

**NORTH LONDON WASTE AUTHORITY**

**REPORT TITLE:** NORTH LONDON HEAT AND POWER PROJECT UPDATE AND REPORTS

**REPORT OF:** PROGRAMME DIRECTOR

**FOR SUBMISSION TO:** MEMBERS FOR CONSULTATION AND DECISION BY CLERK OR MANAGING DIRECTOR

**DATE:** 2 APRIL 2020

**SUMMARY OF REPORT:**

This report provides the Authority with an update on progress of the North London Heat and Power Project (NLHPP) current at the end of the February reporting period. Following consultation with Members, decisions will be taken by the Clerk or Managing Director.

**RECOMMENDATIONS:**

The Authority is recommended to:

- A. Note the contents of the report.
- B. Delegate authority to the Financial Adviser in consultation with the Chair and Vice Chairs to submit a response to the HM Treasury consultation on the Public Works Loan Board: Future Lending Terms

**SIGNED:**  ..... **Programme Director**

**DATE:** 23 March 2020

## **1. INTRODUCTION AND PURPOSE**

- 1.1. The North London Heat and Power Project (NLHPP) is the programme of works authorised by Development Consent Order (DCO) granted in February 2017 through which the existing energy from waste (EfW) plant at the Edmonton EcoPark will be replaced with a new Energy Recovery Facility (ERF). The programme of works includes provision of a Resource Recovery Facility (RRF) for reception and transfer of waste incorporating a public Reuse and Recycling Centre, and EcoPark House (EPH), a visitor centre which will be used to provide community / education space and back up office space. In preparing for and carrying out the works in the NLHPP programme, the management team is working closely with LondonEnergy Ltd (LEL) the operators of the EcoPark and the current EfW plant.
- 1.2. This status report provides Members with an update on progress of the NLHPP. This report reflects the status of the programme on the 28 February 2020, the end of the most recent reporting period. Where significant updates have occurred to this status since that date, an update has been included. The report structure provides a narrative in the main body with a dashboard style report on the status of the programme included in Appendix A.

## **2. PROGRAMME DIRECTOR'S STATEMENT**

### **Status Summary**

- 2.1. Overall the project remains on programme in relation to critical path activities. Previously, the project team were forecasting a potential future 13-week delay to the completion of the sewer diversion works on the critical path, which has been reduced to 5 weeks. It would be expected that this level of forecast delay can be recovered during subsequent work and will not jeopardise the overall completion date.
- 2.2. The current incurred expenditure on the programme is on plan and within budget although it is, so far, relatively minor in comparison to the forecast overall cost. The preparatory works contracts awarded have aligned well with the baseline budget estimates.
- 2.3. The most significant logistical risk to the critical path now remains the Northern Area Clearance project which involves the eventual relocation of LEL's current operations at the north of the EcoPark into the RRF, and demolition of existing structures to release the footprint of the ERF for start of construction in early 2023. A study is being undertaken to examine the potential for an early start to the demolition whilst maintaining LEL's operations on the EcoPark. The study is due to report at the end of March. The benefits achieved by this approach would be the avoidance of the dependency of the start of demolition on completion of the RRF.
- 2.4. As the implications of the spread of the Coronavirus become more far-reaching, the risk to delivery of the NLHPP programme to plan similarly increases. The project team is reviewing the impact on all aspects of the programme and it's people. As the safety and wellbeing of our team is paramount, we are studying the impact on all "in-flight" project work, including live construction contracts and procurements, to understand the impact should the situation worsen, and management and workforce availability be affected. Planning and communication with the supply

chain is being carried out to develop a suitable Project Continuity Plan to cover, for example, how to best adapt project delivery when working rules change within the supply chain companies; any adaptation to current working practices required that will enable people to continue work safely; how and when key decisions may need to be made in relation to contract administration should the assurance of safe working no longer be possible; identification of methods to minimise delay and enable efficient start-up when the situation returns to normal.

