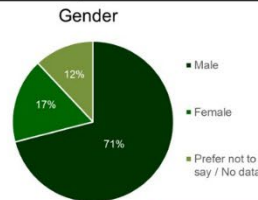
Target	100 Apprentices	100 Years
Delivered or underway	New opportunities created	Apprenticeship years created
47	60	101



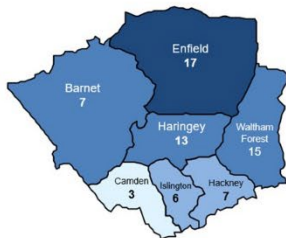
Training Placements: Resident borough of trainees



Target	225
Current Headcount	Placements completed
170	221



Schools Programme: Number of individual schools engaged with by borough



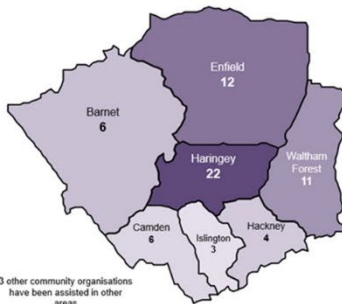
	Number of Institutions	Students
Total no. of schools ('mainstream' primary + secondary + SEN + PRU)	68	3,746
No. of Primary Schools	11	614
No. of Secondary Schools	57	3,132
No. of SEN schools	9	381
No. of PRUs	1	11
No. of Colleges	6	493

Local Business Spend



This is the equivalent of:
£51.6 million spent with local businesses

Community Projects: Number of community organisations supported by borough



Volunteer hours
Delivered: 1,715
Target: 9,775 hours

Donations
Delivered: £154,670
Target: £187,500

Photo



Students from Henry Maynard Primary School in Waltham Forest taking part in the Acciona Guardians of the Earth workshop.