

22 February 2022

The Rt Hon Greg Hands MP
Minister of State for Business, Energy and Clean Growth
Department for Business, Energy and Industrial Strategy
1 Victoria Street
London, SW1H 0ET

Dear Minister,

I am writing to you following Sir Iain Duncan Smith MP's Westminster Hall debate on 9 February about the '*Potential environmental and health impacts of the proposed expansion at Edmonton EcoPark*'.

As you will know, the Department for Business, Energy and Industrial Strategy granted the North London Heat and Power Project Development Consent in 2017 and we are now on the ground building the new facilities. The debate occurred after the formal contract for the new Energy Recovery Facility (ERF) has been signed and three years of construction works have been completed to prepare the site and build associated facilities at Edmonton.

NLWA members have been listening to feedback from the community since 2014 and have continued to respond to their concerns. Many of the points raised in the debate were discussed at our December Authority meeting and are addressed in our [deputation response](#) on our website.

As suggested in the debate, I would like to take the opportunity to address the specific points on value for money that were raised and provide further information.

An overall project budget was established in 2019. This was at the point when all permissions had been granted and therefore the scope of the project was settled. The project budget was established as £1.2 billion in 2019 prices - to include provision of the Energy Recovery Facility, as well as a Resource Recovery Facility, EcoPark House, property demolitions, utility diversions, land purchase, risk contingencies, project management and technical support. Moreover, the project is being constructed on a brownfield site while maintaining the existing waste service to 2 million residents alongside construction.

As the Government champions best practice in public project delivery, you will recognise that NLWA's plans adopt best practice in establishing sound budgets and project delivery arrangements with appropriate risk allowances. We have also incorporated recommendations for effective project management from bodies such as the Public Accounts Committee and the Infrastructure and Projects Authority. Far from "costs spiralling" as Sir Iain Duncan Smith claimed, we report progress against the



project each month and we remain on track within the 2019 budget. This includes ensuring that construction has incorporated safe operating procedures throughout the coronavirus pandemic.

When taking the decision to award a contract to Acciona to provide the new energy recovery facility, the Authority satisfied itself that:

- appropriate procurement processes had been followed under the Public Contracts Regulations,
- the result represented good value for money, and
- the outcome was millions of pounds per year more cost effective for north London boroughs and council tax payers than the alternatives of either relying on commercial facilities taking the waste outside the area or delaying and undertaking a new procurement.

While Sir Iain raised the issue of cost, he did not identify what a cheaper solution would be. I am also aware that he raised wider concerns about the facility, although all of those issues had been previously considered by Government when it decided to grant the Development Consent Order.

In addition to cost-effective management, NLWA ensures that our plan is the right one to help protect the planet and safeguard our communities from environmental, health and financial risks. NLWA takes very seriously our obligation to protect the health of the residents we serve whilst managing north London's waste. I have written to Sir Iain Duncan Smith in parallel to address the environmental issues he raised during the debate. You will also have received a [copy of that letter](#) for your information.

In the debate you suggested that residents would want to be reassured that their council tax is being used wisely. I am therefore making this letter public on our website. I would like to finish by inviting you to Edmonton EcoPark to show you the progress we are making in building this nationally significant infrastructure. It is vital to managing waste and recycling services for a quarter of London's population and we would be happy to demonstrate the quality of the project which is in the process of delivery.

Yours sincerely,



CLlr Clyde Loakes,
Chair, North London Waste Authority