### **Project Progress Highlights In-Period**

- 2.5. Several key milestones have been achieved in the last period and activities progressed across all the live projects.
- 2.6. Galldris have mobilised to site to commence the Sewer Diversion Enabling Works. This is Galldris' second construction contract with the NLHPP, but the first set of works contained within the EcoPark boundary. This is an important test of the working protocols agreed under a license with LEL, and feedback from all parties involved is being received and reviewed as the works progress.
- 2.7. A second important milestone was the execution of a lease with London Borough of (LB) Enfield for land at Hawley Road. This location will house LEL's relocated Transport Yard once construction works are completed there. These works will commence in the next period following resolution of the final pre-commencement conditions associated with the planning approval. While the construction works progress at the new site, LEL have agreed temporary amendments to the existing Transport Yard logistics that enable the Sewer Diversion Enabling Works to progress quicker than previously envisioned.
- 2.8. Our procurement activities are continuing at pace:
  - 2.8.1. The tender documents for the design, construction and commissioning of the ERF are being drafted and are on schedule for issue to the market in July.
    - 2.8.1.1 Tenderers for the EcoPark South Construction event are due to return their Initial Tenders in the next period, and in the meantime the project team are fielding tender queries as they arise.
    - 2.8.1.2 A site visit for tenderers associated with the smaller but vital Site Wide Intrusive Survey contract took place in the period, and returns are expected for assessment in early March.
- 2.9. In addition to the procurement activities, the ERF project has submitted its final draft of the planning application to LB Enfield. It is anticipated that there will be further discussions and comments next period, prior to formal submission, to enable a discharge to be granted in May this year.
- 2.10. Senior leadership meetings have been held with the Lee Valley Heat Network (LVHN, otherwise known as Energetik) with the aim of improving engagement and better understanding the requirements of each party's projects. Continued discussions at technical level are planned, which it is hoped will lead to a common

approach to the coordination of site-based activities at times that work for Energetik, LEL and the NLHPP programme.

- 2.11. A first tranche of £100m has been borrowed from the Public Works Loan Board at a low interest rate and ensures that the programme has sufficient funds to deliver its planned works in the near future. The finance team continue to examine opportunities for the remainder of the funds and are monitoring current government budget initiatives closely.
- 2.12. Associated with our social value objectives, the design of pre-employment skills training placements has been developed in conjunction with Capital City College (CCCT) and Galldris and will be delivered between March and June this year. Further opportunities for apprenticeships and student placements are being explored with many of the organisations involved in the NLHPP programme and updates will be provided to Members as plans are resolved.

### **Key Focus of Activity**

- 2.13. Looking ahead to the next period, the team will be developing in more detail the working arrangements and assessing programme impacts of COVID-19, while focussing on responding to the following challenges.
  - 2.13.1. Ahead of sanctioning the release to market of the ERF tender, the NLHPP Project Assurance plan requires an independent assurance review to be undertaken. This is currently being scoped and is expected to be delivered in early April. The focus of the review is to ensure that a) decisions and actions undertaken until now have been on the basis of appropriate information and that b) the programme is prepared for the next stage, in terms of resources, processes and understanding of the challenges ahead.
  - 2.13.2. Development of the NLHPP health, safety and well-being programme in readiness for the growth in construction works in the coming period. A detailed schedule of development activities has been prepared and is being reviewed. Expanding the team with suitably qualified and experienced resources is an immediate focus in the coming period, while assessing feedback in the early Sewer Enabling works will help the team manage further works safely and minimise unplanned disruption to LEL's operations.
  - 2.13.3. A reorganisation of the environmental management activities is being undertaken to more bring together the various workstreams that contribute to the programme's environmental controls. This includes assurance associated with DCO requirements being delivered through design and construction, practical environmental monitoring and auditing on site against best practice in sustainability and supporting stakeholder engagement and communications.
- 2.14. The programme's Digital Strategy with its supporting recommendations is due for publication in the next period. This is aimed at supporting NLHPP delivery with digital technology and automation and is likely to lead to a number of initiatives being launched.

### **3. PROJECT SUMMARY**

- 3.1. The NLHPP programme has been structured as a series of individual projects. The current status of each is presented below.

