

AGENDA ITEM 5

THE NORTH LONDON WASTE AUTHORITY

At a meeting of the **NORTH LONDON WASTE AUTHORITY** held on **WEDNESDAY, 8TH FEBRUARY 2006** at 3.00 p.m. in the Council Chamber, Camden Town Hall, Judd Street, London WC1H 9JE

MEMBERS PRESENT

Councillor George Allan	–	London Borough of Islington
Councillor John Boast	–	London Borough of Enfield
Councillor Melvin Cohen	–	London Borough of Barnet
Councillor Brian Coleman	–	London Borough of Barnet
Councillor Ray Dodds	–	London Borough of Haringey (Chair)
Councillor Bridget Fox	–	London Borough of Islington
Councillor Bill Hodgson	–	London Borough of Hackney
Councillor Heather Johnson	–	London Borough of Camden
Councillor Bill Price	–	London Borough of Enfield
Councillor Roger Robinson	–	London Borough of Camden
Councillor Eric Sizer	–	London Borough of Waltham Forest
Councillor Vincent Stops	–	London Borough of Hackney

MEMBERS ABSENT

Councillor David Blunt	–	London Borough of Waltham Forest
Councillor Brian Haley	–	London Borough of Haringey

The minutes should be read in conjunction with the agenda for the meeting.

1. APOLOGIES

Apologies for absence were received from Councillors Blunt and Haley. An apology for arriving at the meeting late was received from Councillor Johnson.

There were no other apologies.

2. DEPUTATIONS

There were no deputations.

3. ANNOUNCEMENTS

Recycling Education Centre, Islington: Members noted that following their requests, a visit to the Centre had been arranged for Wednesday 22nd February 2006 at 3.00 pm. Members were asked to confirm to Mr Ribbits, the Deputy Clerk, if they were able to attend.

London Borough of Barnet Recycling: Councillor Price paid tribute to Councillor Coleman as Cabinet Member for Environment in the London Borough of Barnet for the impressive increase in recycling over recent years that had taken place there. In response, Councillor Stops echoed these sentiments and asked that all Members follow the lead set by the London Borough of Barnet in this area.

There were no other announcements.

4. DECLARATIONS BY MEMBERS OF PERSONAL OR PREJUDICIAL INTEREST IN RESPECT OF ITEMS ON THIS AGENDA

Councillors Robinson and Sizer each declared a personal interest as NLWA appointed A-Directors on the Board of LondonWaste Ltd (LWL).

Councillor Dodds declared a personal interest as an NLWA appointed alternate A-Director on the Board of LWL.

Councillor Coleman declared a personal interest as a member of the Greater London Assembly in respect of Agenda Item 12, Consultation on the Government Proposals for Additional Powers and Responsibilities for the London Mayor and Assembly.

There were no other declarations of interest.

5. MINUTES

It was

RESOLVED –

THAT the minutes of the meeting of the North London Waste Authority held on 7th December 2005, having been confirmed as a correct record, be signed by the Chair.

6. NOTIFICATION OF ITEMS OF BUSINESS THAT THE CHAIR DECIDES TO TAKE AS URGENT

There were no such items.

7. REVENUE BUDGET AND LEVY 2006/07

Members considered a report by the Financial Adviser.

Mr Bob Bench, the Finance Officer, introduced the report and advised that the budget and levy decisions that Members were being asked to take were overshadowed by the late changes proposed by the Government to amend the default arrangements for apportioning the levy and to dis-apply the Authority's duty to pay recycling credits to its constituent councils for 2006/07. These were at various stages of becoming law.

