

**NORTH LONDON WASTE AUTHORITY**

**REPORT TITLE:** ECOPARK SOUTH WORKS CONTRACT UPDATE

**REPORT OF:** PROGRAMME DIRECTOR

**FOR SUBMISSION TO:** PROGRAMME COMMITTEE

**DATE:** 14 JANUARY 2021

**SUMMARY OF REPORT:**

This report provides an update on the Early Contractor Involvement process including the final steps to achieve notice to proceed into construction phase.

**RECOMMENDATIONS:**

The Committee is recommended to note the contents of this report.



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

**DATE:** 4 JANUARY 2021

## **1. INTRODUCTION**

- 1.1. The contract for the design and construction of the Resource Recovery Facility (RRF) and EcoPark House commenced in September with the appointment of Vinci (Trading as Taylor Woodrow Construction UK). This contract is structured to carry out an initial stage of design development with the contractor which leads to a Notice to Proceed being issued by the Authority once the final design and updated target cost for the construction stage have been agreed by the Programme Director. This two-stage process has enabled the contractor's expertise to be employed in developing the design, validating the construction programme, and progressing with subcontractor procurement, prior to defining a target cost which is traceable back to the original tendered price.
- 1.2. The client team have been working with Taylor Woodrow since September across all areas of design and construction to reach a clear and agreed design and delivery plan. This paper provides a summary of what has been achieved in each area towards the planned timing of the Notice to Proceed in January 2021.
- 1.3. Overall, the time and effort that has been invested by Taylor Woodrow and the client team so far is proving positive in developing the design and increasing confidence of a successful delivery.

## **2. AREAS OF DEVELOPMENT FOR NOTICE TO PROCEED**

- 2.1. This Section of the report contains a summary of what has been done and achieved in each area of the EcoPark South Construction contract in the initial phase leading to Notice to Proceed.
- 2.2. Work continues to prepare for the Notice to Proceed in January. Therefore, this report is reflective of the work in progress in mid-December and the expectation of readiness prior to the issue of the Notice to Proceed.

### **Project Team**

- 2.3. The formation of strong and collaborative working relationships between the project team led by the Authority as client and the contractor's team, is a critical success factor. Therefore, the first step after the award of the contract has been to bring people together in ways that will result in collaboration in the development of the design initially and continue after Notice to Proceed.
- 2.4. The measures that have been taken and proved successful so far included:
  - 2.4.1. Client and contractor teams collocating to work from a shared project COVID-19 secure office.

- 2.4.2. Matching roles and their descriptions across the project and contractor staff.
  - 2.4.3. Establishing relationships between project and contractor senior staff to ensure that Taylor Woodrow understand the Authority's aims and priorities, and that the strategic direction from each organisation's leadership team is aligned.
  - 2.4.4. Structured collaboration workshops which has established a Behaviour Charter for those working in all organisations on the project.
- 2.5. All roles have been mutually agreed and filled on the project with everyone working to the principles of a Behaviour Charter and ready to move to the next phase.

### **Project Management**

- 2.6. Although the work so far has been prior to a Notice to Proceed, formal contract management processes have been used from the outset. This has enabled the processes to be "road-tested" prior to Notice to Proceed without needing a steep learning curve early in the construction phase.
- 2.7. These management arrangements have included:
- 2.7.1. Joint weekly progress meetings.
  - 2.7.2. Joint information sharing throughout the supply chain using the project's Common Data Environment.
  - 2.7.3. Joint use of a proprietary contract management software tool for all contract communications.
  - 2.7.4. The EcoPark South construction steering group, consisting of senior managers from both organisations, meeting with project officers and managers from the contractor to discuss risks, issues and management priorities.
  - 2.7.5. Weekly briefings by the project team members to Programme Director and NLHPP functional leads.
- 2.8. Through these management activities there has been a high degree of transparency of the work being done to resolve the issues prior to the Notice to Proceed.

### **Design Development**

- 2.9. The reference design produced by the Technical Advisor for the RRF and EcoPark House has been developed by the contractor in collaboration with the project

team. This process of early contractor involvement enabled the validation of the contractor's construction methods to be incorporated in the design. This has achieved:

- 2.9.1. Taylor Woodrow and their designers and suppliers have conducted a full review of the reference design. All questions raised have been resolved.
  - 2.9.2. Design workshops held for all technical disciplines involving the Technical Advisor, the contractor and operator.
  - 2.9.3. Alternative designs for foundations and structural elements developed by Taylor Woodrow have been agreed and included in the scheme.
  - 2.9.4. A Multi-discipline design review was held on 9 December with a final review, prior to Notice to Proceed, to be held in January 2021.
- 2.10. A key purpose of the initial contract stage for the contractor has been successfully achieved, i.e. to take over the design and for Taylor Woodrow to develop that design to meet the requirements stated in the contract.