Project	Progress in Period	Activities Next Period	Key focus	Next Milestones
<b>E1a1 (Laydown Area East)</b>	Final construction activities have been progressed.	Corrective actions on technical defects	Commercial close and settlement of compensation events	Contract Completion – expected April 2020.
<b>E1a2 (Laydown Area West and Eastern Access)</b>	Earthworks. Contractor design. Sub-contractor procurement.	Start work on Lee Park Way. Clear unforeseen UKPN underground cables Complete contractors design.	Contractor's progress in placing sub-contracts, clearing utilities. Safety management	Construction completion – 11 Nov 2020
<b>E1b (Northern Access)</b>	Contractor's design approved. 50% soil stabilisation completed	Connection to Thames Water Sewer. Phase 2 soil stabilisation. Onsite skills training.	Maintaining good health and safety on site.	Construction completion – 7 <sup>th</sup> October 2020
<b>E2a (Transport Yard relocation)</b>	Discharge pre-commencement conditions. Design validation.	Mobilise and start construction works. Gain licence from Canal and River Trust	Schedule mitigation to bring enable earlier completion of works on site	Handover to LEL – 13 <sup>th</sup> July 2020 (currently one week delay)
<b>E2b (Sewer Diversion Enabling Works)</b>	Utility investigations started. Agreement with LEL to temporarily relocate transport offices.	Place orders for temporary LEL facilities. Mobilise site offices in EcoPark.	Interface with LEL operations and establishment of site area.	Contract completion – 2 October 2020
<b>E2c (Sewer Diversion Main Works)</b>	Contractor design continues.	Further design of access shafts. Set up apprenticeship and onsite training.	Assess and resolve interface management with LVHN	Completion (EcoPark South Interface and Critical Path) – 27 Sept 2021
<b>E3a (EcoPark South)</b>	Responding to tender queries Completed client-side lessons learnt report from SQ.	Brief evaluators on initial tender evaluation.	Start odour loading study and monitoring of risks identified through tender queries.	Contract Award 11 August 2020

Project	Progress in Period	Activities Next Period	Key focus	Next Milestones
<b>E3b (Northern Area Clearance)</b>	Options evaluation continue for getting access to area earlier to remove interface with ERF	Conclude preferred option and present to NLHPP leadership team for decision and agreement with LEL.	De-coupling from dependency on EcoPark South to enable ERF procurement to return to baseline dates.	Option selection – 31 March 2020
<b>E4 (Utility Corridor and Main Distribution Network Operator (DNO) connections)</b>	UKPN External supply work continues Descoping utility works to Salmons Brook corridor.	UKPN complete external works to site boundary Cadent quotation for gas supply design work Conclude revisions to Salmons Brook Corridor scope and re-baseline	Enable site wide intrusive surveys to validate design assumptions across NLHPP	Award Site Wide Intrusive Surveys - 31 March 2020
<b>E7 Energy Recovery Facility (ERF)</b>	Final draft of planning submission issued to LBE. Continued preparation of tender documentation.	Procurement of external assurance review. Prepare for market information day.	Quality and coordination of tender documents and associated decisions required.	Issue OJEU – July 2020
<b>E8 (EfW demolition and decommissioning) and E9 (Southern Access widening)</b>	None	None	None	Development of baseline - TBC

#### 4. SCHEDULE SUMMARY

- 4.1. The following milestones (reflecting significant points in delivery and key activities on the critical path) have been identified and highlighted for Authority awareness. Progress against them and where appropriate mitigation plans to recover identified delays are presented. A negative deviation indicates a forecast date later than the baseline.

Milestone	Baseline Date	Forecast Date	Deviation to Baseline	Recovery Action
Complete works to Hawley Road Site (Relocated LEL Transport Yard)	06 July 2020	13 July 2020	- 1 week	Potential for acceleration is being assessed and opportunities discussed with Galldris.
Complete Laydown Area	11 November 2020	11 November 2020	0 weeks	
Start Sewer Diversion Enabling Works to Shaft A Area on site	17 June 2020	17 June 2020	0 weeks	
Complete Sewer Diversion Enabling Works	02 October 2020	02 October 2020	0 weeks	
Start Sewer Diversion Main Works on site	23 September 2020	23 September 2020	0 weeks	
Start EcoPark South Works on site (with some restrictions)	25 January 2021	25 January 2021	0 weeks	
Complete Sewer Diversion Work	27 September 2021	27 September 2021	0 weeks	
Operational Commencement of RRF	25 October 2022	30 November 2022	- 5 weeks	Continue to work the sewer diversion contractor (Barhale) identify opportunities to complete works earlier and provide equivalent access to the EPS contractor.
Northern Area Clearance - Remediation Complete	31 March 2023	08 May 2023	- 5 weeks	Options are being investigated to gain access to current operational area (Bulky Waste) earlier than the RRF completion to commence ground preparation works ahead of the current baseline.
ERF – Commissioning – Take over (O&M engaged in operations)	19 December 2025	26 January 2026	- 5 weeks	
EfW – Laydown Area Re-Instatement	07 November 2030	25 July 2030	+ 15 weeks	



Milestone	Baseline Date	Forecast Date	Deviation to Baseline	Recovery Action
Southern Access Road – Works Complete	14 May 2031	20 June 2031	- 5 weeks	