Members were advised that Regulations to introduce the new default levy arrangements had been laid in Parliament that morning (these would come into effect on 1st March 2006 and required the Authority to notify the levy to constituent councils by 3rd March 2006). However, Regulations that would remove the duty for the NLWA to pay recycling credits had yet to be finalised and laid in Parliament. In relation to the latter, the Department for Environment, Food and Rural Affairs (DEFRA), the sponsoring Government Department, had not been able to give a clear indication of their proposed timetable for effecting this and would only commit to making these regulatory changes in time for April 2006. Members noted that the 2006/07 budget and levy proposals that had been circulated with the agenda had been premised on the necessary Regulations being laid in Parliament by the time of the Authority meeting, and that a failure to dis-apply 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. Accordingly, and because the Authority was not by law able to issue a supplementary levy and must agree a balanced budget that is sufficient to meet its statutory obligations, the Finance Officer asked Members to consider a revised set of recommendations that would overcome the uncertain situation that the Authority faced in setting the 2006/07 budget and levy. Replacement recommendations were therefore circulated to those present. A copy of this tabled document is attached.

Members requested legal advice and Ms Alison Lowton, Legal Adviser, explained that at that moment the Authority was subject to existing arrangements to set the levy by 15th February 2006 and, therefore, it was not possible to adjourn the meeting to another date to set a levy after the new arrangements were in place. Whilst it was unlikely that the regulations included in the statutory instrument laid before Parliament today would be overturned, there was a very small possibility that it might be and given that the second of the regulatory changes had yet to be finalised and laid in Parliament it was necessary to protect North London Waste Authority interests. Therefore, two options were being recommended to Members, both of which would need to be approved to deal with any eventuality that occurred as a result of the approval or not of the new statutory instruments.

All parties expressed dissatisfaction with the situation that the Authority found itself in by no fault of its own, noting that the responsibility for this fell squarely on DEFRA.

There was cross-party agreement that it was necessary to find certainty in a difficult position. It was suggested that Councillors Dodd, Coleman and Allan should write a cross-party letter to DEFRA to express the Authority's dissatisfaction with the current circumstances and to seek them to clarify the situation as soon as possible.

In discussion of other aspects of the report, Councillor Stops expressed his satisfaction that the Government had responded favourably to a previous resolution of the Authority to allow for transitional relief arrangements in relation to the default levy arrangements over three years.

After discussion, it was

RESOLVED –

- (i) THAT if the Government dis-applies the Authority's duty to pay recycling credits to the boroughs in accordance with the Clean Neighbourhoods and Environment Act 2005, the Authority resolves to:
 - (a) consider the 2005/06 revised budget and 2006/07 proposed budget;
 - (b) agree the establishment of a transitional recycling credit scheme as set at Section 5.12 of the report;
 - (c) agree the biodegradable diversion incentive scheme as set out in Section 5.15 of the report;
 - (d) agree the 2006/07 non-household waste charge at £53.32 per tonne;
 - (e) express satisfaction that the proposed budget will be sufficient to meet the net expenditure requirements for the year ahead and agree the 2006/07 budget;
 - (f) note the medium term budget forecast for 2007/08, 2008/09 and 2009/2010;
 - (g) agree the levy for 2006/07;
 - (h) agree that the basis for apportioning the levy should be the statutory default provisions in effect from 1st April 2006;
 - (i) authorise the Financial Adviser to make the arrangements for collection of the levy and charges for non-household waste;

- (j) approve the prudential indicators as set out at Section 8 of the report; and
 - (k) note the authority's contribution towards the Gershon efficiency savings and agree the basis of allocation between constituent councils.
- (ii) If the Government does not dis-apply the Authority's duty to pay recycling credits to the boroughs in accordance with the Clean Neighbourhoods and Environment Act 2005, the Authority resolves to:
- (a) consider the 2005/06 revised budget and the 2006/07 proposed budget with an additional requirement for £3.5 million to fund the statutory recycling credit scheme;
 - (b) agree the biodegradable diversion incentive scheme as set out in Section 5.15 of the report;
 - (c) agree the 2006/07 non-household waste charges at £53.32 per tonne;
 - (d) satisfy itself that the proposed budget will be sufficient to meet the net expenditure requirements for the year ahead and agree the 2006/07 budget;
 - (e) note the medium term budget forecast for 2007/08, 2008/09 and 2009/2010 and the need to supplement these to fund the full recycling credit scheme;
 - (f) determine the levy for 2006/07 at £36.731 million;
 - (g) agree the basis for apportioning the levy should be the statutory default positions in effect from 1st April 2006;
 - (h) to authorise the Financial Advisers to make the arrangements for collection of the levy and charge for non-household waste;
 - (i) approve the prudential indicators as set out at Section 8 of the report; and
 - (j) note the Authority's contribution towards the Gershon efficiency savings and agree the basis of allocation between constituent councils.

