

7. North London Heat and Power Project

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Overview

- 7.1 The North London Heat and Power Project (NLHPP) (the Project) addresses the need to replace the existing energy from waste (EfW) facility at the Edmonton EcoPark, which is reaching the end of its operational life. The Project includes design, construction and commissioning of an energy recovery facility (ERF), a resource recovery facility (RRF) to maximise the recycling of materials from bulky waste and other materials (including a new public reuse and recycling centre), and EcoPark House, which will be used to provide a space for community use and teach the local community more about the circular economy. EcoPark House will also be the home to Edmonton Sea Cadets.
- 7.2 The ERF will have a capacity for processing 700,000 tonnes of waste each year and will generate around 78 megawatts of energy (MWe). The energy will be directed to provide electricity to the national grid and to deliver heat to a local district heat network.

Establishing the Project baseline

- 7.3 During the year, the Project team finalised a well-evidenced and benchmarked baseline of scope, cost, risk and time schedule for the delivery of the Project, which was required by the Authority to provide a robust and realistic assessment of the objectives for the Project against which progress and performance will be measured.

IMPACT

Clear objectives established to enable **robust measurement of progress and performance**

- 7.4 The Project team validated that the scope of the Project as defined in the Development Consent Order (DCO) remains the most practical and economic option for fulfilling the Authority's waste disposal obligations.
- 7.5 It was identified that a Project cost in which the Authority could have a high level of confidence would be £1.2bn.

Progressing the procurement programme

- 7.6 During 2019-20 the Authority has awarded, on programme, the majority of the site preparation contracts for the Laydown Area West and Eastern Access with Buckingham Group, and contracts for the Northern Access, Transport Yard, and sewer diversion enabling works with Galldris, an Enfield-based contractor. The contract for the design and construction of the sewer diversion was awarded to Barhale, a specialist tunnelling company.
- 7.7 The Authority successfully held three in-person market information events during the year, two of which were for works associated with EcoPark South and one of which was for works associated with the energy recovery facility (ERF). More than 100 people interested in procurement opportunities attended the ERF event in person, in addition to 148 online participants.

7.8 The procurement process for the EcoPark South contract was successful in attracting good quality contractor tenders and the planned negotiation process, which began during the national COVID-19 lockdown, used virtual meetings, which proved to be a highly effective technique.

7.9 Development of the extensive ERF procurement documentation began in 2019-20 and progresses with the objective of publishing the Prior Information Notice in early July 2020.

Progressing the construction

7.10 Construction started in January 2019 with the temporary laydown area to the east of the River Lee Navigation to the east of the EcoPark. This contract completed during the year and the contractor, Buckingham Group, subsequently began construction of the west section and eastern access to the site.



Image 1. Construction work on the Laydown Area, North London Heat and Power Project

7.11 Enfield-based company Galldris Construction Ltd has progressed construction activity on three contracts: the temporary Transport Yard being provided adjacent to the Ecopark at Hawley Road, the Northern Access and the sewer diversion enabling works. All three contracts are due to complete in the second half of 2020.



Image 2. Construction work on the temporary Transport Yard

Managing the impact of COVID-19

7.12 The Project has had to address the impact of the COVID-19 pandemic and the evolving government advice in relation to both construction activity associated with the site preparation works and the ongoing pre-construction development of the Project, including procurement of major contracts.

7.13 In relation to the pre-construction work the Project team adapted well to remote working through virtual communication/ collaboration techniques, maintaining the programmes for procurement of the ERF and the EcoPark South contracts.

7.14 In relation to construction activity the Project team carefully considered the risks to the Project around future safety and efficiency of operation. After liaison with boroughs officers, and further to several consultations with the Authority Chair and Vice-Chairs as plans were evolving, the Project team instructed contractors to pause construction activity.

