

FREQUENTLY ASKED QUESTIONS – BALDOVIE EfW CHP Facility

Although the project is at an early stage, we want to give as much information as we have on some of the key issues that will benefit the local community, businesses and tradespeople. There are opportunities for contracts and services that may be suitable for local businesses and people and we are keen that we use as much local labour and services as we can.

ABOUT THE PROJECT

1. What is the project about?

The project is to build a 39.9MWth energy-from-waste combined heat and power (EfW CHP) facility at Forties Road, Dundee. It will be on the site of the existing energy-from-waste facility DERL, Dundee Energy Recycling Ltd, which will operate until the new plant is built. The new facility will deal with the residual waste from Dundee and Angus totaling around 110,000 tonnes per annum. It will generate heat and power for the adjoining Michelin tyre factory and the wider community through electricity fed into the grid.

2. Who are the partners involved?

MVV Environment Baldovie has been appointed by The Dundee City & Angus Residual Waste Project to construct, operate and maintain the Baldovie facility.

3. Who is MVV?

MVV Environment Baldovie is a Scottish registered company and is a subsidiary of German utility company, MVV. With around 6,100 employees and consolidated sales of 4 billion Euros (financial year 2017), MVV is one of Germany's leading energy companies. In Germany, MVV operates six EfW and biomass plants, managing 1.6 million tonnes of waste a year. In the UK, MVV operates EfW facilities in Plymouth and Dundee as well as a biomass facility at Ridham Dock (Kent).

4. Who will construct the facility?

MVV has selected Standardkessel Baumgarte (SBG) as the EPC (Engineering Procurement Construction) contractor.

SBG is a leading European specialist for the design and construction of power plants and has delivered 136 EfW plants all over the world. It is a subsidiary of JFE Engineering Corporation.

Many sub-contractors will be required during the construction of the facility including engineering and construction, canteen services, office materials, transport services and accommodation. A 'Meet the buyer' event was held in January 2018 for suppliers interested in working on the Baldovie project but companies can still register their interest by contacting Dundee.EfW@standardkessel-baumgarte.com

5. What is the construction schedule?

Advance ground works started in January 2018 and the main construction programme started in March 2018. It is anticipated that the facility will be operational in September 2020.

SITE STATUS AND CONDITIONS

6. Is the site categorized as NAECI?

No. The project is not a NAECI site and nor will it become one. Baldovie has been procured by the local authority, which is duty bound to secure best value for the public purse.

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7. Will every worker be paid the living wage or above?

It is a requirement of sub-contractors to pay the Voluntary Living Wage as a minimum.

8. How will pay rates compare to appropriate National Agreements (e.g. NAECI)?

Rates of pay at Baldovie will meet or exceed the relevant minimum rates of pay. National pay agreements vary in their scope, and they are a vital aspect of construction in enabling the project to proceed smoothly.

Sub-contractors to SBG, who employ workers for mechanical, electrical and associated trades, will have a range of elements and conditions that are comparable to those set out in the NAECI Agreement.

For the applicable scope of civil works, nationally required pay rates will be in place as a minimum with the relevant construction sub-contractors.

EMPLOYMENT, SUPPLIER AND TRAINING OPPORTUNITIES

9. What will be done to encourage local people to apply for positions?

Our intention is to maximize the use of local labour where it is possible and sensible to do so. Job opportunities that arise will be advertised locally and we will work with Job Centre Plus and other recruitment sites to publicise the vacancies.

Jobs fairs are planned to assist contractors to recruit from the local area where the skills required are available. In addition, some labour may also come through agencies so we will work with them to advertise and recruit locally where feasible. We will also work with the local authority to help ensure skilled people can be recruited from the local area to the widest possible extent, given the specialist nature of some of the equipment and machinery.

10. How many local jobs will be offered, and at what skill levels?

The numbers of jobs on site, like any other construction project, fluctuates throughout the lifetime of the project. It is not possible to state in advance what proportion of the jobs coming onstream at any time can be offered to local people, although every effort will be made to recruit locally by way of the jobs fairs and recruitment opportunities.

The complexity and dynamic nature of the construction phase means that the number of vacancies will range widely across different trades, with different skills being required at different times.

11. How many jobs will be created during construction?

As before, the number of roles on site at any one time will vary significantly and continue to change throughout the lifetime of the project. It is not possible to state in advance definitively how many jobs will be created during the construction phase, but we anticipate that at its peak there will be approximately 150 workers on site. There will also be multiple supply chain opportunities for businesses throughout the construction phase.

12. What aspects of the project will be from Europe/Non EU?

The type of technology used in EfW CHP plants is not available in the UK. Much of the design of the plant and the technical components will have to come from highly specialist companies outside the UK with a strong track record.

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13. How will the selection of other maintenance and engineering contractors be undertaken?

The project requires a range of packages and suppliers, some of whom we have already met through the 'Meet the buyer' event and we encourage others to register interest – see Q5. Contractors will be assessed by the procurement specialists against the project criteria highlighted as part of the request for quotation process.

AGENCIES

14. Will agency staff be employed on the site?

Yes, there may well be times when labour is sourced through agencies or principal labour suppliers as they are sometimes known. As part of the sub-contracting agreements, we will ensure that their terms and conditions comply or exceed the national minimum rates of pay and conditions. Any vacancies given to agencies will also be required to be advertised locally. Lastly, we will ensure that any sole traders are given the opportunity to apply for vacancies through dedicated companies that meet our policies.

15. What proportion of staff are expected to be employed through agencies?

As the numbers of people on site vary, it is not possible to estimate this figure at this stage. It is unlikely we will have a clear figure until we reach the end of the project.

16. Will there be any use of umbrella companies?

No. We have also agreed there will not be any umbrella companies involved in the project.

GOODS & SERVICES

17. What commitment is there to source goods and services from local suppliers?

We held a 'Meet the buyer' event in January 2018 where we either saw or have been directly contacted over 120 suppliers, many of whom were from the local area. We would hope to source the majority of goods and services from local suppliers where possible.

Please also register your interest by contacting dundee.efw@standardkessel-baumgarte.com.