

NORTH LONDON WASTE AUTHORITY

At a meeting of the **NORTH LONDON WASTE AUTHORITY** held on **THURSDAY, 12TH DECEMBER, 2013** at 10.00 am in the Committee Room 1, Town Hall, Judd Street, London WC1H 9JE

MEMBERS OF THE AUTHORITY PRESENT

Councillors Meehan (Vice-Chair, in the Chair), Cohen (Vice-Chair), Demirci, Jones, Greening, Rusling, Stafford and Hull

MEMBERS OF THE AUTHORITY ABSENT

Councillors Loakes, Bevan, Blackwell, Bond, Lloyd and Thomas

The minutes should be read in conjunction with the agenda for the meeting. They are subject to approval and signature at the next meeting of the North London Waste Authority.

MINUTES

1. APOLOGIES

Apologies were received from Councillors Bevan, Blackwell, Bond, Loakes, Lloyd and Thomas.

2. DECLARATIONS BY MEMBERS OF PECUNIARY, NON-PECUNIARY AND ANY OTHER INTERESTS IN RESPECT OF ITEMS ON THIS AGENDA

Councillor Cohen declared a non-pecuniary interest in all relevant business as a Member of the London Borough of Barnet, which had sold part of the Pinkham Way site to the Authority.

Councillor George Meehan declared a non-pecuniary interest in all relevant business as a Member of the London Borough of Haringey, the planning authority for the Pinkham Way site.

3. DEPUTATIONS (IF ANY)

There were none.

4. MINUTES

It was agreed that Item 2 of the Minutes be amended to say "...which is the Planning Authority...", rather than "was".

RESOLVED –

THAT subject to the above amendment, the public minutes of the meeting held on 26 September 2013 be approved and signed by the Chair as a correct record.

5. MEMBERSHIP OF THE AUTHORITY, COMMITTEES AND WORKING GROUPS

Consideration was given to the report of the Managing Director.

The Managing Director reported that since the publication of the agenda, Councillor Andy Hull had been appointed by the London Borough of Islington to replace Councillor Richard Watts as one of its representatives on the Authority.

RESOLVED –

- (1) THAT Councillor Andy Hull be appointed to fill the vacancies for Islington Members on the Urgency Committee and the Finance Working Group.
- (2) THAT Councillor Greening be appointed to fill the vacancies for Islington Members on the Planning Working Group and the Recycling Working Group.
- (3) THAT Councillor Thomas be appointed to replace Councillor Cohen on the Finance Working Group.
- (4) THAT Councillor Bevan be appointed to fill the vacancy for a Haringey Member on the Recycling Working Group.

6. EXTERNAL AUDITOR'S ANNUAL AUDIT LETTER TO MEMBERS 2012/13

Consideration was given to the report of the Financial Adviser.

RESOLVED –

THAT the findings and recommendations of the 2012/13 Annual Audit Letter be noted.

7. 2013/14 THIRD BUDGET REVIEW AND 2014/15 BUDGET FORECAST

Consideration was given to the report of the Financial Adviser.

The Head of Finance stated that the Authority was forecast to have a revenue surplus of approximately £11.8m at the year end. This was approximately £6.5m better than forecast in September, with the majority of the improvement due to LondonWaste Ltd's decision to pay the Authority a £4m dividend in December. There had also been reductions in the waste stream and a £1.2m saving due to limited capital programme spending in the current year.

The Head of Finance highlighted that there were a number of contract renewals which would be taking place in 2014/15 as part of the Authority's new strategic direction. As decisions on these matters would be made during 2014 it would be necessary to ensure that the Authority had sufficient resources to fund the costs of these decisions in the coming year. In addition to the 2014/15 base budget assumptions, it was proposed that £5m of the forecast revenue surplus should be retained separately from the Authority's operational budget to be called upon only if required. He stated that any balances not utilised would be available to limit the 2015/16 levy increase.