## 5. RISK SUMMARY

- 5.1. Risk Management activity has continued with project level risk reviews to monitor progress against planned mitigation actions. In addition, two risk workshops were held. The first focussing on EcoPark South temporary works and risks associated with delivering these works in time for EcoPark South Construction (EPSC) contract start (refer to 5.3.2). The second risk workshop focussed on strategic Stakeholder and Communications risks and entailed a comprehensive identification exercise. An exercise to reconcile these risks and ensure robust mitigation plans are in place is underway.
- 5.2. Summarising change to the February risk profile, four risks have been raised and 10 closed, the changes span Laydown Area East (LAE) and Transport Yard. New risks focus primarily on Contractor design development and prospective design modifications. Risks which have been closed pertain to LAE which have been completed with no further impact exposure.
- 5.3. The following risks continue to be the key “proximity” risks, i.e. they will either occur or require significant mitigating actions in the next 6 months. The table below provides a detailed update on actions against each “proximity” risk.

<b>5.3.1 Risk description:</b> Access to the existing Transport Yard Building area may not be made available to the Enabling Works Contractor on the advised milestone date due to a delay in relocating to the new Transport Yard.	<b>Mitigation update:</b> Collaborative planning with the Enabling Works Contractor is underway to determine feasible sequencing options to reduce the impacts of a potential delay.
<b>5.3.2 Risk description:</b> Interim/temporary conditions (e.g. road diversions, temporary weighbridges, etc) required to maintain LEL operations during (EPSC) construction may not be in place pre-contract start. This will result in a delay to the Contractor.	<b>Mitigation update:</b> Design for temporary works is underway and a schedule for procurement and construction is in development.
<b>5.3.3 Risk description:</b> Overlap between NLHPP works and Lee Valley Heat Network (LVHN) may give rise to new interfaces / site conflicts during construction which may result in disruption to NLHPP works	<b>Mitigation update:</b> Initial analysis of a proposed LVHN schedule has highlighted overlaps between projects. To further understand these LVHN will be attending site-working groups to encourage closer working relationships and better integrate works. In addition, an approach to ongoing monitoring and management of LVHN works for full duration of NLHPP programme will be agreed.

## **6. HEALTH, SAFETY AND WELL-BEING (HS&W)**

- 6.1. The project continues to report a low AFR (Accident Frequency Rate), well below construction industry norms. No significant incidents have occurred, although a minor first aid injury was sustained during the reporting period at the Northern Access site when a team member struck their forehead on a gate as he opened it. A satisfactory investigation was undertaken by the contractor and slight, resulting in a minor modification of the gate, which had moved more vigorously than expected due to strong winds.
- 6.2. The Health & Safety (H&S) advisor resource has been increased to ensure that capacity keeps up with the increasing pace and volume of site work, and the procurement exercises under way.
- 6.3. Site work continues at both Laydown West and Northern Access, with two further contracts mobilising for the sewer diversion enabling works and Hawley Road transport yard, and the imminent start to a programme of intrusive surveys across the EcoPark.
- 6.4. Improving efficiency of the management of contractors' H&S reporting, Risk Assessment & Method Statement (RAMS) and investigation processes is a major focus of current effort.
- 6.5. A programme of Senior Management Team site visits has been developed, with routine site visits planned at the rate of one per contractor site per calendar month. This is being reviewed considering the Corona virus situation and the need to restrict site access to essential workers only. It is possible that the visit programme will be deferred and restarted later. A procedure to effectively use these visits to best advantage is in place and will be reviewed after the initial visits. The visits will demonstrate the management team's commitment to health and safety at the most senior level, with high visibility to the workforce of the Authority's commitment to HS&W.
- 6.6. Health, Safety and Wellbeing is being prioritised in the procurement of the contractors for the EcoPark South Construction (EPSC) and Energy Recovery Facility (ERF) procurements. Of note is the project's current focus on ensuring that the wellbeing of the workforce is given due attention, through the provision of a high standard of welfare facilities in line with most major, progressive infrastructure projects clients. The facilities are being designed and built under the current site preparation contract and will be subsequently occupied and managed by the EPSC and ERF contractors in succession.
- 6.7. The team continues to collaborate with stakeholders adjacent to the project to improve infrastructure. Primarily the concerns are about the interaction of vehicles with pedestrians, cyclists and site traffic. Proposals for work to achieve better visibility, signage, road surfaces, parking and driver behaviour are under discussion.
- 6.8. In order to establish a plan for further development of safety leadership across the project, a safety culture/attitude survey is being carried out. The maturity of the Authority's safety programme, and the current impact of its safety leadership, will be

measured using a bespoke anonymised questionnaire that will allow analysis of responses by demographic factors. This can then be used to measure progress and assist in directing efforts where improvement may be required. It will also highlight areas of good practice that can be shared across the wider project. The intent is to repeat this exercise at intervals, to give an ongoing indicator of change in the project safety culture.

