

# LGA Corporate Peer Challenge – Progress Review

North London Waste Authority

January 2024

Feedback





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## 1. Introduction

The North London Waste Authority (NLWA) undertook an LGA Corporate Peer Challenge (CPC) in January 2023, with the authority publishing the full report with an action plan in June 2023

The Progress Review is an integral part of the Corporate Peer Challenge process. Taking place approximately a year after the CPC, it is designed to provide space for the authority's senior leadership to:

- Update peers on the early progress made and receive feedback on this, including how the action plan aligns with the CPC's recommendations.
- Consider peers' reflections on any new opportunities or challenges that may have arisen since the peer team was 'on-site' including any further support needs.
- Discuss any early impact or learning from the progress made to date.

The LGA would like to thank NLWA for their commitment to sector-led improvement.

## 2. Summary of the approach

The Progress Review at NLWA took place on 10<sup>th</sup> January 2024.

The following peers were involved in the review:

- Cllr Simon Henig, Member peer, Durham County Council
- Rob Tinlin, Lead Officer peer, CEX Southend-on-Sea
- Rebecca Ireland, Peer Challenge Manager, Local Government Association
- Shadow – Emily Bennett, NGDP management trainee at The Local Government Association

The peer team initially completed a desk-top review of the latest information, performance information, and strategic progress, which was then considered when the team met over the course of a day with the leadership team, authority members, and authority staff.

Prior to the progress review, the peer team received the following information from



NLWA:

- An updated position statement
- A RAG-rated action plan progress report
- Supporting authority documents

The peer team met with 12 individuals during meetings and focus groups held on 10<sup>th</sup> January.

This report provides a high-level summary of the meetings, discussions, and peer team's reflections based on the pre-engagement, fieldwork meetings, focus groups, and NLWA-provided pre-reading. The following summary is not intended as an exhaustive record of activity undertaken by the authority in response to the CPC.

The review focussed on the ten recommendations from the Corporate Peer Challenge. It is clear from the team's documentation that NLWA has made excellent progress against the recommendations identified by the CPC.

Key recommendations to the authority from the CPC:

1. Consider taking the opportunity to lead and coordinate waste reduction and recycling activity, including increased engagement with communities.
2. The current arrangements provide a level of technical challenge to its plans, but the Authority may benefit from more opportunities for wider oversight and challenge.
3. Build on relationships with the boroughs to collaborate more on communications and engagement activity for greater impact.
4. The authority would benefit from a wider dissemination of the NLHPP's outturn cost of the NLHPP and on how to manage the inevitable maintenance and replacement costs involved in the life cycle of the facilities.
5. While the major project is demanding, it is important to keep resource allocation under review and ensure the Authority is driving progress across its full agenda.
6. Consider the potential benefits of having some independent membership on

- the audit committee.
7. Look to deepen and add structure to working groups and briefing sessions to provide records that aid the transparency of the work of NLWA.
  8. More work could be done with collection authorities on how to minimise recyclable materials in residual waste.
  9. Build more robust campaign targets for behaviour change, together with the boroughs, linked to the waste prevention plan.
  10. Continue to build and enhance the knowledge and engagement of the wider council membership across the seven boroughs.

The following summarises some of the main points identified during the progress review under the five themes:


- Communication and engagement
- Governance and scrutiny
- Resources
- Finance and risk
- Coordination and lobbying

### 3. Progress Review – Feedback

#### Overall messages

Following North London Waste Authority's (NLWA) Corporate Peer Challenge (CPC) in January 2023, the authority published the peer team's report and developed an action plan in response.

In the follow-up progress review visit in January 2024, the peer team were encouraged by the way NLWA has embraced the Corporate Peer Challenge and progressed overall against the recommendations made. The authority recognised the value of the review to identify areas for improvement and ensure the authority is following best practice for the benefit of residents. The CPC report has been used as a tool to drive forward changes within the authority, with progress against the



recommendations being scrutinised through their own internal audit process. The peer team conclude that NLWA is a reflective organisation focused on delivering its ambitious agenda and work programme that seeks to preserve resources and protect the environment.

Members and officers interviewed as part of the progress review were pleased with the progress made by the authority in the last year. The team heard the Peer Challenge described as a ‘timely intervention for the waste authority’, with officers and members reflecting that hearing the strengths of the organisation, as well as possible areas for improvement, provided a renewed energy and an additional sense of direction within the waste authority and constituent boroughs.


NLWA has faced challenges in the last 12 months, including an extended construction period for the Resource Recovery Facility (for waste handling and recycling collection), which is a significant facility in the North London Heat and Power Project (NLHPP). The peer team were impressed with the open and honest conversations with NLWA, who were keen to share details of their journey through challenges and share the responses, learning, and work of the authority to manage and mitigate risk.

It was positive to hear members and officers report relationships between the authority and the constituent boroughs, community groups, and residents were continuing to improve and strengthen on all levels.