ACTION BY: Financial Adviser

8. PROCUREMENT OPTIONS AND TASKS

Members considered a report by the Head of Waste Strategy and Contracts who introduced the item.

Councillor Allan advised that, in the list of identified risks detailed in the report, some consideration should also be given to political risk as there was a possibility that the North London Waste Authority might not exist in several years time and therefore any work undertaken before that would not be of benefit to the Authority itself.

Councillor Hodgson suggested that consideration be given to local employment opportunities and the use of products created by the Authority's recycling systems in construction and services.

After discussion it was then

RESOLVED –

- (i) THAT the contents of the report be noted subject to the comment detailed above.
- (ii) THAT authority be delegated to the Head of Waste Strategy and Contracts in consultation with the Chair to award the contract(s) to the successful consultant(s) for the provision of advice and the assistance in preparing an outline business case to determine the Authority's procurement approach for the next waste management contract, the exercise of such delegated authority to be reported for information to the next meeting of the Authority in compliance with Standing Order A29.3(iii)(b).

ACTION BY: Head of Waste Strategy and Contracts

9. JOINT WASTE STRATEGY UPDATE

Members considered a report by the Head of Waste Strategy and Contracts who introduced the item.

It was then

RESOLVED –

- (i) THAT the proposed variation in the allocation of the Authority's recycling and composting tonnage to boroughs with effect from the new financial year, 1st April 2006 be approved;
- (ii) THAT continuation of the nappy subsidy on the same basis as previously, but with a subsidy of £54.15 be approved;

- (iii) THAT it be noted that a contract was awarded under delegated authority to AEA Technology PLC for specialist environmental consultancy advice; and
- (iv) THAT the further extension of funding for the work of the North London Recycling Forum until the end of December 2007 be approved.

ACTION BY: Head of Waste Strategy and Contracts

10. NLWA REPRESENTATION OF THE ANNUAL GENERAL MEETING OF LONDONWASTE LTD

Members considered a report by the Deputy Clerk who introduced the item.

It was proposed by Councillor Dodds, seconded by Councillor Stops, and unanimously

RESOLVED –

THAT Mr Bob Bench be nominated as representative to vote at the LWL AGM on behalf of the Authority and should vote in accordance with his own wishes following consultation with the Financial Adviser to the Authority and the Chair.

ACTION BY: Deputy Clerk
TO NOTE: Financial Adviser

11. MAYOR OF LONDON'S DRAFT ALTERATIONS TO THE LONDON PLAN (SPECIAL DEVELOPMENT STRATEGY FOR GREATER LONDON) HOUSING PROVISION TARGET WASTE AND MINERALS

Members considered a report by the Head of Waste Strategy and Contracts who introduced the item.

It was noted that each individual borough had also responded to the consultation.

It was

RESOLVED –

THAT the draft response to the consultation paper as outlined in Appendix I to the report be approved.

ACTION BY: Head of Waste Strategy and Contracts

12. CONSULTATION ON GOVERNMENT PROPOSALS FOR ADDITIONAL POWERS AND RESPONSIBILITIES FOR THE LONDON MAYOR AND ASSEMBLY

Members considered a report by the Head of Waste Strategy and Contracts who introduced the item.