## **7. SOCIAL VALUE**

- 7.1. Arrangements to deliver ten training placements on the Northern Access Works contract have been developed between Capital City College (CCCT) and Galldris Construction Limited. CCCT will deliver a range of classroom-based training including application for a Construction Skills Certification Scheme (CSCS) card and candidates will also get non-site experience at Galldris' NHLPP site. CCCT are currently identifying suitable candidates for the training placements. The first placement is scheduled to take place in the week commencing 23 March 2020 and placements will be delivered on a weekly basis until 12 June 2020. On the Laydown Area (West) contract, progress is being made by Buckingham Group Contracting Limited in scoping out how training placements could be delivered. The contract for the Sewer Diversion Works (Barhale Construction Services Limited) has just started. The relevant liaison is in place to ensure that the social value requirements are understood, and steps are being taken to ensure that the requirements will be met.
- 7.2. Work is currently on-going to get in place a second apprentice on the Northern Access Works contract. NLWA in collaboration with Galldris are scoping out education providers that can support the apprenticeships within the timeframes required. The types of apprentices required for the Laydown Area (West) contract have also been identified, and Buckingham is developing relevant job descriptions, so recruitment can begin. Project officers and Buckingham are also investigating relevant training providers who can support the apprenticeships. Buckingham are additionally undertaking an assessment day in March for an Engineering Technician/ Trainee Engineer. Progress is also being made on delivering apprentices for the Sewer Diversion Works with Barhale meeting Evolve in March to scope out whether a Shared Apprentice Scheme can be used for their contract.
- 7.3. The project team are also looking to recruit a Quantity Surveying (QS) apprentice through RLB (the QS advisers to the project). London South Bank University (SBU) has been identified as the training provider and will help with the recruitment process. Once the job description and application form questions have been finalised the recruitment process can start. The apprentice is likely to start in August or September 2020 in line with the start of the course at London SBU.
- 7.4. A meeting between LB Enfield, project officers and two of the five short-listed schools has been organised to discuss the content and delivery of school programmes. Following these discussions, a framework for the delivery of the school programmes can be developed and piloted at the two schools.
- 7.5. The Royal School of Military Engineering has contacted the Authority through their technical advisers Wood Plc to understand whether the NLHPP can host a military student for a seven-week placement. Project officers are currently working to

ensure that the placement can be supported and are working to develop a programme for the placement.

## **8. COMMUNICATIONS**

- 8.1. In this period, social media engagement continued, with a total number of tweets: 12, from which there were:
  - 8.1.1. Total Impressions (the number of times users saw NLHPP tweets): 8,048
  - 8.1.2. Total engagements (the number of times a user interacted with a tweet, such as – retweet, like, comment, profile click, hashtag click, link click): 109
  - 8.1.3. Total new followers: 5
- 8.2. Key Tweet themes:
  - 8.2.1. Construction progress and updates
  - 8.2.2. Promoting the project messaging around the environmental and social benefits
  - 8.2.3. Promoting Low Plastic Zones
  - 8.2.4. Project activities – attendance at Enfield Society meeting, filming on the EcoPark for the construction update video
- 8.3. The NLHPP website is being updated to include “myth-busting” information to clarify some of the key concerns raised by local residents and by campaign groups where based on incorrect data. This will include the detailed information about emissions and alternative technologies.
- 8.4. In response to recent queries raised about air quality, and in the context of the declared Climate Emergency, the message that diverting non-recyclable waste away from landfill in order to reduce greenhouse gas emissions has been reinforced. Burying waste in a landfill is not sustainable as it generates methane as the waste decomposes. Methane is a very potent greenhouse gas – around 25 time more powerful than carbon dioxide over a 100 year period. It is also important to make clear that the waste sector represents only 4 per cent of the total greenhouse gas emissions in the UK with by far the greatest amount of this being caused by landfill. In Greater London, where there is less landfill than in the country as a whole, waste incineration represents only 0.76% of total carbon dioxide emissions; 28.1% comes from road transport.
- 8.5. At the time of the application for the Development Consent Order, an assessment of alternative technologies was carried out, and energy from waste was assessed to be the most environmentally as well as economically viable process, and also the only one which is demonstrated to work for the volume of waste required. One alternative technology considered was Mechanical Biological Treatment (MBT), but this is not used at the required scale in the UK, and of the few plants which have been built here none have successfully operated at the capacity they were designed

for. It is also not a full solution for disposing of non-recyclable waste, as it creates a further product which still needs treatment or landfilling.

