

THE NORTH LONDON WASTE AUTHORITY

At a meeting of the **NORTH LONDON WASTE AUTHORITY** held on **WEDNESDAY, 7TH DECEMBER 2005** 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 David Blunt	–	London Borough of Waltham Forest
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 Brian Haley	–	London Borough of Haringey
Councillor Heather Johnson	–	London Borough of Camden
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 Bill Hodgson	–	London Borough of Hackney
Councillor Bill Price	–	London Borough of Enfield

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

1. APOLOGIES

Apologies for absence were received from Councillors Hodgson and Price.

There were no other apologies.

2. DEPUTATIONS

There were no deputations.

3. ANNOUNCEMENTS

The London Borough of Barnet Recycling Scheme: Members congratulated the London Borough of Barnet for winning the “Best Local Authority Initiative” award for its compulsory recycling scheme. Members also congratulated Ms Nicola Buck, of the London Borough of Barnet, who had been named “Recycling Officer of the Year”.

Chartered Institution of Wastes Management: Councillor Brian Haley advised that he had been given an Honorary Fellowship by the Chartered Institution of Wastes Management in recognition of his work to encourage and achieve more recycling in North London.

Councillor Ray Dodds: Councillor Dodds thanked Members for their best wishes during his recent recuperation from illness.

There were no other announcements.

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

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

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

There were no other declarations of interest.

5. MINUTES

Item 5, Minutes, Future Reports: Members noted that a new Valuer had been appointed by the London Borough of Haringey, and it was intended that the report detailing property holdings of the Authority would be presented to the next meeting.

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

Item 7, Presentation by Miss Melissa Painter of the Waste Education Centre in the London Borough of Islington: Members noted that it had not yet been possible to make arrangements with Miss Painter to invite Members of the Authority to the centre as requested at the last meeting due to leave arrangements.

ACTION BY: Deputy Clerk

Item 9, DEFRA Consultation on Levy Apportionment: It was noted that in relation to the paragraph on page 5/5 of the minutes, the proposal to use the gross Council Tax collection rates had been proposed by Councillor Stops and seconded by Councillor Hodgson.

It was then

RESOLVED –

THAT, subject to the amendment detailed above, the minutes of the meeting of the North London Waste Authority held on 19th October 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. PROCUREMENT OPTIONS AND TASKS

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

In response to questions from Members, the Head of Waste Strategy and Contracts confirmed that the term “facility” in paragraph 6.1 was being used as a generic term rather than to imply the continuation of the current facilities controlled by LWL; a facility to deal with waste would be required but it was for Members to identify what the nature of this facility would need to be.

Alison Lowton, the Legal Adviser, drew Members’ attention to paragraph 11 and the need for Members to give some consideration as to how A-Directors for LondonWaste Limited be selected in the future, and that they need not be Authority Members. In response, the Chair requested that a further report on that matter be presented to the next meeting.

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

It was then

RESOLVED –

- (i) THAT the procurement need of the Authority be noted;
- (ii) THAT the tendering for consultants to assist the preparation of an outlined business case of the Authority’s future procurement needs be agreed;
- (iii) THAT a budget provision of £500,000 in 2006/7 for procurement consultants be established; and
- (iv) THAT authority be delegated to the Head of Waste Strategy and Contracts in consultation with the Chair, to prepare and submit a response to the

Government's Private Finance Initiative (PFI) consultation that protects the Authority's interest.

ACTION BY: Head of Waste Strategy and Contracts

8. 2005/6 THIRD BUDGET REVIEW AND 2006/7 BUDGET FORECAST

Members considered a report by the Financial Adviser. It was introduced by the Finance Officer who explained the likely complications of the budget setting arrangements for the next year.

In debate, Members made the following comments:

- In respect of paragraph 5.16.5 on the Landfill Allowance Trading Scheme (LATS), Councillor Cohen stated that he wished to see a more worked up strategy, with greater analysis and comparative information between waste disposal authorities, in order to give Members enough information to make a decision in an informed way. Councillor Allan supported this position.