Overall, the peer team found the review feedback had been used constructively to build upon the waste authority’s ambitions, with good progress made across all of the recommendations.

#### Communication and engagement with constituent boroughs, community groups, and residents

In the progress review meetings the peer team were impressed with the increased scope of interactions with the constituent boroughs, including with a wider group of members and officers. The authority’s good practice in this area was highlighted in the original CPC report in 2023 as a strength; since then, more has been done to form stronger and wider engagement opportunities. This includes additional work this year with boroughs ahead of budget-setting to communicate the authority’s current financial position and future levy obligations for boroughs. Additionally, considerable




work has been completed with boroughs to maximise and harmonise communication and engagement with residents. Examples of this include work to understand individual boroughs communications plans and budgets on waste and recycling to target and plan authority input and complement in-borough activity and avoid duplication.

The team felt that the strength of the relationships between the authority and its constituent boroughs put them on a good footing for whatever challenges may come their way. Building good relationships with boroughs and nurturing them is clearly important to the Chair and Managing Director, who model this way of working and lead others around them to adopt the same approach. The peer team heard from members and officers of the positive leadership embodied at the executive level of the authority.

The CPC noted that great work has been done in establishing the Community Fund and supporting activities across boroughs for innovative community projects seeking to reduce waste and inform local communities. The team suggested that NLWA might want to look at how to work with the funding recipients to alleviate some of the concerns raised with the team about the consequences inherent in a 1-year funding stream, working to limit the burden felt by some organisations having to apply frequently for small grants. The next round of the Community Fund will now include awards for 2 years. The authority is clear that the support is there, primarily, to support new and emerging projects in order for the projects to build a foundation and plan for additional funds to be provided by other funding streams. The peer team are pleased to see that NLWA is engaging with councils about how funding can be picked up, and to provide learning and information sharing, after the authority fund has ended.

The peer team would like to see the projects supported by NLWA link up and share knowledge and support with similar projects in other locations, with the authority using its skills, resources, and leadership role to facilitate the projects' growth to being self-sustaining where possible and build links across the country and best practice resources.

Since the peer team last visited, NLWA has progressed with activities aimed at engaging and gaining the views of the community about the work of the authority.



Examples include the authority's work with the community on the North London Joint Waste Strategy, which included workshops with residents and stakeholders, and the public listening exercise in the summer of 2023.

### Governance and scrutiny

A positive for the authority is that there continues to be a high degree of continuity: Six of the seven boroughs have appointed the same members since 2022, the officer leadership team and authority advisers have mostly remained unchanged, and the London Energy Ltd (LEL) board membership has been consistent since it was reformed in 2021. This has provided a stable base for the authority.

A challenge that NLWA is mindful of and proactively responding to is the changes in key officers within constituent councils, including finance leads and Chief Executives. NLWA has taken an active approach to this, ensuring senior officers have all of the information they need to play an active role in authority business and understand the requirements on them as members of the waste authority.

The CPC in January 2023 found that the authority had good overall governance, with visible and consistent leadership as a strength and contributing factor.

Notwithstanding this, the peer team recommended that NLWA look at ways in which they could enhance governance. The team suggested that NLWA look at opportunities for wider oversight and challenge, consider having independent members as part of their audit committee and find ways of adding structure and deepening working groups and briefing sessions. The peer team heard that progress has been made in all of these areas.

Some of the examples of this include changes made to the audit committee, including work to introduce independent members. The latest NLWA meeting was held in public, thus reducing the perception that the authority and LEL are not open to challenge and scrutiny. NLWA has also continued to be responsive to requests from councils to answer questions on the authority and NLHPP as well as attended council overview and scrutiny sessions. Members and officers spoken to as part of the review noted that authority working groups were working well. The peer team would like to commend the work done in this area and recognises the progress made to expand opportunities for scrutiny and bring in different perspectives.



## Resources

In addition to managing waste and recycling of around 800,000 tonnes per year, NLWA is also leading one of the largest capital projects in London in the North London Heat and Power Project (NLHPP). Managing a complex project in NLHPP alongside waste authority duties requires the authority to ensure the correct balance of resources to the different elements of the business and requires excellent communication processes within the authority.

In the 2023 CPC report the peer team recommended that resources be closely monitored, and the authority be aware of the risk that undertaking such a large development project could adversely impact the business-as-usual (BAU) activity of the waste authority. The peer team recommended that a close eye be kept on this and integration between the big project and BAU activity be encouraged as and where appropriate.


The peer team heard in the progress review visit how in the last 12 months NLWA has strengthened the corporate services team to support the activity of the authority. It has also worked on improving corporate functions for waste authority staff around HR and IT, creating new service level agreements that better reflect the needs of the authority.

Investing in bolstering the activity of the authority in influencing and informing national policy decisions has led to them creating a new role, Public Affairs Manager, to lead on the authority's policy influencing activity with national players, including representing the interests of the seven boroughs.