- 8.6. With the current restrictions in place and expected to increase regarding Coronavirus, public engagement is likely to be limited to website updates and social media over the next few months. This work is planned to continue, and to make use of the updated information on the NLHPP website. During this period, officers will continue to work to ensure that the key messages about the project are disseminated, and that they are presented clearly, with the supporting analysis available.

## 9. **FINANCING**

- 9.1. On 26 February 2020, the Authority borrowed £100m from the Public Works Loan Board (PWLB), using the Local Infrastructure rate that was successfully bid for last year. The loan is a maturity type loan over 40 years at an interest rate of 1.41%. The interest rate is significantly lower than the Authority would have been able to achieve from other sources.
- 9.2. The Government has launched a consultation regarding the PWLB and its future lending terms. This is primarily related to Local Authorities borrowing to purchase investment property to obtain rental income, rather than for local regeneration. The Government proposes to “develop a targeted intervention to stop this activity while protecting the crucial work that local government does on service delivery, housing, and regeneration”. The Government also intends to lower the PWLB borrowing rate (subject to market conditions) once a new system is introduced that addresses what it terms as the “debt-for-yield” issue. The consultation document is contained in the link below:
- [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/871621/PWLB\\_consultation\\_PRINT\\_charts\\_pasted\\_post\\_proofread\\_FINAL\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/871621/PWLB_consultation_PRINT_charts_pasted_post_proofread_FINAL_.pdf)
- 9.3. The closing date for responses is 4 June, before the next Authority meeting. The Authority is supportive of the proposals given that it has no plans to borrow to purchase investment property and would welcome the possibility of lower borrowing costs for future loans compared to current rates. The consultation also explores expanding the information required on future plans each year and extending the 2-day period between agreeing a loan and receiving the funds. The Authority is not against these possibilities, dependent on the level of information required and the length of the extension of the time gap between requesting and receiving funds.
- 9.4. The report seeks delegated authority to the Financial Adviser in consultation with the Chair and Vice Chairs to submit a response to the HM Treasury consultation on the Public Works Loan Board: Future Lending Terms.
- 9.5. HM Treasury also announced in the budget that it will make a further £1.15 billion of discounted loans available for local infrastructure projects. No further details have yet been announced but officers will monitor this and report back to future meetings.

## **10. GOVERNANCE**

- 10.1. A separate report on this agenda considers the approach to Authority decision making during any period of restriction on public meetings. It will be important to maintain the ability to take decisions on the project, and the proposals include continuing to provide these reports to Members in any such period. The key information contained in the dashboard would also continue to be placed on the website.

## **11. EQUALITIES IMPLICATIONS**

- 11.1. Equality of opportunity will be a key consideration in the delivery of the opportunities for training and apprentice within the programme. Management of this will be set out in the respective plans and framework documents under development.
- 11.2. Similarly, the ongoing and future tender events discussed will consider how to ensure equality to all interested parties, while reflecting the need for any successful tenderer to be able to meet the competence and capability requirements to fulfil the role in question.

## **12. COMMENTS OF THE LEGAL ADVISER**

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

## **13. COMMENTS OF THE FINANCIAL ADVISER**

- 13.1. The Financial Adviser has been consulted during the preparation of this report and all comments have been incorporated.

### **Contact officer:**

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## APPENDIX A: DASHBOARD REPORT





# Programme Committee 02 April 2020

## Appendix A NLHPP – Dashboard Report





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Please note that this dashboard report and project reports contained in Appendix A of the Programme Update (Part 2) reflect the most recent period-end of 28/02/2020