ACTION BY: Financial Adviser

TO NOTE: Deputy Clerk

- Councillor Cohen also expressed concerns that the proposals would increase the cost for boroughs' waste collection services, making them uncompetitive with a resultant loss of trade.
- Councillor Cohen also advised that, of the options listed in the report in relation to paragraph 5.17, the London Borough of Barnet preferred option two. However he expressed the view that due to the uncertainty of the future of the Authority in the light of the London Mayor's proposals for a single London wide waste disposal authority and the Government's consultation on this issue, it would be inappropriate to take action at this moment.
- Councillor Fox advised that in relation to these options, she favoured option one as the reward scheme in relation to biodegradable waste was new and so should commence from the later date offered.
- Councillor Cohen expressed concern at the lack of efficiency savings stemming from the Gershon report recommendations. In response, officers advised that a report on this matter had been considered by the Authority in July and that another report would be presented to the Authority in the near future.

ACTION BY: Financial Adviser

TO NOTE: Deputy Clerk

- Councillor Boast expressed his concerns at the approach of the Authority in building in safety margins on all its budget areas so that the effect was cumulatively in excess of any contingency requirement that might be needed, resulting in excessive reserves.

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- Councillor Fox advised that although the Liberal Democrat Members of the Authority had not previously supported the Conservatives' position in relation to budget contingencies as detailed by Councillor Boast, she was not satisfied that a sufficient case had been made to support the ongoing situation in the next financial year.
- Councillor Stops expressed concerns that the analysis on the mix of commercial and domestic waste in the waste stream had not yet been completed. Officers were asked to provide him with an explanation for this.

ACTION BY: Head of Waste Strategy and Contracts

- Councillor Fox underlined the position of the Members from the London Borough of Islington that they were committed to a move to a tonnage based levy.

Members thanked Mr Bench, the Finance Officer, for his report and for his work in preparing two different budget plans for the next year.

As it had not been possible to come to a view on the proposal to introduce the LATS premium for non-household waste nor find consensus on which option to adopt for the proposed reward scheme for boroughs that reduce the biodegradable waste elements of their residual waste streams, the Finance Officer proposed that a more detailed examination of the issues could best be dealt with through a meeting of the all-party LATS Members' Working Group. It was agreed that authority would be delegated to the Head of Waste Strategy and Contracts and the Financial Adviser, in conjunction with the Chair, to make a final decision in relation to recommendation (iii) following the above meeting so that a budget for 2006/7 could be prepared for the February meeting of the Authority.

ACTION BY: Head of Waste Strategy and Contracts/Financial Adviser

Members then discussed recommendation (v) and the possibility of introducing a voluntary agreement to apportion the levy in 2006/7 on a basis other than on the statutory default basis; It was proposed by Councillor Stops and seconded by Councillor Robinson that there be a three year transitional period from the Council Tax basis for apportioning the levy to a tonnage based apportionment based on a third change from one basis to the other over each of three years (namely a third change in one year, another third in the next and then the final third in the last year).

It was noted that any change would need unanimity at the budget setting meeting of the Authority in February 2006 but that the decision at this meeting to ask individual constituent councils to support a transitional change only needed a majority of Members. The Chair then clarified that, on the basis of any decision taken to seek a transitional arrangement for the budget-setting meeting of the Authority in February 2006, all constituent councils would be written to in advance with details of the Authority's proposal to see if there was support for it. This would allow officers to make a pragmatic assessment of the likelihood of the transitional agreement being

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reached in February and thence to determine how much preparatory work should be done.

After debate the Chair then put the proposal to the vote and it was

RESOLVED –

THAT the proposal detailed above be agreed and that constituent councils be written to advising them of the Authority's view and seeking evidence as to whether they would support such change.

ACTION BY: Financial Adviser

Councillors Boast, Cohen, Coleman, Allan and Fox requested that their names be recorded against this decision.

