

North London Heat and Power Project Briefing

This briefing provides a concise overview of the North London Heat and Power Project (NLHPP or the Project), including the key milestones in its development and the current position of the Energy Recovery Facility (ERF).

Overview of the Project

The NLHPP is a major waste infrastructure programme at Edmonton EcoPark comprising four facilities. The Energy Recovery Facility (ERF) is currently under construction. At the south of the site the Resource and Recovery Facility (RRF), the Reuse and Recycling Centre (RRC) and EcoPark House (a community and education facility), have been completed and are fully operational. The purpose of the project is to ensure north London’s residual waste continues to be treated in the most financially and environmentally responsible way – without transporting the waste miles away, creating a facility with the best emissions cleaning in the country and avoiding costly waste disposal options via private companies.



Background and Early Development (1970 – 2013)

The North London Waste Authority (NLWA) is the statutory waste disposal authority for seven north London boroughs. It owns LondonEnergy Ltd (LEL), which operates the existing Energy from Waste (EfW) facility at Edmonton. The facility was built in 1970 (56 years old) and has exceeded its original mechanical and electrical design life. Energy from Waste facilities are typically built with a 25-year mechanical and electrical design life, and a 50-year civil engineering/structural design life. The plant can no longer manage all the residual waste collected by north London boroughs and some waste is sent to third parties outside London for disposal.



Construction of the ERF as at April 2026.

Between 2007 and 2013, NLWA pursued a Public-Private Partnership (PPP) waste solution involving long-term contracts for treating waste. In September 2013, this approach was abandoned following an assessment that a publicly financed Energy Recovery Facility could deliver significant savings and improved environmental and local outcomes compared with the extremely high prices emerging for the PPP.

Options Appraisal and Planning Approval (2013 - 2017)

Following the cancellation of the PPP, a range of alternative options were explored, including refurbishment of the existing facility, outsourcing to the private sector and split-site solutions. These were not considered to offer the same value for money or environmental benefits as a new publicly owned ERF which could offer electricity generation up to 127,000 homes and a local heat network connection for up to 60,000 homes. With NLWA developing the site it meant the best emissions control technology could be selected to reduce emissions and match the leading facilities in Europe.

The Project was taken through the Development Consent Order (DCO) process, including public consultation between 2014 and early 2017. Further appraisal in 2016 confirmed this as the most advantageous solution, and development consent was granted in 2017, establishing the NLHPP as a single masterplan.

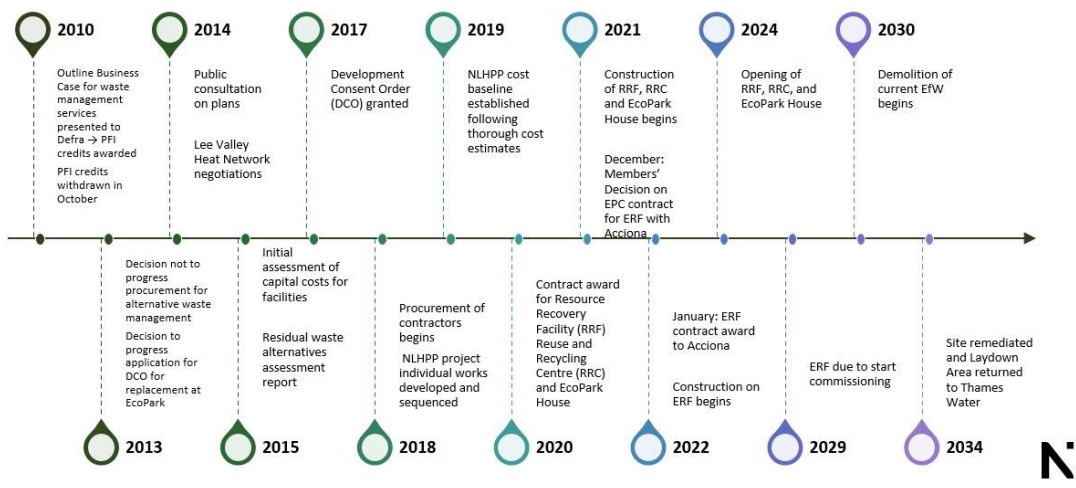
Procurement and Contract Award (2019 – 2021)