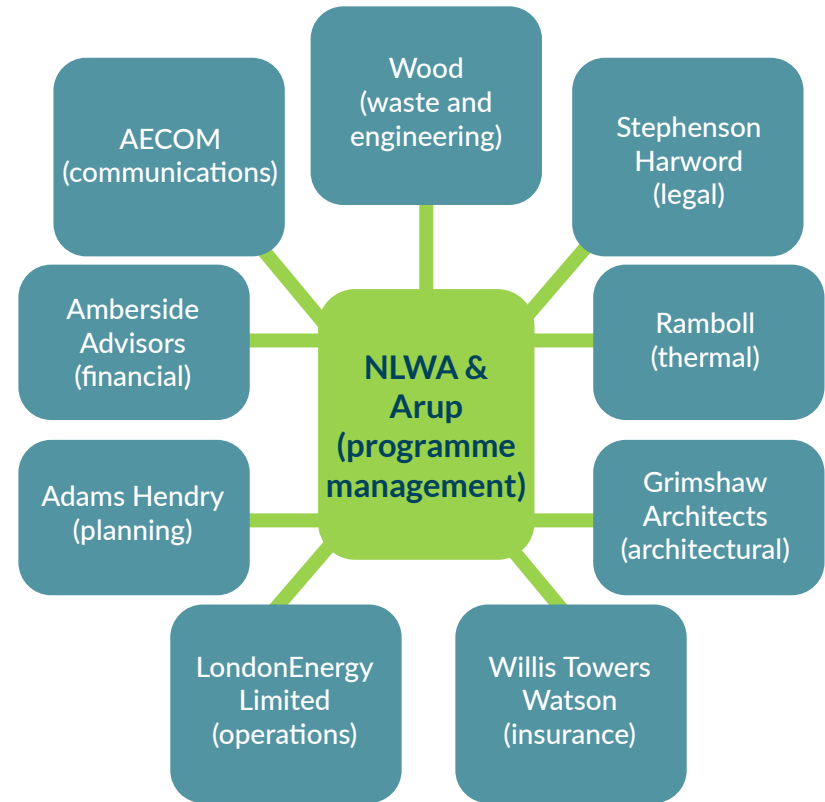
7.15 The shut-down was planned to allow the sites to recommence operations promptly after the suspension is lifted. A taskforce was established with the contractors to develop the means by which an acceptable level of workforce safety could be achieved, taking into account:

- Safe travel and accommodation, where required, for the workforce, including an improvement in the safety of public transport.
- The ability to develop a coherent programme of on-site construction activities whilst complying with the current Safe Operating Procedures.
- The availability of supervisory staff, materials, plant and services needed to support the programme.
- The ability to develop risk assessments and method statements that do not compromise other health and safety requirements in light of workforce availability and restrictions on close working.

7.16 During the down-time the Project team worked with the contractors to identify any opportunities for future programme recovery through resequencing or acceleration of the works.

Developing the programme management capability

7.17 Having made the Project leadership appointments and established the structure of the integrated programme management team in the previous year, the Programme Director



has focused on the proven requirements for the Authority to be a capable client owner to manage the delivery programme for the Project.

Figure 2. Programme management structure – North London Heat and Power Project

7.18 The Authority has established a strong client-led programme management strategy using specialist advisory support, concentrating on:

- **Strong skills, behaviour and leadership:** connecting with the vision; establishing clear decision-making channels; improving communications across the wider team; enabling a collective approach to problem-solving; and a focusing on the behaviours of the leadership team.
- **Strong governance and alignment:** maintaining effective project reporting and governance with clear accountabilities; working to a realistic performance baseline; prioritising stakeholder engagement within the community and boroughs; focusing on social value and employment relations.
- **Creating the right commercial environment:** site preparation works were designed and contracted in multiple packages to encourage local supplier involvement; engaging and consulting with the prospective supply chain; using a progressive target cost outcome-led contract for the EcoPark South contract; developing a strong cost and commercial management capability within the client team.
- **Digital transformation:** establishing a digital strategy for the Project which prioritises (i) a 'data hub' in a common data environment that enables a 'single version of the truth', (ii) a Project communications portal to facilitate effective communications across the wider teams involved in the Project, and (iii) the use of a geographical information system (GIS)-based system for the capture and communication of technical information.

