

NORTH LONDON WASTE AUTHORITY

REPORT TITLE

REVENUE BUDGET AND LEVY 2006/07 - UPDATE

REPORT OF

FINANCIAL ADVISER

FOR SUBMISSION TO

DATE

AUTHORITY MEETING

5 APRIL 2006

1. SUMMARY OF REPORT

This report advises Members of the final determination of the Authority's 2006/07 budget and levy.

2. RECOMMENDATIONS

The Authority is requested to note the contents of this report.

Signed by the Financial Adviser:

Date:

3. **Background**

3.1 At its meeting on 8 February 2006 it was necessary for me to advise Members that the budget and levy decisions that they were being asked to take for 2006/07 were overshadowed by the late changes proposed by the Government to amend the default arrangements for apportioning the levy to a tonnage basis and to remove the duty of the Statutory Joint Waste Disposal Authorities to pay recycling credits to its constituent councils. These changes were at various stages of becoming law.

3.2 Although on the day of the budget and levy meeting a statutory instrument giving effect to the first of these changes was laid in Parliament, and has since come into force on 1 March 2006, regulations that would remove the duty for the Authority to pay recycling credits had yet to be finalised and laid in Parliament. As failure to disapply the Authority's duty to pay recycling credits in 2006/07 could add £3.5m to the Authority's budget and levy requirements for the year ahead, it was necessary to ask Members to agree a set of recommendations that would overcome the uncertain situation that the Authority faced in setting the 2006/07 budget and levy. In view of this uncertainty the Authority worked with constituent councils to exemplify the potential budget implications for their council tax setting process.

4. **Current Position**

4.1 The statutory instrument that will give effect to the second of the Government's changes was laid in Parliament on 10 March 2006, the last date that would enable the statutory instrument to come into force on 1 April 2006. As a consequence the Authority's budget and levy for 2006/07 has been formally notified to constituent councils.

4.2 The Authority's approved net revenue budget for 2006/07 is £50,486,798. After allowing for the use of forecast revenue balances of £8,609,000 the net cost to constituent councils is £41,877,798, comprising charges for non-household waste of £8,646,798 and a levy of £33,231,000. The cost to constituent councils may be summarised as follows:

	2006/07 Non-household Charges	2006/07 Share of Levy	2006/07 Total Cost to Boroughs
	£	£	£
Barnet	1,074,611	6,850,696	7,925,307
Camden	1,889,181	4,645,670	6,534,851
Enfield	703,291	5,385,547	6,088,838
Hackney	1,250,301	3,775,584	5,025,885
Haringey	1,176,932	4,462,986	5,639,918
Islington	1,484,162	4,124,231	5,608,393
Waltham Forest	1,068,320	3,986,286	5,054,606
Total	8,646,798	33,231,000	41,877,798

5. **Comments of the Legal Adviser**

- 5.1 The Legal Adviser was consulted in the preparation of this report and has no comments to make.

Local Government Act 1972 – Access to Information

Documents used in the preparation of this report:-

Budget and levy report dated 8 February 2006

Statutory Instrument - SI 2006 No. 248 - The Joint Waste Disposal Authorities (Levies) (England) Regulations 2006

Statutory Instrument - SI 2006 No. 651 – The Joint Waste Disposal Authorities (Recycling Payments) (Disapplication) (England) Order 2006

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