The Chair, following a debate, highlighted the following points for particular focus:

- That any change to the Mayoral responsibilities and powers should ensure that the London Mayor remained a strategic and focussed post but that his powers should be reviewed.
- That joined up decision-making between collection and disposal authorities must be provided for.
- There should be transparent allocation of costs and value given for past investments.
- Planning for waste should continue to be the responsibility of Councils who currently make assessments of competing land uses.

Councillor Hodgson thanked officers for arranging a meeting with other joint waste disposal authorities allowing for best practice to be identified. He suggested that such meetings should take place more often.

TO NOTE: Head of Waste Strategy and Contracts

It was then

RESOLVED –

THAT the draft response to the consultation detailed at Appendix I of the report be approved.

ACTION BY: Head of Waste Strategy and Contracts

13. APPOINTMENT OF “A” DIRECTORS

Members considered a report by the Legal Adviser who introduced the item.

Councillor Hodgson suggested that there were benefits contained in appointing A-Directors to the Board of LondonWaste Ltd who were Councillors as this gave the Authority some influence in decision-making in the company.

Councillor Coleman advised that he was not opposed to the suggestion that non-Councillors could be A-Directors but thought the issue should be reconsidered after the election in May and Member allowances set at a level relative to those of the Association of London Government. He also noted the

need for accountability of Directors and Councillor Sizer agreed with his comments.

The Legal Adviser advised that the Authority had no power to pay allowances to its members.

After discussion, it was therefore

RESOLVED –

THAT the issue should be reconsidered by the Authority after the Council elections in May.

**ACTION BY: Deputy Clerk
TO NOTE: Legal Adviser**

**14. EXTERNAL AUDITORS ANNUAL AUDIT LETTER TO MEMBERS -
DECEMBER 2005**

Members considered a report by the Financial Adviser.

Members then

RESOLVED –

THAT the findings and recommendations of the annual audit letter be noted.

ACTION BY: Financial Adviser

**15. LONDONWASTE LTD – WASTE INCINERATION DIRECTIVE –
PROGRESS**

Members considered a report by the Financial Adviser.

It was

RESOLVED –

THAT the report be noted.

16. LIST OF PROPERTY HOLDINGS

Members considered a report by the Valuation Adviser.

It was

RESOLVED –

THAT the report be noted.

17. FUTURE REPORTS

Members considered a report by the Deputy Clerk.

It was

RESOLVED –

THAT the report be noted.

18. DATE OF NEXT MEETING

It was noted that the next meeting of the North London Waste Authority was scheduled for Wednesday 5th April 2006 in the Council Chamber in Camden Town Hall.

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

There were no such items.

20. LOCAL GOVERNMENT ACT 1972 – ACCESS TO INFORMATION

It was

RESOLVED –

THAT the press and public be excluded from the proceedings of the North London Waste Authority on 8th February 2006 during consideration of Items 21 and 22 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, specifically:

Publicity in respect of Item 21 would be likely to lead to disclosure of information relating to any terms proposed or to be proposed by or to the Authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

Publicity in respect of Item 22 would be likely to lead to disclosure of information relating to the financial or business affairs of any particular person (other than the Authority).

21. PROCUREMENT OF CONSULTANTS – REQUEST FOR PRE-QUALIFICATION QUESTIONNAIRES

Members considered a report by the Head of Waste Strategy and Contracts.

It was

RESOLVED –

THAT the report be noted in the context of the report in Part I on the agenda entitled “Procurement Options and Tasks”.

22. LONDONWASTE LTD BOARD MINUTES

Members considered a report by the Deputy Clerk.

It was

RESOLVED –

THAT the report be noted.

23. ANY OTHER BUSINESS THE CHAIR CONSIDERS URGENT AND IS EXEMPT WITHIN THE MEANING OF SCHEDULE 12A TO THE LOCAL GOVERNMENT ACT 1972

There was no such business.

The meeting ended at 4.10 pm.

CHAIR

Contact Officer: Thomas Ribbits, Deputy Clerk, NLWA

Telephone No: 020 7974 1915

Email: thomas.ribbits@camden.gov.uk