Increasing stakeholder engagement

7.19 As a public authority promoting a major construction project, it is a key priority to ensure that information about the Project is readily available to interested groups and individuals, and that information is accurate. During the year, the Authority has:

- continued to keep the NLHPP website (northlondonheatandpower.london) updated. The website was refreshed in June 2019. It includes extensive Project information, videos, frequently asked questions (FAQs) and information on Project announcements. It also provides clear information about what is planned for the EcoPark site, including the brochure <http://northlondonheatandpower.london/project/>;
- responded to letters and emails from individuals or groups, addressing the specific points raised by them in connection with the Project; and
- used social media to ensure that key facts about the Project are in the public domain. In the period April 2019 to March 2020 81 tweets were issued from the NLHPP twitter handle, with the following impact:
 - 64,461 impressions (number of times a user saw an NLHPP tweet)
 - 1,265 engagements (number of times a user interacted with an NLHPP tweet including retweet, reply, 'favourite')

7.19.1 Topics covered in social media posts included:

- Procurement (contract awards, market information events)
- ERF – emission controls, low-carbon energy
- Wise up to Waste (waste prevention and recycling campaign) activities
- Climate Emergency messaging
- Project leaflets, newsletters, website details
- Innovation on the project – deep soil stabilisation
- Construction update video
- Social value – apprenticeships and training
- Community engagement – presentation to Enfield Society

7.20 During 2019-20, 13 press releases were issued to the press at key points in the Project. This includes 11 proactive and two reactive press releases.

7.21 In the same period, the Authority produced and circulated two construction newsletters to 19,000 properties near the EcoPark. Both newsletters can be found on the Project website.

7.22 The Authority engaged with the public through three community roadshows, ongoing engagement with the Community Liaison Group and one presentation to a community group.

Employment relations and social value

7.23 During the year, the first NLHPP apprentice was appointed by Galldris Construction. The subsequent appointment of apprentices and provision of training on existing contracts was put on hold due to COVID-19 restrictions but is now restarting in conjunction with the contractors' return to site.



Florentia Theori (left), the first apprentice on the NLHPP, with Councillor Clyde Loakes (right) - image from February 2020

Image 3. The first apprentice on the North London Heat and Power Project

7.24 Similarly, the Science, Technology, Engineering and Maths (STEM) - based schools programme had to be halted as schools closed, but as schools prepare for students to return to the classroom in September, the Project team is working to determine how the schools programme can be delivered most effectively.

7.25 In order to ensure fair and ethical treatment of the construction workforce, the Authority agreed the Employment Relations Code of Practice (ERCOP), which was developed in order to ensure that the Authority's ethical position on employment relations was addressed by the contractors. The Project team took steps to include the main requirements of the draft ERCOP in contract clauses, and monitors the contractors' compliance with the requirements, including the application of the London Living Wage. The tender documents for the construction contract for EcoPark South included a requirement that the contractor comply with the ERCOP, which is included as a contract document.

7.26 The Authority also decided that the ERF project should be nominated with the National Joint Council under the National Agreement for the Engineering and Construction Industry (NAECI) working rule agreement, sometimes known as the 'Blue Book', prior to the start of the formal procurement process. This was deemed an effective and visible way of demonstrating the Authority's determination to prioritise the rights of the workforce and avoids any risk of ambiguity on this point.

Next steps

7.27 After establishing safe operating procedures for carrying out construction activity under COVID-19 conditions, the suspended works will be safely remobilised. The site preparation contracts currently underway will be completed during the next year, except for the works associated with the sewer diversion.

7.28 The next year will see key activity related to the major projects within the NLHPP. For Ecopark South, the contract will commence in September 2020 with the first phase of detailed design work by the contractor. The start on site is programmed for early 2021.

7.29 For the ERF, after further market information days and consultation with the prospective supply chain, the formal procurement process will begin in July 2020 on publication of the OJEU Notice. After a Supplier Qualification phase and down-selection, the tender process will begin at the end of 2020.

7.30 With the easing of COVID-19 restrictions, the creation of apprenticeships and on-site skills training placement can restart, both with the existing site preparation contractors whose plans had to be put on hold, and in anticipation of the EcoPark South Contract, which will create at least 20 new apprenticeships. The Authority will be managing a campaign to attract candidates for the apprenticeships in readiness for the contract start in September 2020.



Figure 3. Timetable of works for the North London Heat and Power Project