

NORTH LONDON WASTE AUTHORITY

REPORT TITLE: ASSET PLANNING & ASSET MANAGEMENT STRATEGY SUMMARY UPDATE

REPORT OF: MANAGING DIRECTOR

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 24 APRIL 2025

SUMMARY OF REPORT:

This report outlines:

- Plans to create an Area Plan for the Authority's unutilised land at Pinkham Way (London Borough of Haringey - LBH); and,
- Progress with the provisional implementation and forthcoming publication of the Authority's Asset Management Strategy.

RECOMMENDATIONS:

The Authority is recommended to:

- A) Agree the proposed outline plan to create an Area Plan for the Authority's unutilised land at Pinkham Way (in the London Borough of Haringey); and
- B) Note the substantial progress made with the implementation of the Authority's asset management approach and next steps.

SIGNED:  Managing Director

DATE: 10 April 2025

1. INTRODUCTION

- 1.1. Through the North London Heat and Power Project (NLHPP), North London Waste Authority is investing substantially in the creation of major new, high quality infrastructure assets to meet the waste management needs of north London's residents for the long term. These include a new Energy Recovery Facility (ERF), a new Resource Recovery Facility (RRF) and EcoPark House (EPH) – located on the Edmonton EcoPark.
- 1.2. Following the completion of major construction works by one of the Authority's two Principal Contractors (Taylor Woodrow (TW)), the Authority is now in full receipt of the new RRF and EPH. Work continues with the Authority's other Principal Contractor (Acciona) to complete the new ERF.
- 1.3. Separate to the new facilities at the Edmonton EcoPark, the Authority owns approximately 4.8 ha of unutilised land at Pinkham Way in the London Borough of Haringey (LBH) – purchased in 2011.
- 1.4. This paper:
 - 1.4.1. Outlines the Authority's provisional plans to realise latent value from its prior investment in land at Pinkham Way – through the creation and implementation of an Area Plan for the site;
 - 1.4.2. Outlines the good progress made by the Authority and its primary delivery organisation, LondonEnergy Limited (LEL), in the implementation of plans to maximise the value and minimise the on-going cost(s) associated with the new facilities located on the Edmonton Eco-Park (the Authority's Asset Management Strategy).

2. AN AREA PLAN FOR THE AUTHORITY'S LAND AT PINKHAM WAY

Background and History

- 2.1. In December 2009, the Authority agreed to acquire the freehold for land – *from the London Borough of Barnet (LBB)* – located at Pinkham Way in the LBH. Figures 1 and 2 below provide maps showing the location of the site, and the areas owned by the Authority and the LBB respectively.
- 2.2. At the time of purchase, the Authority's intention was to build a major residual waste management facility associated with a planned Private Finance Initiative (PFI) procurement at Pinkham Way. Subsequent events – not detailed in this paper – meant the Authority's plans were modified, and a residual waste treatment facility is no longer planned at Pinkham Way.