The peer team recognised the internal resilience that has been achieved through these staffing and corporate services changes and felt they have strengthened the organisation.

## Finance and risk

As part of the progress review the peer team heard about the authority's increased activity with boroughs to communicate the financial position; appreciating the challenges that boroughs face more widely forms part of this work alongside the challenges apparent with managing a major infrastructure project and needing to adapt and be flexible to emerging situations and difficulties.



The peer team appreciate that the authority recognises the risks to the waste authority including the loss of organisational memory about the levy changes. We heard a clear understanding of those risks with mitigation plans. Concerning the organisational memory risk, NLWA is addressing this by engaging more proactively with the councils on finance issues and budget forecasts. Transparency is an area to be highlighted for praise, in particular, transparency about finances with the heat and power project. The team heard from members in the constituent boroughs, that they have heard, and take onboard the information provided by the authority about the financial position and responsibilities of councils, sharing that information with key people in their own councils. NLWA has published updated financial information on their website about the outturn position. It was also felt that the authority demonstrated an understanding of the pressures of the constituent councils in the current financial climate – demonstrated by the position taken on the windfall payments. NLWA has shared a significant part of its operational surplus and has reprofiled its risk appetite and register, holding a lower financial reserve, in order to offer some mutual support.


The peer team as part of discussions with constituent borough members and officers explored their understanding and their resilience regarding the levy changes expected in 2026. From the conversations the peer team had, it felt as if these were understood and recognised, with the team hearing examples of how the increase in the levy is being managed with budgets at the local authority level, including the timelines and cost projections that are set out in the medium term.

NLWA has assessed and reported on the likely financial position to 2034 to support the authority and boroughs forward-planning. Work is also happening with LEL to create greater financial certainty around the transfer to new facilities in 2027/28.

Transparency around the outturn price of the NLHPP was a key area discussed in the CPC. The peer team has seen evidence that this has been addressed with councils and is also published on the NLWA website.

### Coordination and lobbying

The 2023 CPC reflected that NLWA has a strong and recognised leadership, an experienced and well-respected staff team, and strong, well-informed and engaged members. It was felt that there were opportunities for the authority to take more of a



coordinating role for the boroughs, building upon work already done and expanding to take a lead on campaigning, lobbying, and helping to find solutions to tricky issues including waste reduction and minimisation of recyclable materials in residual waste.

The peer team during the progress review heard about examples where the authority has taken this coordinating role onboard, including seeing clear progression on joint communications campaigns with boroughs. The Collection Crew campaign and future Sorting Squad campaign are excellent examples of this. Additionally, NLWA has taken a leading role on coordinating waste reduction and recycling activity including the food waste in flats pilot with Islington and Hackney councils and leading on a pilot campaign with Barnet council to reduce single use plastics.


The peer team were impressed with NLWA's work consulting with boroughs ahead of budget setting to align campaigning and communications, therefore, getting more than the sum of the parts.

London-wide work has included NLWA's role in leading for North London on the pan-London campaign Eat Like a Londoner. NLWA recognise the value of the work undertaken on lobbying and campaigning on a London and national basis, with them supporting this work further with the recruitment to a new post to complete this work.

Opportunities to strengthen coordination across London and make London's voice heard are being explored by the authority. Lobbying for interests across London, the Chair wrote to other authorities proposing to meet and enhance the coordination of a London voice to respond to national policy changes. This includes lobbying on new burdens funding for the introduction of food waste recycling services to all households by 2026.

The expansion of the Community Fund, both the length of the award and overall budget, was good to hear. The peer team saw a progression in their coordinating role in this area, with the authority working with boroughs to see what funding is available for project continuation, and with the Community Fund working as a driver of innovation, similar to seed funding, supporting new and emerging projects.

The authority has made clear and impressive progress on the recommendations given as part of the LGA Corporate Peer Challenge undertaken in January 2023. The team heard about growing confidence from members and officers regarding how they work together to conduct the authority business that benefits all of the residents. In



the feedback given in January 2023, we reported that the working relationship between the Chair, Members, Managing Director and senior leadership team was good, and based on trust and respect; there was evidence in the progress review meetings that this has become stronger. This was also recognised by external partners whose confidence in the authority continues to grow.

## 4. Final thoughts and next steps

Having been through the CPC process, we would welcome members and officers to consider being part of the sector support offer and to obtain further information on how to become an LGA peer at [Become a peer | Local Government Association](#)

The LGA would like to thank NLWA for undertaking an LGA CPC progress review.

We appreciate that senior managerial and political leadership will want to reflect on these findings and suggestions to determine how the organisation wishes to take things forward.

Under the umbrella of LGA sector-led improvement, there is an ongoing offer of support to councils. The LGA is well-placed to provide additional support, advice, and guidance on a number of the areas identified for development and improvement, and we would be happy to discuss this.

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