

(VERSION B)
WESTERN RIVERSIDE WASTE AUTHORITY

NOTE: These minutes are to be read in conjunction with the agenda papers relating to the meeting on 25th November 2019.

Minutes of the meeting of the Western Riverside Waste Authority held at the Town Hall (Room 122), Wandsworth High Street, SW18 on 25th November 2019 at 7pm.

PRESENT

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| Hammersmith & Fulham Council | – Councillor W. Harcourt |
| | – Councillor D. Morton |
| Kensington & Chelsea Council | – Councillor J. Husband (Chairman) |
| | – Councillor M. Palmer |
| Lambeth Council | – Councillor C. Holland |
| | – Councillor J. Meldrum |
| Wandsworth Council | – Councillor Mrs. S. Sutters (Deputy Chairman) |
| | – Councillor G. Senior |

In attendance:

WRWA

Mark Broxup – General Manager
Chris Buss – Treasurer
Martin Walker – Clerk

Katherine Burston – Deputy Treasurer
Shirley Cruse – Principal Finance and Administration Officer
Sharon Ross – Deputy General Manager
Thayyiba Shaah – Deputy Clerk

Hammersmith & Fulham Council

Bram Kainth – Chief Officer for Public Realm
Adrian Ash – Interim Head of Waste Management

Kensington & Chelsea Council

Matthew Lawrence – Head of Waste and Street Enforcement

Lambeth Council

Doug Perry – Assistant Director Environment Public Protection & Regulatory Services

Wandsworth Council

Ishbel Murray – Assistant Director Contracts and Leisure
Wale Adeyoyin – Head of Waste and Street Cleansing

External Advisors

John Chandler, Shakespeare Martineau

APOLOGIES FOR ABSENCE

No apologies for absence were received.

DECLARATIONS OF INTEREST

No disclosable pecuniary interests were declared.

MINUTES OF THE MEETING OF THE AUTHORITY HELD ON 16TH SEPTEMBER 2019

On item 1 it was –

RESOLVED - That Version A (the closed version) of the minutes of the Authority held on 16th September 2019 be confirmed and signed as a correct record, and that version B be confirmed as the open summary of the minutes.

The Authority agreed that future meetings would include the names of technical officers and advisors in attendance.

THE BUDGET FORECAST FOR 2019/20 AND THE PROSPECTS FOR APPORTIONMENT OF WASTE DISPOSAL COSTS (AWDC) RATES AND THE LEVY ARE PROVIDED THROUGH TO 2020/21 (PAPER NO. WRWA 891)

- Following a request for clarification, the Treasurer explained that the Authority receives a share of recyclable income from the MRF above a threshold and any such income is distributed back to the constituent councils in proportion to the tonnage of recyclable material they have delivered. The General Manager confirmed that Cory provide officers with information on income generated for all waste streams on a monthly basis. However, certain information relating to who they are selling to and at what price is confidential. The General Manager added that officers monitor selling prices and confirmed that Cory perform well when compared to indices published by various trade journals.
- On the issue of whether the provision for additional audit fees of up to £40,000 in the 2019/20 forecast was reasonable, the Treasurer advised that he had indicated in July 2019 that the audit fees would be in the range of £15,000 to £40,000.

Following further discussion, it was then

RESOLVED to receive this report as information.

GENERAL MANAGER'S REPORT (PAPER NO. WRWA 892)

The Deputy General Manager introduced the report and highlighted relevant sections of the report.

In relation to the planning application relating to the B&Q DIY superstore site at Smugglers Way, the Authority's property consultant, Carter Jonas, has examined the proposed variations and the revised Environmental Statement and provided a response to the consultation on behalf of the Authority.

With regards to the Recycle Western Riverside Communications Strategy 2020/21, the Deputy General Manager explained the difficulties with the operation of the communications campaigns. These included problems relating to gaining consensus on the look of the campaigns across the Authority area; and due to a borough opting out of the campaign during the current financial year has meant that the expenditure across the four boroughs was not equal. The Deputy General Manager added that the current two campaigns were related directly to the Authority's function as a waste disposal authority; the 'End of the Line for Waste' relates to the reduction of waste and the 'What Happens to your Recycling' campaign provides reassurance that the recycling is being recycled properly. Neither campaign is concerned with the specifics of how waste and recyclables are collected.

In view of the above, the proposal being put forward is for the Authority to become autonomous as of 1st April 2020 with its communications, and therefore, it would determine the look of future campaigns and how they are to be communicated. The consequence of which would be that the Authority would no longer use borough vehicle panels or other borough related media that require individual borough approval.

Members questioned the benefit to the constituent councils from this proposal. The General Manager stated that the specifics of how waste and recyclables are collected was in the boroughs' domain. However, WRWA was best placed to advise residents where their recyclates ended up and similarly on the level of contamination taking place. The General Manager added that the proposal was not to promote WRWA, but instead to run complementary campaigns that would assist the boroughs in responding to complaints and other enquiries they may receive.

The Deputy General Manager advised that by not using borough vehicle panels a saving in the region of £30,000 would be made.

Following further discussion, it was agreed that a new communications plan and budget would be circulated to all Members several weeks in advance of the next meeting.

The Deputy General Manager referred the Authority to paragraph 28 of the report and advised that the proposal was to appoint a Carbon measurement specialist to provide some baseline carbon footprint data for the Authority's operations over the last ten years.

An Authority Member stated that the proposal to extend the Licence to Occupy until 2027 by REWORK was a very sensible one.