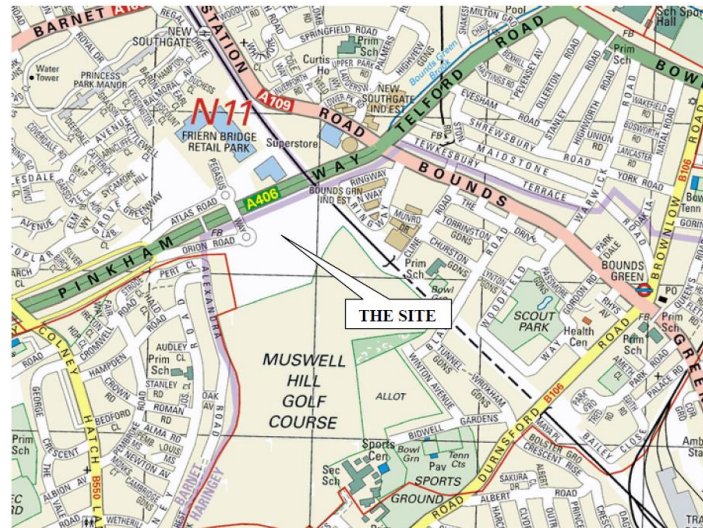


Figure 1: Map showing the location of the Authority's Pinkham Way site

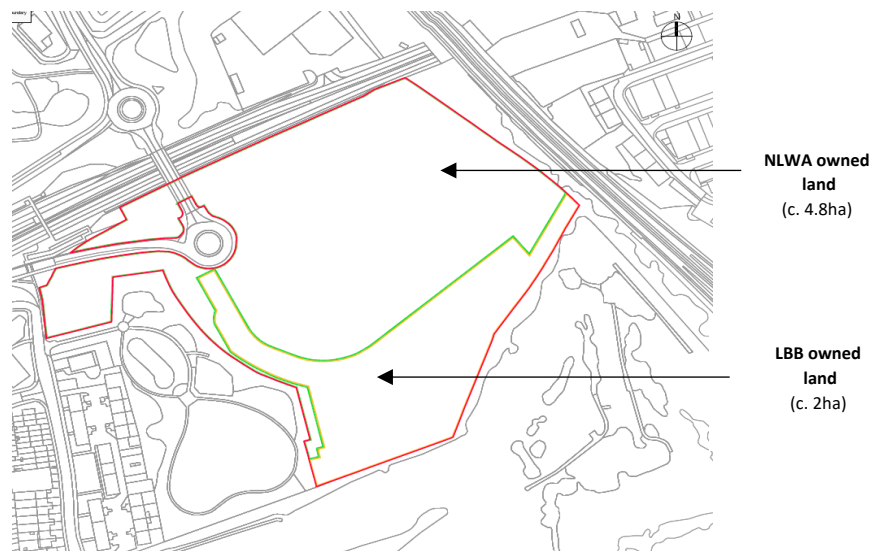


Figure 2: Diagram indicating the location of the land owned by the Authority, and adjacent lands owned by the LBB

Costs and Characteristics of the land

- 2.3. In February 2011, the financial transaction between the LBB and the Authority for the land was completed. The Authority paid £12 million (£12,084,200).
- 2.4. The site had previously been a wastewater treatment plant (Friern Barnet Sewage Works).

- 2.5. Approximately 75% (c. 3.6 ha) of the Authority's 4.8 ha of land is classed – by surveyors – as 'developable'¹. In the Haringey spatial plan, the Pinkham Way site has both an employment and a nature designation. LBH planning officers have communicated that any proposed development at Pinkham Way will need to include provision for biodiversity net gain².
- 2.6. Several redundant wastewater treatment assets remain *in situ* and the land has been colonised and contaminated by various forms of vegetation and other discarded items.

Legal Considerations

- 2.7. The purchase agreement between the Authority and the LBB contains a 'right of pre-emption' in favour of the LBB until 2030. Until this date, the Authority is obliged to offer the land back to LBB for the purchase price (£12,084,200), plus stamp duty, before selling it to a third-party.

Financial Considerations

- 2.8. In April 2024 – the Authority's land at Pinkham Way was valued by a third-party for the purpose of financial accounts at £13.1 million. However, the true "market" valuation could be substantially lower in its present condition. This is because the realistic valuation would take into account (a) the cost of remediating the site; and (b) uncertainty over what scale of development might be consented. An Area Plan would be a sensible approach to develop proposals for the site which would create greater certainty, as explained below.

Environmental and Economic Growth Considerations

- 2.9. The land has a dual designation^{3, 4}, as both a:
- 2.9.1. Site of Importance for Nature Conservation (SINC) Grade 1 – important for wildlife and biodiversity; and,
 - 2.9.2. Employment Land – intended for development with business and industrial uses, primarily aimed at creating employment opportunities.
- 2.10. These considerations will impact the true "market" value of the land.

¹ 'Developable' meaning – able to be adapted or improved so as to become profitable.

² 'Biodiversity net gain' – meaning creating and improving natural habitats.

³ London Borough of Haringey's Local Plan - <https://www.haringey.gov.uk/planning-building-control/planning/planning-policy/local-plan>

⁴ North London Waste Plan - <https://www.nlwp.net/wp-content/uploads/2022/05/NLWP%202022%20final%20high%20res.pdf>