### **Commercial Management**

- 2.11. An initial target cost for the contract was agreed at the start of the contract. It is subject to verification and adjustment if necessary, through the initial phase up to Notice to Proceed. The verification of the Total of the Prices that will form the target cost for the construction phase has run in tandem with the design development and risk management.
- 2.12. Establishing the agreed commercial position with Taylor Woodrow and initial commercial management of the contract has achieved:
- 2.12.1. Joint contract training has ensured all team members understand the NEC4 contract, their roles within it and contract specifics for this contract.
  - 2.12.2. Applications for payments due have been scrutinised in accordance with the contract, agreed and payments made.
  - 2.12.3. The initial target cost has been reviewed and verified against the developing design.
  - 2.12.4. Contract Provisional Sums continue to be verified to be included in the Total of Prices at Notice to Proceed to give greater certainty of cost to the Authority.

- 2.13. The work on verifying prices against the developing design and risk management has establishment a high degree of confidence that there will be a robust and clear commercial position at Notice to Proceed.

### **Construction Management and Scheduling**

- 2.14. Construction starts at Notice to Proceed. The Early Contractor Involvement stage has allowed client and contractor team together the opportunity to plan how construction will be managed safely and economically within the constraints of the EcoPark and its ongoing waste management operations. The joint planning of construction management has achieved:

- 2.14.1. Risk reduction through the development of a joint early warning register and risk mitigation plan in regular meetings.
- 2.14.2. Increased confidence in constructability from investment in site detailed surveys and trial holes in critical areas.
- 2.14.3. Confirmation of logistics in the EcoPark and the phased occupation of site areas that enable the other adjacent and concurrent activities in the EcoPark to continue, such as waste management operations and sewer diversion works.
- 2.14.4. An agreed and detailed construction schedule showing how the work will be delivered on time and the critical milestones on which it depends.
- 2.14.5. A single live view of the schedule, dynamically linkable to all other NLHPP projects in the Project's Common Data Environment.

- 2.15. The construction management planning during the initial phase has resulted in a contractor's Construction Phase Management plan that provides confidence in the contractor's ability to manage the work subsequent to the Notice to Proceed.

### **Social Value**

- 2.16. The team have been very pro-active in the planning for delivery of social value as a legacy of the EcoPark South project. Key steps in this have included;
- 2.16.1. Taylor Woodrow have created six apprenticeships all of whom are now employed on the project.
  - 2.16.2. The Authority's programme management advisor has appointed one apprentice who is now employed on the project.
  - 2.16.3. Training placements have been enhanced by being extended from one to two weeks and include the opportunity to obtain a Construction

Skills Certification Scheme qualification (commonly known as a CSCS card).

### **Risk Management**

- 2.17. The initial phase leading to Notice to Proceed has enabled the client and contractor teams to gain a common understanding of the risks to delivery and agree on how they will be managed. This has involved:
- 2.17.1. Joint monthly risk workshops with risk ownership identified (client/contractor) and actions allocated to individuals who are best placed to effect mitigation.
  - 2.17.2. Financial evaluation of risks undertaken using the combined team's experience and expertise.
  - 2.17.3. Development of a series of workshops with operators of the EcoPark to ascertain the configuration of existing systems and utilities at the EcoPark.
- 2.18. The common understanding that has been achieved of the risks to delivery and how they will be managed provides the team confidence to issue the Notice to Proceed.

### **Health, Safety and Wellbeing**

- 2.19. During the initial period the joint team has planned how health, safety and wellbeing will be managed during construction, developing a detailed understanding of the hazards present on site and the planned construction methodology.
- 2.20. Maintenance of a design risk hazard log which is reviewed and updated at all design meetings. The joint team have achieved an excellent appreciation of the health and safety issues inherent in the specifics of the EcoPark South Construction and have developed plans which enable the contract to proceed into construction.
- 2.21. A shared and consistent approach to prioritising health and safety is evident between the contractor and the Authority. Early examples of this shared goal are evident through:
- 2.21.1. Taylor Woodrow reviewing and incorporating the requirements of the NLHPP Health and Safety Manual into their management plans.
  - 2.21.2. Joint safety inspections of the initial works.

## **Planning & Consents**

- 2.22. As a result of the development of the design, the following planning and consents have been achieved:
- 2.22.1. Thames Water consent for Taylor Woodrow's alternative foundation solution.
  - 2.22.2. London Borough of Enfield consent for drainage of EcoPark House.
- 2.23. Consent for piling of the RRF has been submitted to LB Enfield following receipt of comments from the Environment Agency.
- 2.24. With these and other consents in place or anticipated prior to Notice to Proceed, the project is now ready to proceed into its next phase of construction.

## **3. CONCLUSION**

- 3.1. The progress and achievements in all areas of the contract are on track to achieve a Notice to Proceed in January 2021.

## **4. EQUALITIES IMPLICATIONS**

- 4.1. The RRF and EcoPark House have been designed to be accessible to all, including people with disabilities and reduced mobility. It sits within a strategic masterplan which also facilitates disabled access across the Edmonton EcoPark site.
- 4.2. The Equality Act 2010 requires reasonable provision to be made for access to a building and use of facilities within a building. For buildings used for the provision of a service or employment, this gives disabled people important rights of access to everyday services. This Act has formed the basis of the approach to the detailed design for the RRF and EcoPark House.

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

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

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

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

**Contact officer:**

Douglas Chisholm  
Unit 1b Berol House  
25 Ashley Road  
London N17 9LJ  
020 8489 2112  
info@nlwa.gov.uk