

ERF Supplier Guide June 2020



Introduction



North London Waste Authority (NLWA) is pleased to share its plans for taking forward the North London Heat and Power Project (NLHPP). We are creating a waste management facility in which local communities can take pride, which demonstrates value, and is a model for public sector project delivery.

We applied for a Development Consent Order for new facilities in October 2015 which was confirmed in February 2017. Works to prepare the site for construction started in January 2019.

We want to speak to suppliers about the many opportunities this programme presents. We want to hear your views on how we best procure and work with external companies. And we want this supplier engagement to help us deliver excellent facilities in an efficient way.

This guide is intended to provide useful context and is part of an ongoing process of information sharing as the project progresses. We hope it helps you to decide to bid to be part of creating this vital asset for North London.



Councillor Clyde Loakes Chair, NLWA



Martin Capstick Managing Director, NLWA



David Cullen Programme Director, NLHPP

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This guide has been developed to help potential suppliers find out more about the North London Heat and Power Project (NLHPP). It highlights what is important to us and what will be required from our supply chain.

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About NLWA



The North London Waste Authority (NLWA) was established in 1986 and is the statutory waste disposal authority for seven north London boroughs: Barnet, Camden, Enfield, Hackney, Haringey, Islington and Waltham Forest.

NLWA's primary function is to arrange for the transport and treatment of waste collected by the seven north London boroughs and to promote waste minimisation and recycling.

Our principal statutory duties are:

- To arrange the disposal of waste collected by the seven north London boroughs
- To transport and dispose of waste from north London's reuse and recycling centres
- · To store and dispose of abandoned vehicles

We also run awareness campaigns on waste prevention and recycling. For more information about NLWA and our campaigns, please visit **www.nlwa.gov.uk**.

NLWA is governed by 14 councillors, two from each of the seven north London boroughs. These councillors make decisions relating to the disposal of north London's waste.

At present 30% of household waste is north London is reused, recycled, or composted. 8% of all waste collected is sent to landfill, and 62% sent to energy from waste facilities.

While our target is to increase the proportion of waste that is recycled, there is a long-term need to provide facilities that enable us to dispose of waste that cannot be recycled.

LondonEnergy Ltd.

LondonEnergy Limited (LEL) is owned by NLWA. The company operates with an independent Board and is contracted to provide waste management services for waste reception, recycling and processing for the seven north London boroughs. LEL will operate the new ERF once it is constructed and commissioned. LondonEnergy is based at Edmonton EcoPark, N18 3AG.

You can find out more about LEL at www.londonenergyltd.com.



NLHPP Programme



The purpose of the NLHPP is to replace the energy from waste facility at the EcoPark in Edmonton, which will reach the end of its operational life around 2025. A dedicated website exists to provide up-to-date information about the project and contact details to reach the team (**www.northlondonheatandpower.london**).

The main components of the NLHPP are:

- Energy Recovery Facility to generate low carbon energy from waste, in the form of heat and power.
- **Resource Recovery Facility** to process bulky waste and prepare materials for energy recovery, including a **Reuse and Recycling Centre**, for use by the public.
- EcoPark House located on River Lee Navigation including a visitor and education centre.

The programme will deliver significant social benefits:

- Generate 78 megawatts of power from waste which can supply electricity and heat for 127,000 homes.
- An impressive programme of 100 apprenticeships and 225 skills training opportunities.
- A target of 25% local employment and 10% local expenditure.
- Create over 2,500 job opportunities during construction and operation.
- Save the equivalent to 215,000 tonnes of CO² every year using energy recovery rather than disposing to landfill.



Indicative image of the NLHPP site (Grimshaw Architects)

ERF Construction Works

NLHPP is seeking a contractor to design, procure, construct, commission and test the new ERF. Since the last Market Information Day we have completed the development of our procurement documentation. This includes a review of the EPC Progamme. This review has focused on the critical project durations and alignment of the EPC programme to the ICheME contract requirements. The Authority has also obtained the necessary approvals from the London Borough of Enfield required under the DCO.

Heatand

Power

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Following issue of the OJEU notice in July 2020, contractors will be invited to complete the Selection Questionnaire. By November 2020, a maximum of three bidders will be invited to participate in the ISDS process.