Proposed Next Steps: Development of an Area Plan for Pinkham Way

- 2.11. Given the various considerations listed above and preliminary advice received from surveyors and planners, officers propose to undertake work to create an Area Plan (AP) for the Authority's land at Pinkham Way. Officers at the LBB have been engaged to agree an approach that could incorporate LBB owned land into one combined and comprehensive AP (for all areas indicated in Figure 2 above).
- 2.12. Working in close collaboration key stakeholders (including, but not limited to the LBH, LBB, LEL and local groups) the process will seek to align stakeholder views and establish a consensus around proposed uses for the land.
- 2.13. Initial work undertaken by the Authority and LEL shows that land in/around the Pinkham Way area will be needed to provide waste management services (separate to lands already utilised).
- 2.14. An AP for this land will enable the Authority to:
 - Realise latent value from its unutilised land at Pinkham Way and/or achieve a good return from its investment;
 - Use Authority owned lands to deliver Authority commissioned/directed waste management services;
 - Provide – the range of stakeholders with an interest in the land – increased/improved certainty over its forthcoming use.
- 2.15. Authority members asked to endorse this approach to securing optimal value from the Authority's prior investment in land at Pinkham Way.

3. ASSET MANAGEMENT STRATEGY SUMMARY UPDATE

Governance and Embedding Responsible Asset Stewardship

- 3.1. In addition to the Authority's new (and under construction) facilities on the Edmonton EcoPark are a range of other facilities and sites on which the Authority owns asset and/or directs waste management services (see Table 1 below).

Table 1: List of assets/facilities on which the NLWA operates/directs waste management services.

Asset / Facility	Description / Primary Function	Owned By	Managed / Operated / Maintained By	Approximate Gross Land (ha)
Edmonton EcoPark – incl. existing energy centre, and the new ERF, RRF & EPH.	EfW (Energy from Waste) plant/facility to process/treat north London waste and generate into beneficial heat and power for the community.	LondonEnergy Limited / North London Waste Authority.	LondonEnergy Limited.	14.7
Hornsey Street Transfer Station/Yard (incl. Reuse and Recycling Centre)	Waste Transfer Station & Reuse and Recycling Centre in Hornsey Street, Islington.	Ashburton Properties.	LondonEnergy Limited.	0.72
Kings Road Reuse and Recycling Centre.	Reuse and Recycling Centre in Chingford, Waltham Forest.	London Borough of Waltham Forest.	LondonEnergy Limited.	0.28
Land at Deephams Farm Road.	Access roadway to the north of the Edmonton EcoPark.	North London Waste Authority.	LondonEnergy Limited.	0.33
Land at Hawley Road.	LondonEnergy Limited's temporary transport yard.	London Borough of Enfield.	LondonEnergy Limited.	1.50
Land at Lee Park Way.	Access roadway and pathway to the east of the Edmonton EcoPark.	Lee Valley Regional Park Authority.	LondonEnergy Limited.	0.36
Land at Picketts Lock Lane.	Roadway/residual land.	North London Waste Authority.	North London Waste Authority.	0.02
Land at Pinkham Way.	Unutilised land.	North London Waste Authority.	North London Waste Authority.	4.79
Land beside Lower Hall Lane.	Temporary use as the laydown area during the North London Heat Power Project.	Thames Water Utilities Limited.	LondonEnergy Limited.	2.89
Land west of Ardra Road.	Acquired to support existing pumping and effluent treatment processes.	North London Waste Authority.	LondonEnergy Limited.	0.31

Asset / Facility	Description / Primary Function	Owned By	Managed / Operated / Maintained By	Approximate Gross Land (ha)
Regis Road Reuse and Recycling Centre.	Reuse and Recycling Centre in Kentish Town, Camden.	London Borough of Camden.	LondonEnergy Limited.	0.23
South Access Road Reuse and Recycling Centre.	Reuse and Recycling Centre in Walthamstow, Waltham Forest.	London Borough of Waltham Forest.	LondonEnergy Limited.	0.45
Summers Lane Reuse and Recycling Centre.	Reuse and Recycling Centre in North Finchley, Barnet.	London Borough of Barnet.	LondonEnergy Limited.	0.49
Wembley Waste Transfer Station.	Waste Transfer Station in Wembley, Brent.	British Land.	LondonEnergy Limited.	1.20
Western Road Reuse and Recycling Centre.	Reuse and Recycling Centre in Wood Green, Haringey.	London Borough of Haringey.	LondonEnergy Limited.	0.25
Further notes for the reader:				
<ul style="list-style-type: none"> Barrowell Green Reuse and Recycling Centre is owned and managed by London Borough of Enfield (no NLWA/LEL management involvement). Gateway Reuse Recycling Centre is officially closed/shut down since November 2024. 				