The net budget requirement for 2014/15 was approximately £0.5m lower than for the previous year. However, due to the lower level of balances that would be available to assist with the funding of next year's budget the levy was forecast to increase by £4.895m (11.7%). In commenting on the scale of the levy increase the Head of Finance advised that in February 2013, assuming balances would not be available, the 2014/15 levy had been forecast to increase by 34.6%.

In response to a question regarding the uneven distribution of the levy between boroughs, the Head of Finance explained that this was mainly due to the year-on-year tonnage changes between boroughs. He undertook to write to Members setting out the reasons for the differences in greater detail.

ACTION BY – Head of Finance

RESOLVED –

- (i) THAT the third review of the 2013/14 revenue budget be noted.
- (ii) THAT the current assessment of the budget and resource requirements for 2014/15 and the proposal to retain revenue balances of £5m (the latter to be used only with the prior agreement of Members) be noted.
- (iii) THAT the proposal to return the earmarked reserve of £1m to revenue in order to support the 2014/15 levy be noted.
- (iv) THAT the levy apportionment arrangements for 2014/15 be noted.
- (v) THAT the issues that would need to be addressed at the 2014/15 budget and levy meeting on 13 February 2014 be noted.

8. CONTRACTS ACTIVITY AND ANNUAL MONITORING REPORT

Consideration was given to the report of the Head of Operations.

The Head of Operations introduced the report. He highlighted that Barnet's co-mingled recycling tonnages were now included within the Authority's Materials Recovery Facility contract and that this had increased tonnage levels. He also highlighted that recycling rates at the seven Authority-run Household Waste and Recycling Centres were now an average of 63%, compared to 59% before the Authority had taken responsibility for them. Finally, he informed Members that the Waste Electrical and Electronic Equipment (WEEE) contract had been extended until the end of 2014 although recent Government changes to the WEEE scheme meant that some of its benefits might be curtailed.

RESOLVED –

THAT the report be noted.

9. RISK REVIEW

Consideration was given to the report of the Managing Director.

The Managing Director stated that the review had updated the High Level risk register following the Authority's decision to end the procurement. A number of procurement risks had been removed and new risks had been added to reflect the extended usage of the Edmonton plant. He stated that the Finance Working Group would be reviewing the full risk register in greater detail at its next meeting.

In response to a question, the Managing Director replied that the Authority would be seeking agreement on a reformatted Inter-Authority Agreement, which would seek to introduce a menu pricing approach. It was envisaged that this would take effect from 2016-17. He stated that boroughs had agreed to the principles and officers hoped that a revised draft agreement would be made available to boroughs in the New Year.

RESOLVED –

THAT the report be noted.

10. NORTH LONDON WASTE PREVENTION PLAN 2014-15

Consideration was given to the report of the Head of Operations.

The Head of Operations briefly introduced the report and highlighted the proposal for the plan's budget to be at the same level as the previous plan.

In response to a question, the Head of Operations explained that the Authority had tried to discuss the issue of packaging with leading supermarkets. However, they often preferred engaging at a national level with organisations such as the Waste and Resources Action Programme (WRAP). However, officers would continue to try and engage with supermarkets on packaging issues.

RESOLVED –

- (1) THAT the proposed themes and resource requirements of the draft 2014-16 North London Waste Prevention Plan, which was currently being developed be approved.
- (2) THAT it be noted that a fully developed 2014-16 North London Waste Prevention Plan would be prepared for the February 2014 Authority meeting.

11. CONSULTATIONS AND POLICY UPDATE

Consideration was given to the report of the Head of Operations.

The Head of Operations explained that from January 2015, authorities would be required to collect waste separately where this was technically, environmentally and economically practicable (TEEP). The Department for the Environment, Food and Rural Affairs (DEFRA) had not yet published UK guidance on how this would be interpreted although this might be available in the New Year. The report also contained responses to consultations on changes to the WEEE system and DEFRA's call for evidence on charging for carrier bags.

The Head of Operations also reported that since the report had been published, there had been a further consultation on the National Significant Infrastructure Planning Scheme. This did not change any of the key thresholds but proposed a number of detailed changes. He sought a further delegation for officers to respond to this consultation if appropriate.