Work Element	Project description	Start of procurement	Award of contract	Approximate construction	
ERF	Construction, commissioning and testing of the ERF	Q3 2020	Q3 2022	Q4 2022 to Q1 2026 (45 months)	

The ERF will be fuelled by up to 700,000 tonnes of residual waste each year, enough to power up to 127,000 homes. It will comprise the following buildings, structures, and plant:

- Two identical process lines each comprising an advanced moving grate combustion unit, heat recovery boiler, combined type flue gas treatment system incorporating selective catalytic reduction with a common turbine - generator, air cooled condensing system, CHP heat off-take systems for district heating and electricity export, and, all auxiliary systems
- All civil engineering, buildings, architectural treatment, utilities connection, landscaping and other site works
- ERF Weighbridges, ancillary offices, workshops, parking, stores and maintenance contractors area
- Transport Offices, Workshops and Parking for on-site operational vehicles
- · Administration / Operations Offices and Staff Facilities
- Windshield and Flues
- Air Cooled Condensers
- Raw Water Pre-Treatment Plant
- ERF Fire Water Tank and associated fire protection systems
- Electrical Substation, Gas Apparatus, pumping station, works and connections
- · Other utility connections including communications and water
- Waste Water Treatment Plant and Associated Works

Prior Information Notices

A PIN about the proposed works for the ERF was issued to the EU Publications Office on Thursday 19 December 2019. The reference number is **2019/S 247-607948**.



NLHPP Site



Indicative image of the ERF



Cross-section of the ERF

Other NLHPP works



Works are currently underway to prepare the site for the ERF, allowing the ERF contractor to move into a site that is ready for construction. These works include:

Preparatory works

In advance of the main construction activities to build the ERF, works have been underway since Q1 2019 to prepare the site, provide new utilities and create new site access points. These works make up the first phase of implementation and are called the Preparatory Works. They comprise laydown areas (east and west), northern and eastern accesses, a sewer diversion, relocation of the Transport Yard and clearance of the northern area of the site.

EcoPark South works

The EcoPark South works make up the second phase of implementation, and comprise construction of the Resource Recovery Facility (RRF), construction of EcoPark House, and associated utility works. Procurement for this package of works launched in Q3 2019 and the contract is expected to be awarded in Q3 2020. Construction is due to commence in Q1 2021 and be complete by Q4 2022.

Following the completion of the ERF, a separate contract will be procured to carry out final site works. This separate contract includes:

Post-ERF works

The Post-ERF works make up the final phase of implementation and will comprise the decommissioning and demolition of the existing Energy from Waste (EfW) facility and the southern access widening. During this phase, works will also take place on the Utility Bridge and Corridor. However, timings for this are subject to NLWA's ongoing discussions with the network operators for the utilities affected.



Working with us



As a publicly-funded organisation, NLWA is subject to EU procurement directives and the Public Contracts Regulations 2015. This means that we are required to advertise any opportunities above the specified thresholds¹ in the Tender's Electronic Daily supplement to the Official Journal of the European Union. The requirements will be kept under review following the UK's departure from the EU.

We are committed to ensuring that the NLHPP benefits the local community and economy. That's why we're encouraging local subcontractors to register to be part of our database which will be shared with main contractors. Furthermore, in addition to creating 225 on-site skills training opportunities and at least 100 apprenticeships, we have also set targets to achieve 25% local employment and 10% local expenditure.

Opportunities for subcontractors

If you would like your company to be considered as a potential subcontractor, you are welcome to submit your company details to **info@northlondonheatandpower.london**. NLWA will publish them in an appendix to the document set for subsequent NLHPP procurements, although contractors are not restricted to selecting subcontractors from this list alone.

Being included in this appendix does not preclude your company from tendering as a main contractor for one of our procurements.

Our e-procurement portal

General information about procurements can be found on the NLHPP website at **www.northlondonheatandpower.london/suppliers.** Detailed information on opportunities and how to participate can be found on the 'Current Tenders' page of our e-procurement portal at **www.in-tendhost.co.uk/nlwa**.



¹The current thresholds can be found at www.ojec.com/thresholds.aspx

What we want from suppliers

The NLHPP programme will provide a vital asset, ensuring the ongoing ability to dispose of waste responsibly and cost effectively for many years to come. Communities in north London will rightly expect that companies engaged in the programme should:

- · Work to the highest standards of health, safety and wellbeing;
- Play a positive role in skills development of their workforce through apprenticeships and training.
- Work as a 'good neighbour' in compliance with the Considerate Constructors Scheme; and
- Be committed to equality, diversity and inclusion at the forefront of employment relations.