To address delivery challenges, the project was split into two contracts: Waste reception facilities and EcoPark South and the ERF. EcoPark House was part of the first build – a centre for Sea Cadets and education. Procurement for the first facilities began in October 2019, with the contract awarded to Taylor Woodrow in August 2020. The recycling facilities and EcoPark House completed in 2024 have been nationally recognised as award-winning examples of sustainability and social value. Procurement for the ERF commenced in July 2020,



Buildings from left to right completed on the Edmonton EcoPark: District Energy Centre, Resource Recovery Facility, RRC, EcoPark House (adjacent to the River Lee)

Edmonton EcoPark timeline



and following a public procurement process the contract was awarded to Acciona in December 2021, with construction beginning in 2022.

Cost Pressures and External Factors (2019 – 2023)

The total project cost was forecast in 2019 as £1.22bn plus inflation which would arise over the 10 year+ lifetime of the project and which is outside the Authority’s control. Taking account of inflation the £1.22bn translated to £1.52bn in 2023. Like all other major projects undertaken during this time, external factors driving inflation have included Brexit, the COVID-19 pandemic, global supply chain disruption, the war in Ukraine and wider economic instability. These factors contributed to sustained inflation, higher interest rates and a challenging delivery environment. Disposing of waste in the new ERF will still be 30-55% cheaper than alternative options in the long-term.

Emerging Delivery Challenges and ERF delivery progress (2024)

Having started construction of the ERF in 2022, in September 2024, it became clear that the ERF construction programme was falling behind schedule. Key milestones had not been achieved, reflecting delays in contractor performance. The contractor linked the delays in part to difficulties in procuring and mobilising specialist subcontractors operating under national industrial agreements that are governed by the National Agreement for Engineering Construction Industry (NAECI).



Construction of the Energy Recovery Facility in the foreground at Edmonton EcoPark taken April 2026. Existing EfW and new recycling facilities are visible in the background

In response to delays, NLWA withheld payments which were linked with hitting milestones and steps were taken to strengthen delivery, including engagement with the contractor and consideration of contractual measures. In October 2024, a borough steering group was established to provide additional oversight.

In December 2025, progress on the ERF delivery continued to be behind plan, however, the site was active with several key sub-contractors engaged and progress day on day is visible. As the photos shows, the construction is 50% completed and 70% of the specialist equipment needed to build the facility is manufactured and ready to be installed. Other works on the site to support the facility were progressing well.

Audit, Reviews and Governance (2025)

In early 2025, an independent Audit Review of the contractor’s performance was undertaken by Arup. This identified a number of areas requiring improvement, particularly in relation to programme management and delivery confidence. While construction activity was progressing, delays to critical path activities were leading to ongoing programme slippage.

An Independent Review was commissioned in mid-2025 to assess delivery options. The findings recommended a more robust application of contractual controls. In addition to this meeting sequencing was strengthened. This included enhanced engagement with borough Directors of Finance and Directors of Environment to review progress, risks and potential financial impacts.

Although the programme remained behind plan, visible construction progress continued across key elements of the facility.

Current Position and 2026 Developments

In early 2026, focus has been on improving delivery certainty through ongoing discussions with the contractor. In parallel, “Project 60” has been initiated by LondonEnergy to make recommendations on how to extend the life of the existing EfW facility into the 2030s ensuring continuity of waste disposal arrangements.

By spring 2026, a Memorandum of Understanding had been agreed with Acciona, setting out the basis for further negotiations to improve delivery certainty and secure a robust programme for completion of the facility. This is challenging as Acciona are incurring costs above the contract price agreed with NLWA and seek to avoid compounding their losses.

Summary

The NLHPP remains a critical project for north London’s waste infrastructure. The first facilities on site are successfully completed and operating to a high standard. The ERF has experienced delays due to external factors and contractor performance issues. Since 2024, a range of actions have been taken to strengthen governance, improve oversight and progress delivery, while ensuring that waste disposal capacity is maintained during the transition period. North London residents generate more than one tonne of rubbish every minute; and infrastructure of this scale is needed to dispose of it responsibly.