# Programme Summary

Completed within previous period:	Look ahead for next period:
<ul style="list-style-type: none"> <li>• <b>Construction</b> – Commencement of Sewer Diversion Enabling works by Galldris within the EcoPark.</li> <li>• <b>Transport Yard</b> – Lease executed by LB Enfield enabling works to proceed on site.</li> <li>• <b>Procurement</b> – Site visit held for the tenderers involved in the intrusive survey procurement event.</li> <li>• <b>ERF</b> – Submission of the draft planning application for final comments by LB Enfield achieved.</li> <li>• <b>Financing</b> - £100m successfully borrowed at a low interest rate via the Public Works Loan Board (PWLb).</li> </ul>	<ul style="list-style-type: none"> <li>• <b>EcoPark South</b> – Initial tender are due to be returned and assessed in March.</li> <li>• <b>Northern Area Clearance</b> – Cost-benefit analyses are being completed on the options associated with this project, and how to enable early access by the ERF contractor to the current operational areas.</li> <li>• <b>Social Value</b> – The training placement programme will begin being delivered in March in association with Galldris and Capital City College</li> <li>• <b>Project Assurance</b> – Procurement of a third party specialist to complete an external assurance review of readiness to take the ERF project through the next stage of governance (releasing the tender to market).</li> <li>• <b>Digital Strategy</b> – This will be published in the next period along with recommendation for meeting NLHPP challenges with digital technology and automated solutions.</li> <li>• <b>Transport Yard</b> – Discharge of pre-commencement conditions associated with the planning approval.</li> </ul>
Not achieved in previous period:	Issues for resolution:
<ul style="list-style-type: none"> <li>• <b>Laydown East</b> – The commercial close-out of this contract is not yet complete, with negotiation ongoing over a combination of technical defects to be resolved and contract matters to be agreed.</li> <li>• <b>Health, Safety &amp; Wellbeing</b> – Development of the schedule of implementation activities. This is under review and expected to be put into place in the next period.</li> <li>• <b>Programme Manual</b> – Completion and approval of the remaining management plans is behind schedule. A focused effort is planned for next period, with an engagement plan to raise awareness of the manual to follow.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>LVHN</b> – A common approach to coordination of site-based activities is required to resolve issues associated with safe working on site and overlapping project schedules. Senior engagement held, with follow-up (regular) technical meetings to take place.</li> <li>• <b>Statutory Undertakers</b> – This remains on the NLHPP issues register - activities required of organisations, such as Cadent, UKPN and the EA are not in direct control of the project team and are leading to uncertainty on future timescales. Engagement ongoing at management level, with escalation routes being reviewed.</li> </ul>

# Project Health Check

Project	Cost		Schedule		Risk		H&S		Overall	
	In-period	Period Trend	In-period	Period Trend	In-period	Period Trend	In-period	Period Trend	In-period	Period Trend
Laydown Area (East) - E1a1	●	→	●	→	●	→	●	→	●	→
Laydown Area (West) & Eastern Access - E1a2	●	→	●	→	●	↑	●	↓	●	↓
Northern Access - E1b	●	↑	●	→	●	↑	●	↑	●	↑
Transport Yard - E2a	●	→	●	→	●	→	●	→	●	↑
Sewer Diversion (Enabling Works) - E2b	●	→	●	→	●	↑	●	→	●	→
Sewer Diversion (Main Works) - E2c	●	→	●	↓	●	→	●	→	●	→
EcoPark South – E3a	●	→	●	→	●	↑	●	→	●	→
Northern Area Clearance – E3b	●	→	●	→	●	→	●	→	●	→
Utility Corridor and Main DNO connections - E4	●	↑	●	→	●	→	●	→	●	→
Energy Recovery Facility (ERF) - E7	●	→	●	↓	●	→	●	→	●	→
EfW demolition and decommissioning - E8	●	→	●	→	●	→	●	→	●	→
Southern Access Widening - E9	●	→	●	→	●	→	●	→	●	→

See next page for key to RAG status

# Project Health Check - Key

Key	Cost	Schedule	Risk	Health and Safety	Overall
●	Understood and being managed appropriately for the stage of the project, with performance in line with baseline.	Understood and being managed appropriately for the stage of the project, with performance in line with baseline.	Understood and being managed appropriately for the stage of the project, with performance in line with baseline.	Health and Safety risks understood and being managed effectively. No minor or major incidents reported.	All green
●	Minor concerns emerging, mitigations developed and prepared to keep performance in line with baseline.	Minor concerns emerging, mitigations developed and prepared to keep performance in line with baseline	Minor concerns emerging, mitigations developed and prepared to keep performance in line with baseline	Minor incidents occurring with root causes known and action plans in place.	Two or more amber assessments in functions.
●	Issues being actively managed but high risk of impact on Baseline performance.	Issues being actively managed but high risk of impact on Baseline performance.	Issues being actively managed but high risk of impact on Baseline performance.	Major incidents occurring with senior management intervention.	Any red assessment in any function

