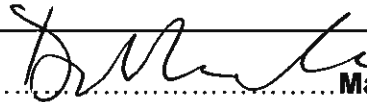


NORTH LONDON WASTE AUTHORITY	
REPORT TITLE:	
MEMBER RESPONSIBILITIES	
REPORT OF:	
MANAGING DIRECTOR	
FOR SUBMISSION TO:	DATE:
NORTH LONDON WASTE AUTHORITY	23 SEPTEMBER 2010
SUMMARY OF REPORT	
This report recommends the setting-up of Member Working Groups covering the Authority's activities in the areas of Finance, Recycling and Planning and that the Chair takes responsibility for Communications as outlined in the report.	
RECOMMENDATIONS	
That the Authority:	
<ol style="list-style-type: none"> 1. Authorise the Managing Director to establish a Finance Working Group with one Member to be nominated from each of the Constituent Boroughs. 2. Authorise the Managing Director to establish a Recycling Working Group. The number of Members in the Group to be decided at the meeting. 3. Authorise the Managing Director to establish a Planning Working Group with Members initially from the London Boroughs of Camden, Hackney, Islington and Waltham Forest. 4. Confirms that the Chair will guide Officers in the setting of the overall Communications Strategy for the Authority and that the Chair will approve individual media communications of a sensitive nature. 5. Considers any further areas of the Authority's business that would benefit from either a Working Group or a 'Member Champion'. 	
SIGNED:  Managing Director
DATE:13/9/10.....

1.0 INTRODUCTION

- 1.1 At the Authority meeting on 30th June 2010 Members considered the principle of Working Groups/Champions connected with a range of activities by the Authority and requested a report on options for the September meeting.
- 1.2 In addition to its normal activities the Authority is engaged in a significant and complex procurement activity for new waste management arrangements involving a range of sensitive matters. Taking into account the difficult economic circumstances in which the Constituent Boroughs are operating it is appropriate to consider increasing the level of Member engagement and guidance available to Officers. These arrangements will only be appropriate in certain circumstances as it remains necessary to preserve the decision making role of the full Authority meetings and the involvement of all Members.
- 1.3 The areas of activity that are proposed for initial consideration in this report are:
- Finance
 - Recycling
 - Planning
 - Communication
- 1.4 The report looks at each of these areas of activity in turn and suggests Member arrangements for consideration.

2.0 FINANCE

- 2.1 Although not formally recognised as a standing committee the Authority has operated with a Member Budget Scrutiny Group since 2007. This Group consisted of three Members who met with Officers in January each year to review the Authority's budget forecast and the projected Levy for the following year prior to the draft Budget being presented to the Authority for approval.
- 2.1 The Budget Scrutiny Group was considered an effective arrangement to enhance Member oversight of the Budget preparation process. However in the future the Authority will be faced with an increasingly complex financial situation of competing pressures together with matters relating to the Procurement e.g. the introduction of new Menu Pricing arrangements and new Levy arrangements; Members may therefore wish to ensure greater involvement in financial matters. It is also important that the option for greater involvement in the financial

affairs of the Authority is available to Members from each Constituent Borough.

2.2 It is proposed that a new Finance Working Group is formed and that the membership of the Group is based on the appointment of one Authority Member from each Constituent Borough, although it is suggested that the quorum for any meeting of the Group is any three Members to reduce to impact of attendance on the working of the Group. Initially it is proposed that the Group meets with appropriate NLWA Officers three times each year but for first year of operation it is suggested that Members may wish hold an initial meeting in November to review the factors and assumptions that need to be taken into account in the development of the 2011/12 Budget ahead of the budget forecast being presented to the Authority in December. Thereafter, it is proposed that the Group meets for the following purposes:

1. To review the budget forecast reported to the December meeting of the Authority and matters arising that will feed into preparation of the draft Budget and proposed Levy (and in due course the new Menu pricing arrangements) prior to presentation for approval at the February meeting of the Authority. This meeting will take place in January.
2. To review the Statement of Accounts and Annual Governance Statement for the previous year and to review the Annual Audit Letter and associated documents issued by the External Auditor. This will involve a meeting in June and a further meeting in September.
3. In view of comments made by Members at the June meeting it is further proposed that this Group should receive reports at appropriate times dealing with the Authority's risk register so that it may review the effectiveness of the Authority's risk management arrangements. These will be timed to fit in with the above meeting dates.
4. During the existence of the Group the Authority may decide that other issues of financial importance will be considered by the Group and this might necessitate additional meetings.

2.3 In normal circumstances the appropriate Officers for this Group will be the Authority's Managing Director and Head of Finance, supplemented as necessary by other Officers.

2.4 It is therefore proposed that the Finance Working Group is set-up immediately and one Member from each Borough be invited to take part in the Group.

3.0 RECYCLING

3.1 The North London Joint Waste Strategy sets a recycling target of 50% by 2020. The current recycling rate is 29%. Technical officers from each of the Boroughs led by Islington's Director of Environment are working with the Authority on initiatives to improve the recycling rate under the name - The 50% Club.