The Chair then put the recommendations in the report to the vote and it was

RESOLVED –

- (i) THAT the third review of the 2005/6 revenue budget be noted;
- (ii) THAT the current assessment of the budget and resource requirements for 2006/7 be noted;
- (iii) THAT the comments on the proposals to increase non-household charges in 2006/7 to reflect the opportunity cost to the Authority of using LATS allowances for non-household waste be noted and referred, along with the proposal to introduce a scheme to reward boroughs that reduce the biodegradable fraction of their residual waste stream, to the LATS Members' Working Group and that authority be delegated to the Head of Waste Strategy and Contracts and the Financial Adviser, in conjunction with the Chair, to make a final decision in relation to recommendation (iii) of the report, following the above meeting so that a budget for 2006/7 could be prepared for the February meeting of the Authority;
- (iv) THAT the Head of Waste Strategy and Contracts and the Financial Adviser be authorised to conclude negotiations with LondonWaste Limited to increase the incineration of NLWA waste, subject to there being a clear financial advantage for the Authority with final terms to be agreed in consultation with the Chair;
- (v) THAT, subject to the decision taken above, the arrangements set out at paragraph 6.1 of the report for notifying the Authority of the voluntary agreement to apportion the levy in 2006/7 on the basis other than on the statutory default basis be agreed; and
- (vi) THAT the issues that will need to be addressed at the budget levy meeting on 8th February 2006 be noted.

**ACTION BY: Head of Waste Strategy and Contracts/
Financial Adviser**

9. JOINT WASTE STRATEGY UPDATE

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

Members noted that the Government's consultation paper on the review of the powers of the London Mayor, which would include comments on the Mayor's proposal for a single London wide waste authority and enhance the Mayoral waste planning powers, had been published since the publication of the agenda.

The Head of Waste Strategy and Contracts also drew Members attention to agenda Item 16 which detailed cost information in relation to the joint waste strategy report.

After discussion it was then

RESOLVED –

- (i) THAT the contracts extension under delegated authority by the Head of Waste Strategy and Contracts detailed in paragraph 5.2 of the report be noted;
- (ii) THAT the further extension of the current "call off" contract with consultancy company, AEA Technology PLC, for specialist environmental consultancy advice for a further three years from 18th January 2006 as detailed in the report be approved; and
- (iii) THAT it be confirmed that the Head of Waste Strategy and Contracts or the Legal Adviser may vary the main waste disposal contract to include the receipt, bulking and transportation of recyclable waste to a third party materials reclamation facility at an overall cost less than the full avoided cost of disposal and for the final terms to be agreed in consultation with the Chair.

**ACTION BY: Head of Waste Strategy and Contracts
TO NOTE: Legal Adviser**

10. DEFRA CONSULTATION ON RECYCLING AND COMPOSTING TARGETS

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

It was

RESOLVED –

THAT the draft response to the consultation detailed at Appendix 1 of the report be approved.

ACTION BY: Head of Waste Strategy and Contracts

11. DEFRA CONSULTATION ON PROPOSED CHANGES TO THE RECYCLING CREDIT SCHEME

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

It was

RESOLVED –

THAT the draft response to the consultation paper on changes to the recycling credit scheme as detailed in Appendix 1 of the report be approved.

ACTION BY: Head of Waste Strategy and Contracts

12. FUTURE REPORTS

Members considered a report by the Deputy Clerk.

It was

RESOLVED –

THAT the report be noted.

13. DATE OF NEXT MEETING

It was noted that the next meeting of the North London Waste Authority would take place on Wednesday, 8th February 2006 in the Council Chamber in Camden Town Hall.

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

There were no such items.

15. 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 the 7th December 2005 during consideration of Items 16 and 17 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 16 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 of the supply of good or services,

Publicity in respect of Item 17 would be likely to lead to disclosure of information relating to the financial or business affairs of any particular person (other than the Authority).

16. JOINT WASTE STRATEGY – TECHNICAL SUPPORT RATES

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 of the agenda entitled “Joint Waste Strategy Update”.

17. LONDONWASTE LIMITED BOARD MINUTES

Members considered a report by the Deputy Clerk.

It was

RESOLVED –

THAT the report be noted.

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

There were no such items.

The Chair then concluded the meeting and thanked Members for their contributions. He also wished everybody a happy and prosperous holiday season and again thanked them for their kind thoughts during his recent illness.

The meeting concluded at 4.10 p.m.

CHAIR

Contact Officer: Thomas Ribbits, Deputy Clerk, NLWA
Telephone No: 020 7974 1915
Email: thomas.ribbits@camden.gov.uk

MINUTES END