

NORTH LONDON WASTE AUTHORITY

REPORT TITLE: ESTABLISHMENT OF WEMBLEY TRANSFER STATION

REPORT OF: MANAGING DIRECTOR

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 3 DECEMBER 2020

SUMMARY OF REPORT:

This report informs Members about progress on leasing a new transfer station at Wembley and plans to transfer operations from Hendon to Wembley in early 2021.

RECOMMENDATIONS:

The Authority is recommended to note the position.

SIGNED:  Managing Director

DATE: 23 November 2020

1. BACKGROUND

- 1.1. The Programme Committee approved on 7 September the leasing of the Seneca Resource Recovery facility in Wembley, which would operate in place of the Hendon transfer facility. This supports the delivery of the North London Heat and Power Project (NLHPP) because it reduces pressures on the EcoPark which would otherwise arise when the Hendon facility loses its rail access. This enables the existing bulky waste facility on the EcoPark to be demolished and replaced by a temporary facility with lower capacity. In turn the demolition of the existing bulky waste facility is needed to clear the area where the new energy recovery facility will be built.
- 1.2. The Wembley transfer station has more flexibility than the Hendon transfer station and therefore also offers greater resilience against risks in the remaining years of operation of the existing energy from waste plant and during the construction phase of the NLHPP.

2. PROGRESS IN REACHING NECESSARY AGREEMENTS

- 2.1. The Authority entered into an agreement for lease with the owners of the Seneca Resource Recovery facility in October. This was for a prospective lease period of seven years, with a break clause operable by the Authority after five years.
- 2.2. The agreement for lease set out the conditions which had to be met for the Authority to take occupation of the facility. These were to ensure that the environmental permit for the site was transferred to LEL for waste to be taken to the facility at Edmonton; to carry out a condition survey on the site, to undertake any necessary works and to grant vacant possession and to agree the strategy for signage on site.
- 2.3. In addition to the Seneca premises, the lease will also include a “picking station”. This is equipment which allows waste to be sorted so that recyclable material can be retrieved. This avoids some recyclable waste going to the energy from waste plant and offers the prospect of generating additional income. There is an existing picking station at the EcoPark. However, the equipment at Wembley will be more efficient and allow a greater volume of waste to be sorted, and so will operate instead of the EcoPark station. This has the prospect of increasing the recycling performance in the Authority’s area.
- 2.4. The conditions of the agreement for lease are on track to be completed by 27 November, and therefore that is the target date for the Authority to become the lessees of the Wembley facility. An update on completion of the lease will be provided at the meeting.

- 2.5. The Authority's waste management contract with LEL has also needed to be updated to take into account the new facilities operated under the contract. The contract includes the gate fee for waste delivered from Hendon/Wembley to the EcoPark energy from waste facility (that is, the payment per tonne from the Authority to LEL), a handling fee for each tonne to cover the operating costs and a transport fee for delivering the waste to Edmonton. These are not proposed to change as between Hendon and Wembley. Therefore the variations to the waste management contract are technical and factual relating to the change of location.
- 2.6. Officers have agreed with LEL the division of one-off costs associated with the mobilisation of Wembley and the maintenance of short term dual-operation between Hendon and Wembley. This is subject to detailed costs being considered in the Wembley mobilisation group mentioned below.

3. PREPARING FOR OPERATIONS

- 3.1. LEL have prepared a transition plan to move their operations from Hendon to Wembley. Under the plan the company will mobilise the Wembley facility in December. Wembley will start to be used for receiving some volumes of waste in early 2021, with increasing volumes in February and March. From April it is intended that Wembley will receive all waste previously delivered to Hendon and the Hendon transfer station will cease operation.
- 3.2. LEL have established a mobilisation working group, including representation from the Authority's strategy and services team. This group will ensure that operating plans are developed, implemented and reviewed.
- 3.3. Particularly important issues to address are staffing, transport and a contract with third parties for waste which cannot be accommodated at the EcoPark. On staffing LEL have consulted existing staff employed at the transfer station at Hendon and at the picking station at Edmonton. All are willing to move to work at Wembley. LEL plan that there will be additional staff operating the Wembley facility compared to Hendon. This is driven by the need to ensure that putrescible waste is cleared from the floor each day, which is a current requirement of the Wembley operating permit. LEL will be seeking a permit variation to increase the duration for which putrescible waste can be held to 48 hours. In addition a transport supervisor will be needed because approximately twice the volume of waste will be taken to the EcoPark from Wembley compared with Hendon. On transport LEL plan that from the Wembley facility LEL will be able to transfer higher volumes of waste to the EcoPark and will be able to do it more efficiently because Hendon is configured mainly for rail rather than road transport. LEL will need to lease four new lorry and trailer units to take the waste and recruit additional drivers. They plan to contract with an external transport operator for any period prior to delivery of the new vehicles. On waste disposal, at the moment LEL has a contract with the company FCC to take waste from Hendon by rail to the energy from waste facility at

Greatmoor. LEL will undertake a new tender process for removal of waste from Wembley which cannot be accommodated at the EcoPark. Waste will continue to be disposed of under the existing FCC contract (by road from Wembley when waste is delivered there) until a new disposal contract is agreed. The new contract will not be dependent on rail deliveries and so will enable increased competition in the tender process.

3.4. It will be important for the Authority and LEL to work very closely with the boroughs of Barnet and Camden so that joint plans are developed for phasing the move of waste deliveries from the Hendon transfer station to the Wembley transfer station. The Authority proposes to set up a working group to coordinate this activity.

3.5. The Hendon transfer facility is leased from Barnet. Following the closure of the Hendon transfer facility, the intention is to surrender the lease. This will facilitate Barnet's Brent Cross South development. The Environmental Permit for the site will also transfer to Barnet, who will arrange for its surrender. Barnet and LEL will liaise to ensure that appropriate information is made available to enable this.

4. COMMUNICATIONS

4.1. The start of the Wembley lease will be noted in the waste sector, with the Authority taking positive action to move to a more modern facility than the Hendon transfer station and to enhance delivery of the NLHPP. They will also note that Seneca are ceasing to operate the facility themselves. We are therefore preparing a joint press notice - which will issue when the lease starts - to emphasise the benefits of the lease for both parties and the positive partnership working which has enabled this mutually beneficial agreement to be reached.

5. SUMMARY

5.1. Members are invited to note that the Authority is on track to complete the lease for the Wembley transfer station on 27 November. LEL have made good progress on mobilisation plans for the new site. An important next priority is for the Authority LEL and affected boroughs to plan together for the transition of deliveries from Hendon to Wembley. We will report further to the February Authority meeting.

6. EQUALITIES IMPLICATIONS

6.1. There are no equalities implications arising from this report.

7. COMMENTS OF THE LEGAL ADVISER

7.1. The Legal Adviser has been consulted in the preparation of this report and comments have been taken into account.

8. COMMENTS OF THE FINANCIAL ADVISER

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

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