3.2. To secure maximum value and underpin the successful use, operation, and maintenance of these facilities, the Authority has pushed forward with the implementation of its programme for improved asset management (*the 'Integrated Asset Management Improvement Programme (IAMIP)*). The programme has been designed to enable the Authority to:

- 3.2.1. determine where improvements must be made to prevent the premature failure, depreciation, or demise of each facility/site;
- 3.2.2. identify opportunities and implement strategies to extend the life of assets, to minimise the need for future capital investment and/or enhance the performance of assets;
- 3.2.3. identify assets that are not being used, operated and maintained as designed, or as agreed by the Authority;
- 3.2.4. report accurately on the status (condition) of each facility/site and the Authority's overall investment.

3.3. Having developed the overall approach with LondonEnergy Limited (LEL), progress to date has been strong and is beginning to pay dividends. For example, plans are

underway to test improved methods of operation and maintenance that seek to extend the life of key high-cost assets installed across the Edmonton RRF (technically referred to as an ‘Asset Class Strategy’). Once agreed by officers and implemented by LEL – these strategies will reduce the need for future capital investment at this site, as well as reduce future annual maintenance costs.

- 3.4. The Authority is also now in receipt of monthly reports showing LEL’s performance against prescribed asset management success criteria. This is facilitating improved collaboration, coordination and planning between LEL and the Authority.

NEXT STEPS

- 3.5. Following the formal publication of the North London Joint Waste Strategy (NLJWS), NLWA officers aim to finalise and publish the Authority’s Asset Management Strategy – in accordance with the international asset management standard (ISO 55000).
- 3.6. In the coming months and years, the Authority and LEL plan to incorporate all the facilities processing north London’s waste into the Authority’s Asset Management System (see Figure 3 below) to achieve one uniform approach to facility maintenance and management.

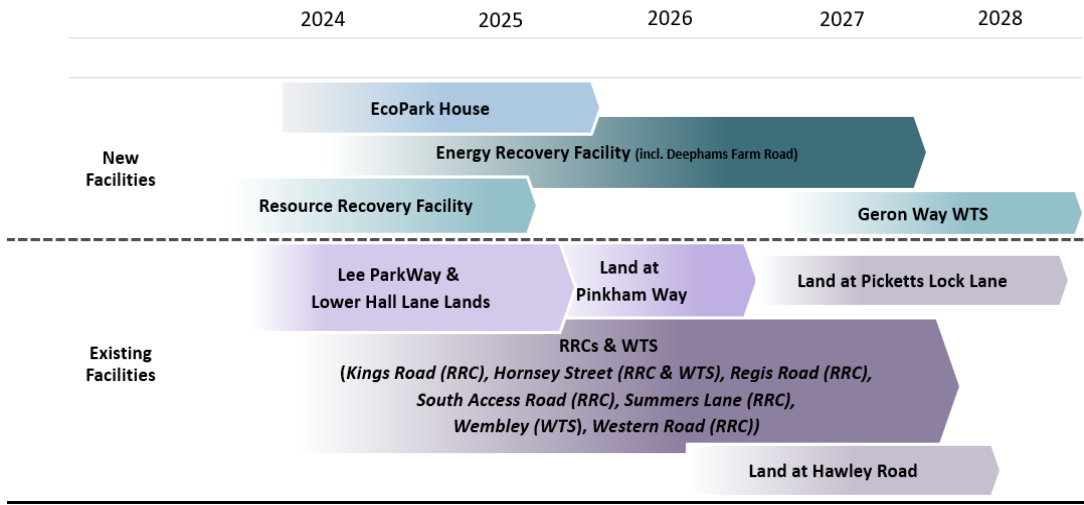


Figure 3: Plan to incorporate the Authority’s facilities and sites into the Authority’s Asset Management System (where WTS is Waste Transfer Station)

- 3.7. Through uniformity, the Authority and LEL will be able to agree strategies to create improved economies of scale across facilities and contracts, resulting in cost efficiencies and better value waste management services for north Londoners.

4. EQUALITIES IMPLICATIONS

- 4.1. The strategy has no significant implications upon equality.

5. COMMENTS OF THE LEGAL ADVISOR

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

6. COMMENTS OF THE FINANCIAL ADVISOR

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

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