

**OPEN MINUTES (VERSION B) OF THE MEETING OF THE  
WESTERN RIVERSIDE WASTE AUTHORITY  
HELD AT THE TOWN HALL (ROOM 140), WANDSWORTH, SW18 2PU ON  
THURSDAY, 23RD JANUARY, 2020 AT 7.00 P.M.**

**NOTE: These draft minutes are to be read in conjunction with the agenda papers relating to the meeting on 23rd January 2020.**

**PRESENT**

- Hammersmith & Fulham Council** – Councillor W. Harcourt  
– Councillor D. Morton
- Kensington & Chelsea Council** – Councillor J. Husband (Chairman)  
– Councillor M. Palmer
- Lambeth Council** – Councillor J. Meldrum
- Wandsworth Council** – 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  
Frances Devane – Executive Officer
- Hammersmith & Fulham Council** Bram Kainth – Chief Officer for Public Realm  
Adrian Ash – Interim Head of Waste  
Management  
Richard Shwe - Interim Asst. Director of Street  
and Environment Services
- 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 Auditors**

Ben Sherriff - Deloitte

## **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Holland and Mrs. Sutters.

## **DECLARATIONS OF INTEREST**

No disclosable pecuniary interests were declared.

## **MINUTES OF THE MEETING OF THE AUTHORITY HELD ON 25<sup>TH</sup> NOVEMBER 2019**

On item 1 it was –

**RESOLVED** - That Version A (the closed version) of the minutes of the Authority held on 25<sup>th</sup> November 2019 be confirmed and signed as a correct record, and that version B be confirmed as the open summary of the minutes.

## **AUDITED ACCOUNTS FOR 2018/19 (PAPER NO. WRWA 20-01)**

On item 2, (Paper No. WRWA 20-01) the Chairman stated that as provided for under Section 100B(4)(b) of the Local Government Act 1972, he was of the opinion that this report should be considered at the meeting as a matter of urgency, by reason of the special circumstances which were that the report needs to be presented at this meeting as the Authority needs to conclude the audit of the 2018/19 accounts , so that the budget for 2020/21 can be set on the basis of audited and known reserves.

It was then

**RESOLVED** – That the report be received.

Mr. Ben Sheriff, (Auditor-Deloitte) introduced the paper and confirmed that he was satisfied with the disclosure notes that had been added to the accounts to add clarity to some of the accounting complexities relating to the WMSA.

In relation to the accounting treatment of the £3.5 million received from Cory relating to the Authority's consent to refinancing of the EfW, the Treasurer advised that the Auditor's view was that instead of treating the £3.5 million as an in-year transaction, the proper way for the Authority to show the payment is for it to be drawn down by the Authority over the remaining 14 years of the contract starting from October 2018. The Treasurer advised that if the Authority declined to do that the accounts would be qualified not only for 2018/19 but for subsequent years.

The Treasurer advised that he did not ‘technically’ agree with the proposed accounting treatment as it fundamentally misrepresented the nature of this payment. However, the Treasurer advised that the alternative was for the Authority’s accounts being permanently qualified, which he confirmed as being unacceptable. Although the Authority could challenge the Auditor’s decision via the Courts, the Treasurer stated that this would involve significant costs and risks to the Authority.

In response to a question on how the proposed treatment of the payment would impact on the Authority’s budget, the Treasurer confirmed that the overall impact would be minimal. It was then

**RESOLVED** to:

- (a) note the report from Deloitte relating to the Accounts for 2018/19 (Appendix B)
- (b) authorise the Treasurer to sign the Letter of Representation (Appendix C)
- (c) approve the Authority’s Statement of Accounts (Appendix A)
- (d) otherwise receive this report for information