It was then

RESOLVED to approve:

- a) that officers prepare a further report to the next Authority meeting concerning the proposed Communications Campaigns in 2020/21;
- b) a procurement process to appoint a Carbon Measurement specialist as described in paragraph 28;
- c) the extension and the variations to the Licence to Occupy as described in paragraph 31;
- d) the recommendation by Ricardo Energy and Environment (REE) that the Authority postpone work on a joint waste management strategy with the constituent councils until there is more certainty around implementation of the Government strategy as described in paragraph 42;
- e) the appointment of Councillors Harcourt, Holland, Husband and Senior for the purposes of section 41 of the Local Government act 1985, as detailed in paragraph 52;
- f) the amendment to the Absence Management Code of Practice as described in paragraph 54;
- g) the disposal of the Authority's assets as set out in paragraph 56; and
- h) otherwise to receive this report as information.

**STATUS OF THE AUTHORITY'S AUDIT OF THE ACCOUNTS FOR 2018/19
(PAPER NO. WRWA 893)**

The Treasurer introduced the report and highlighted that since the Authority's last meeting in September the external auditor (Deloitte) has to date not been able to conclude the audit of the Authority's accounts by the deadline of 31st July 2019. As instructed by the Authority at its last meeting the Treasurer confirmed he had:

- written to Deloitte LLP asking for a quick response the day after the meeting;
- chased for a response on four separate occasions;
- organised a conference call on 25th October; and
- received a detailed response from Deloitte very late on 24th October for further discussion during the conference call on the 25th October.

Despite best efforts, the three main issues which are technical accounting points relating to the accounting treatment of three distinct areas of the WMSA remain unresolved.

The Treasurer advised that the appointment of Deloitte in September 2018 was made by Public Sector Audit Appointments (PSAA) in accordance with the arrangements under the Local Audit & Accountability Act 2014. The appointment runs from 2018/19 to 2022/23 and was the result of a competitive tendering process. The Treasurer confirmed that immediately prior to this appointment Deloitte had no Local Authority external Audit contracts. The Treasurer added that there has been a significant increase nationally in the number of audits not being completed by the deadline of 31st July, and there were still around 100 incomplete audits nationally as of the end of October, including Ealing and Tower Hamlets.

The Authority were advised that under the PSAA's terms of appointment Deloitte are paid a day rate for the additional work covered by this extension to the Audit, which is significantly below the commercial rate. In addition, a central technical team would need to undertake this work which is expensive. Therefore, it would appear that Deloitte may not be motivated to complete this work or to provide resources to complete it.

The Treasurer referred to paragraph 6 of the report which states 'The arrangements with Deloitte are covered by PSAA's Terms of Appointment and Statement of Responsibilities of Auditors and Audited Bodies'. The latter document places on the auditors a responsibility to "plan and complete work within agreed deadlines" and "to maintain close liaison with the audited body". They also have a responsibility to "provide appropriate and adequate resources...".

Given that Deloitte have not kept to agreed deadlines nor maintained close liaison with the Authority, the Treasurer advised that in his view Deloitte were not adhering to the agreed arrangements cited above.

Following discussion Members agreed that the Chairman should write to Deloitte to formally complain about the time being taken to complete the audit and to cc the letter to the PSAA.

It was then

RESOLVED that:

- (a) the current state of the Audit discussions as set out in the report be noted and the Chairman write to Deloitte to formally complain about the time taken to complete the audit and to cc the letter to the PSAA;
- (b) an Audit Committee on the same basis as the Committee on 31st July 2019 to agree the Accounts once a report has been received from the Auditors be established; and
- (c) otherwise receive this report for information

FORWARD PLAN (PAPER NO. WRWA 894)

RESOLVED to receive this report for information

EXCLUSION OF PRESS AND PUBLIC

RESOLVED -

That, under Section 100A(4) of the Local Government Act 1972, members of the public and the press be excluded from the meeting whilst items 7 and 8 (Waste Management Services Agreement and Potential Redevelopment of the Cringle Dock Transfer Station; and The detailed 2019/20 and 2020/21 General Waste Rate and update on Savings proposals for the Authority) (Paper No. WRWA 895 and 896 respectively)) are being considered because exempt information, as described in paragraphs 3 and 5 of Part 1 of Schedule 12A to the Local Government Act 1972, is likely to be disclosed.

WASTE MANAGEMENT SERVICES AGREEMENT AND POTENTIAL REDEVELOPMENT OF THE CRINGLE DOCK TRANSFER STATION (PAPER NO. WRWA 895)

Mr. John Chandler, Partner (Energy), from the Authority's WMSA lawyers Shakespeare Martineau LLP, was in attendance for this item.

The Chairman thanked Mr. Chandler for his attendance. Following discussion, it was then

RESOLVED to approve the recommendations in paragraph 38 of the report.

THE DETAILED 2019/20 AND 2020/21 GENERAL WASTE RATE AND UPDATE ON SAVINGS PROPOSALS FOR THE AUTHORITY (PAPER NO. WRWA 896 - ATTACHED).

The Treasurer introduced the report. Following discussion, it was

RESOLVED to receive this report as information.

DATES OF FUTURE MEETINGS (PAPER NO. WRWA 897)

Following discussion, it was then

RESOLVED to hold future meetings of the Authority on the following dates:

January/February (Budget Setting) 23/01/20

June AGM	30/06/20
July – AUDIT COMMITTEE	29/07/20
September	TBC - 15/09/20 or 29/09/20
November (Budget Forecast)	11/11/20

[Post meeting Note: The following Councillors have confirmed that they are able to attend a meeting of the Authority if scheduled on 29/09/20: Councillors Husband, Harcourt, Morton and Mrs. Sutters.]

The meeting ended at 8.25 p.m.