Health, Safety and Wellbeing

NLWA's aim is to achieve zero harm to everyone involved in the project, and working and living in the local community, by putting health, safety and wellbeing as the number one priority. Our 'Safety First' campaign underpins this identity across all facets of the organisation.

We want to lead new standards of excellence in health, safety and wellbeing in construction, where everyone can take pride in the absence of incidents, and one of the most advanced safety cultures to work in.

To ensure this, NLWA will:

- Show strong and active leadership, in designing and living the NLHPP safety culture;
- Maintain an open, collaborative and continually improving environment;
- Require active participation of all stakeholders, across all levels of the NLHPP programme; and
- Integrate health, safety and wellbeing in every activity undertaken in the NLHPP programme.

We will work with suppliers to ensure that they deal with all health, safety and wellbeing matters in accordance with our policies, relevant regulations, and guidance issued by the Health and Safety Executive generally and specifically to the waste industry.

Equality

NLWA's equality objective states that we will aim to ensure we provide a waste service that is fair, open to all, and promotes equality of opportunity. We will therefore work to ensure that any contractors appointed can comply with the duty, understand their obligations, and meet the duty in practice. Our contracts contain suitable equality obligations on contractors to not discriminate in relation to the provision of services to the public and employment practices in relation to their staff. Procurement procedures include a check of tenderers' equality policies.





What we want from suppliers (cont.)



Employment Relations

NLWA is committed to being an ethical Client for the project in the context of worker's rights and ensuring that employment terms and conditions of the workforce are fair and equitable. It is recognised that implementing an effective employment relations policy and plan delivers wide ranging benefits including good industrial relations, local employment opportunities, productivity, and health and safety. That is why NLWA has introduced an Employment Relations Policy and an associated Employment Relations Code of Practice.

The NLWA, after consultation with the Unions and the National Joint Council for the Engineering Construction Industry (NJC), have determined that the ERF site will be registered for the employment of the National Agreement for the Engineering Construction Industry (NAECI) working rule agreement, commonly known as the "Blue Book". This is 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.

The NLWA shares the view of the Engineering Construction Industry Association that "NAECI is a comprehensive and prescriptive agreement. Its strength lies in the fact that it creates a level-playing field on wages, which reduces exploitable differences, as well as reducing labour churn and poaching. Nationally agreed pay rates means that contractors are bidding for work not on the basis of pushing down labour rates but instead on the quality of the skills within their organization, namely their engineering, their design, their procurement, their management and supervision and of course their craft skills".

Skills, Apprenticeships and Training

NLWA is committed to delivering apprenticeships and training opportunities. The Development Consent Order obliges us to deliver 100 apprenticeships and 225 on-site skills training opportunities during construction of the NLHPP Programme. We want to work with our suppliers to maximise these opportunities.

For the ERF contract we are committed to delivering 90 apprenticeships and 180 training opportunities.

In addition, a long-term programme provides opportunities for companies to develop their staff over the duration of the contracts they win. This contributes to an effective industrial strategy. NLWA will therefore be looking for evidence from its contractors that they intend to grow the skills within their workforce.

Environment

As a key strategic objective of NLWA is to encourage waste minimisation. We will expect contractors to have a strong regard to sustainability in their operations. This includes demonstrating how they act to minimise adverse effects on local communities.

The NLHPP Programme Team



NLWA has a dedicated programme delivery team, acting as the client, for delivery of the NLHPP Programme. The Authority's programme delivery team is a multi-disciplinary team encompassing delivery, management, technical, legal, financial and commercial. The programme delivery team will have an appointed Project Manager responsible for the delivery and coordination of each project.



We are supported by a range of expert advisers, including advisers on programme management, engineering, architecture, planning, finance, communications, and legal issues. For contractors this gives confidence that the client will take decisions based on well-informed views, with a clear line of accountability.



Timetable



The NLHPP will provide opportunities for companies who want to be part of a programme with a range of construction activities over the next 10 years. The first construction works began in Q1 2019, and the final works are scheduled to be delivered in 2031.

The programme comprises four implementation phases:

- Preparatory Works;
- EcoPark South Works (including the RRF and EcoPark House);
- ERF Construction (including construction and commissioning of the ERF); and
- Post-ERF Works (including demolition of the existing EfW facility).

Further information about can be found at: www.northlondonheatandpower.london



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Works	Works	Works	Works	Works	Works	be	orks	Works
began	end	begin	end	begin	end		egin	end
2019	2023	2021	2022	2022	2026)27	2031



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