A Member stated that there did not seem to be any research to justify the Government's position on co-mingled recycling and asked what action was being taken nationally to challenge this. The Managing Director stated that this was a difficult area and the Government would not want to lay itself open to further legal challenge with its guidance. There was a risk that individual authorities could be challenged as test cases in this area. The Head of Operations stated that the European Waste Framework Directive did not ban co-mingled collections but stated that source separated would be the default unless it could be shown that co-mingled collections fulfilled the TEEP requirements.

RESOLVED –

1. THAT the updates in relation to the separate collection of waste and WEEE collections (Sections 2 and 3 of the report) be noted;
2. THAT the updates in relation to Haringey's Biodiversity and Open Space Plan (Section 4 of the report) be noted;
3. THAT the officer response to the WRAP Re-use Standard consultation (Section 5 of the report) be approved; and
4. THAT authority be delegated to the Head of Operations in consultation with the Chair to respond to DEFRA's "Call for Evidence: Plastic Bag Charge for England" (Section 6 of the report) and to the "Nationally Significant Infrastructure Planning Regime" consultation.

12. RESIDUAL WASTE STRATEGY

Consideration was given to the report of the Managing Director.

The Managing Director stated that this report provided an outline of the next steps in developing a future waste solution for North London. There would be a further report in 2014 which would set out options for arrangements to take over the existing contract with LondonWaste Ltd once it expired towards the end of 2014. A report would also be prepared for the June/ July 2014 meeting giving further information on the future waste solution.

He also reported that a process was underway to refresh the Authority's advisers and it was expected that this would be finished by February 2014.

RESOLVED –

THAT the report be noted.

13. FORWARD PLAN OF DECISIONS

Consideration was given to the report of the Managing Director.

The Managing Director stated that a report had been added to review standing orders, which would span two meetings as was currently required by the Authority's standing orders. He also reported that the Annual General Meeting might need to be moved to July, given the lateness of the local government elections in May 2014.

RESOLVED –

THAT the report be noted.

14. LOCAL GOVERNMENT ACT 1972 - ACCESS TO INFORMATION

RESOLVED -

THAT the press and public be excluded from the proceedings of the North London Waste Authority on 12TH December 2013 during consideration of the following items on Part II of the agenda, on the basis that, were Members of the public to be present, there would be disclosure of exempt information as defined in Schedule 12A to the Local Government Act 1972, as amended.

Specifically:

Exempt Information Category 1 - Information which relates to an individual: the reason why the public interest favours withholding the information are that the release of such information could constitute or facilitate an unwarranted interference with the individual's privacy.

Exempt Information Category 3 – Information relating to the financial or business affairs of any particular person, including the authority holding that information, and not required to be registered under various statutes: the reasons why the public interest favours withholding the information are that the release of such information would prejudice the Authority's conduct of a commercial operation OR because the disclosure of the information is likely to prejudice the commercial interests of the Authority and organisations engaged in commercial activities as the information related to commercial activities that are conducted in a competitive environment.

Exempt Information Category 5 - Information in respect of which there is a claim to legal professional privilege: the reasons why the public interest favours withholding the information are that the release of such information could prejudice the safeguarding of openness in all communications between client and lawyer and the Authority's ability to ensure access to full and frank legal advice.

15. PRIVATE MINUTES

RESOLVED –

THAT the private Minutes of the meeting held on 26 September 2013 be approved and signed by the Chair as a correct record.

16. GOVERNANCE OF LONDONWASTE LIMITED

Consideration was given to the report of the Managing Director.

RESOLVED -

THAT the recommendations be agreed and noted, as amended by the Authority.

17. RESIDUAL WASTE TREATMENT STRATEGY

Consideration was given to the report of the Managing Director.

RESOLVED –

THAT the recommendations be agreed.

18. POST LONG TERM PROCUREMENT - UPDATE

Consideration was given to the report of the Legal Adviser.

RESOLVED –

THAT the report be noted.

19. ANY OTHER ITEMS THE CHAIR DECIDES TO TAKE AS URGENT

There were none.

The meeting ended at 11.11 am

CHAIR

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MINUTES END