3.2 It is vital that the Authority can demonstrate activity designed to improve the recycling rate prior to the award of the PFI contracts as Defra have awarded PFI credits on the basis of an improving situation; Defra will be monitoring this activity during the Procurement. Although the Waste Services Contract will require the winning contractor to deliver the 50% target it is also important that the Authority and the Constituent Boroughs show improving performance to give confidence to bidders that a 50% target is achievable to reduce the pricing of risk in the contract.

3.3 Unless, or until, HWRCs are transferred to the Authority any improvement in recycling rate can only be delivered by activity at Borough level. It is therefore important to find an appropriate involvement for the Authority in stimulating improved recycling which recognises this current Borough responsibility and control.

3.4 It is proposed that a new Recycling Working Group is formed. Members are asked to decide the size of this group but three or four Authority Members may be adequate. It is further proposed that, as the purpose of this Group is advisory, there is no requirement for a quorum at any meeting of this Group. In practice meetings are unlikely to go ahead if attendance is likely to be low. Initially it is proposed that the Group meets with representatives of the 50% Club and appropriate Authority Officers three to four times each year until the closure of the Procurement. Alternatively the Group may decide to organise its meetings in line with activities of the 50% Club

3.5 The Group will monitor recycling performance, suggest activity when appropriate and act as a conduit for communication on recycling matters at Member level between the Authority and Constituent Boroughs.

3.6 In normal circumstances the appropriate Authority Officers for this Group will be the Head of Strategy and Contracts and Deputy Waste Services Procurement Manager.

3.7 It is therefore proposed that the Recycling Working Group is set-up immediately and nominations for membership of the Group sought from Authority Members.

4.0 PLANNING

4.1 The Authority has taken a number of actions designed to limit the risks associated with the PFI Procurement. One such action is the acquisition of land for one of the proposed waste treatment facilities at Pinkham Way in the LB of Haringey near the boundaries of the LBs of Barnet and Enfield. The land is being purchased from LB Barnet. The Authority has also decided that it should apply for planning permission for a Mechanical Biological Treatment Plant in line with proposals in the Outline Business case for the Procurement project to further de-risk the project and limit delays in the development of the new waste facilities.

4.2 Planning applications for new waste management facilities can give rise to considerable local concern and often become serious matters for Members associated with i) the applying Authority, ii) the planning authority, or iii) the geographical area of the application. It is therefore important that the Authority's Officers can seek general guidance from Members on such issues as communication with local communities and interest groups and the general conduct of the planning application process.

4.3 It is proposed that a new Planning Working Group is formed. Members are asked to agree the size of the Group and as with the Recycling Group it is suggested that there is no quorum for meetings of this Group. Furthermore, to avoid any perceived conflicts of interest it is suggested that membership of the Group be drawn from the Authority Members who have no link to the proposed planning application, in this case therefore from the London Boroughs of Camden, Hackney, Islington and Waltham Forest only.

4.4 It is proposed that the Group has an initial meeting with appropriate Officers of the Authority to review the planning application for the Pinkham Way site and then decides on the frequency of future meetings to coincide with the major steps in the application process.

4.5 In normal circumstances the appropriate Authority Officers for this Group will be the Managing Director and Head of Strategy and Contracts supported by the Authority's planning consultants.

4.6 It is suggested that this Group remains active only while the planning application is being pursued. However if the Authority decides to pursue other planning applications associated with the procurement this Working Group could take on a continuing role with its membership adjusted as appropriate to avoid any conflicts of interest.

- 4.7 It is therefore proposed that the Planning Working Group is set-up immediately and nominations sought from those Authority Members representing the LBs of Camden, Hackney, Islington and Waltham Forest.

5.0 COMMUNICATION

- 5.1 As the Authority moves further into the PFI Procurement it will be engaged in an increasing amount of communication activity. It is important that Officers can seek guidance and approval from Members to help ensure an appropriate and consistent approach and suitable content. However there is often a need to formulate press releases quite quickly to respond to media activity and deal with short deadlines for editorial pieces in trade publications.
- 5.2 In view of the need to act quickly with communications and also to seek approval from the Chair for attributed comment on behalf of the Authority, it is proposed that rather than a Working Group the Authority may be minded to confirm, with immediate effect, the Chair to provide guidance to Officers in the setting of the Authority's overall communication strategy and to approve individual media communications of a sensitive nature.

6.0 CONCLUSION

- 6.1 The proposed arrangements above should helpfully increase Member involvement with the working of the Authority without affecting the normal decision-making process. Members may however wish to consider whether there are any other areas of activity that are worthy of similar arrangements.

7.0 LEGAL ADVISER'S COMMENTS

- 7.1 The Working Groups will have no decision-making powers and therefore the meetings and other arrangements will not be subject to the rules which otherwise apply to either full Authority meetings or meetings of the Authority's committees. Decisions which need to be made by the Authority will still therefore fall to either the Authority itself, one of its duly delegated committees or a delegated Officer.

8.0 FINANCIAL ADVISER'S COMMENTS

- 8.1 The Financial Adviser has been consulted in the preparation of this report and has no further comments to add.

REPORT ENDS