Key	Context
→	No material change in status between the current and previous period
↓	Adverse change in status between the current and previous period
↑	Positive change in status between the current and previous period





# Schedule Dashboard



Milestone (Critical)	Baseline Date	Forecast Date	Deviation to Baseline	Interface	Recovery Plan
Complete works to Hawley Road site (Temp long term LEL Transport Yard)	06 July 2020	13 July 2020	-1 week	Enables start of enabling works to Shaft A	Potential for acceleration is being assessed and opportunities discussed with Galldris.
Complete Laydown Area	11 November 2020	11 November 2020	0 weeks	Enables new Eastern Access road to open to light traffic.	
Start Sewer Diversion Enabling Works to Shaft A Area on site	17 June 2020	17 June 2020	0 weeks	Requires relocation of Transport Yard to Hawley Road	
Complete Sewer Diversion Enabling Works	02 October 2020	02 October 2020	0 weeks	Enables access to the Sewer Diversion Main Works contractor.	
Start Sewer Diversion Main Works on site	23 September 2020	23 September 2020	0 weeks	Requires enabling works to Shaft A area to be completed	
Start EcoPark South Works on site (with some restrictions)	25 January 2021	25 January 2021	0 weeks	Access to sewer shaft construction area not available until December 2021	
Complete Sewer Diversion work	27 September 2021	27 September 2021	0 weeks	Enables access to full EcoPark South work site	
Operational Commencement of RRF	25 October 2022	30 November 2022	-5 weeks	Enables transition of existing operations and commencement of Northern Area Clearance.	Continue to work the sewer diversion contractor (Barhale) identify opportunities to complete works earlier and provide equivalent access to the EPS contractor.
Northern Area Clearance - Remediation Complete	31 March 2023	08 May 2023	- 5 weeks	Enables the commencement of ERF construction works	
ERF – Commissioning – Take over (O&M engaged in operations)	19 December 2025	26 January 2026	- 5 weeks	Requires construction to be complete.	Options are being investigated to gain access to current operational area (Bulky Waste) earlier than the RRF completion to commence ground preparation works ahead of the current baseline.
EFW – Laydown Area Re-Instatement	07 November 2030	25 July 2030	+ 15 weeks	Enables new Eastern Access road to open to light traffic.	
Southern Access Road – Works Complete	14 May 2031	20 June 2031	- 5 weeks	Requires relocation of Transport Yard to Hawley Road	

# Risk Dashboard

## Risk Register Summary Statistics

Summary Statistics	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20
<b>In-period active risks</b>	353	346	353	354	368	362
Risks raised in period	6	3	7	3	24	4
Risks closed in-period	25	10	0	2	10	10
Risks Expiring Next Period	5	3	4	1	9	5

## Risk count by RAG (score) categorisation

		Risk distribution (Probability x Impact)				
Probability	VH	6	6	1	1	1
	H	4	13	19	14	2
	M	14	28	23	17	14
	L	28	35	28	18	15
	VL	14	14	12	6	1
		VL	L	M	H	VH
Impact						

## Key risks by impact

Project	Risk Event	Mitigation Control Plan
E3a (EcoPark South Construction)	Scope for southern site utilities is immature at current and may change	1) Trial pits to be completed in order to validate utility model by Mar-20.
E3b Northern Area Clearance (NAC)	If the EcoPark South works are delayed it will have a direct impact on NAC programme.	1) Finalise development of agreed NAC programme and evaluate alternative operational strategies to determine the feasibility of earlier access to the Northern Area.
Programme Wide	LVHN may disrupt NLHPP works due to misalignments and conflicts in construction programme.	1) Agree approach to the monitoring and management of LVHN works for duration of NLHPP.

## Key risks by proximity (next 12 months)

Project	Risk Event	Mitigation Control Plan
E2b (Enabling Works)	Access to Transport Yard Building Area not provided on Advised Date (July 2020)	1) Implement change to site access strategy to achieve partial access to phase 2.
E3a (EcoPark South Construction)	Enabling works to support operations during EPSC may not be completed in time for construction start on site.	1) Agree programme to design, procure and construct EPSC enabling works pre-contract start on site.
E2b (Enabling Works)	UKPN & Cadent may fail to meet delivery programmes	1) Agree and confirm access dates for each statutory undertaker and establish communication protocols.