**AUTHORITY’S BUDGET AND LEVY FOR 2020/21 AND THE PROSPECTS FOR 2021/22 AND BEYOND (PAPER NO. WRWA 20-02)**

Following discussion, it was then

**RESOLVED** to approve:

- (a) a revised gross expenditure budget for the Authority of £55.7 million for 2019/20 (£45.3m directly determined by direct tonnage delivered and £10.4 million paid for by the Levy) and £52.7 million for 2020/21 (£47.4 million directly determined by direct tonnage delivered and £5.2 million paid for by the Levy), as presented in the Budgets for Direct costs and Levy costs in Appendices B and C;
- (b) the AWDC rates to apply for 2020/21 as detailed on page 5;
- (c) the transfer of £1.3 million from the General Reserve into the Stabilisation Reserve; and
- (d) the basis of cost recovery as set out in the report, including the residual Levy figure of £4.478 million for 2020/21 for the Treasurer to apportion and issue the levy among the constituent councils in line with the actual constituent council’s council tax bases for 2020/21.

**TREASURY MANAGEMENT AND CAPITAL STRATEGY FOR 2020/21 (PAPER NO. WRWA 20-03)**

The Treasurer introduced the report. At the request of the Chairman, the Deputy Treasurer confirmed the investment in Money Market Funds was as given below:

- £7.4 million invested with Wandsworth in MMFs at approximately 0.75%
- £6.6 million invested in CCLA
- £189,000 held as a cash balance with NatWest

It was then

**RESOLVED** to:

- (a) adopt an Authorised Borrowing Limit and Operational Boundary for 2020/21 of £5 million;
- (b) agree to the borrowing policy outlined in paragraph 12;
- (c) agree to continue the MRP policy in 2019/20 and 2020/21 outlined in paragraphs 13-14;
- (d) agree to the investment policy outlined in paragraph 15;
- (e) note the 'Prudential Indicators' contained in the Appendix to this report, including newly specified borrowing and investment policies and the capital strategy; and
- (f) otherwise receive this report as information.

**AUTHORITY'S COMPLIANCE WITH THE CIPFA CODE OF FINANCIAL MANAGEMENT (PAPER NO. WRWA 20-04)**

The Treasurer introduced the report and confirmed that the Management team's assessment was that the Authority meets all 17 standards of the CIPFA Financial Management Code. It was then

**RESOLVED** to:

- (a) note the report and accept the Management team's assessment of compliance with the CIPFA Financial Management Code; and
- (b) otherwise receive this report for information

**GENERAL MANAGER'S REPORT (PAPER NO. WRWA 20-05)**

The Deputy General Manager introduced the report and highlighted the following:

- Recovered Paper Market - there is an oversupply of recovered paper in the UK and Europe in the short to mid-term because of the stricter regulations for the import of recovered paper in China, Indonesia and other countries; and the lack of reprocessing capacity in the UK and Europe. The General Manager assured

the Authority that Cory was trying its very best to find a solution. In response to questions raised about the reputational risk to the Authority from the current campaigns, given that residents were being encouraged to recycle, yet excess paper was being burnt the General Manager advised that there was nothing incorrect about these two campaigns. The waste minimisation campaign did not relate to recovered paper and the recycling campaign adverts were still factually correct.

The General Manager reiterated that Cory was trying hard to recycle this material and as it had a good reputation it was hoped that Cory would do better than its competitors.

Councillor Senior agreed to raise the subject of mixed paper recycling markets with LWaRB and to report back on his findings.

In response to the need for a processing plant in London, the General Manager advised that if there was demand in the UK then we would already have a plant in place.

Following further discussion, it was agreed that the General Manager would liaise with other waste authorities to ascertain how they were dealing with the downturn in the mixed paper market and to circulate his findings to Members of the Authority via their Technical Officers prior to the next Authority meeting in June.

- The Deputy General Manager advised that the Authority should continue with the two current campaigns, namely What Happens to our Recycling and the End of the Line for Waste.
- The Authority would no longer use external advertising; commission public engagement events across the four boroughs; promote its campaigns on the constituent council's vehicle panels; or advertise in borough publications. The Deputy General Manager confirmed that the Authority would provide artwork and literature to the constituent councils so that they were able to use this material or adapt it accordingly for their own additional use.
- Setting aside a new budget of £25,000 to cover any campaigns that may become necessary or appropriate as a consequence of the Government's new waste management legislation. The Deputy General Manager confirmed that should this budget be required over the next financial year it would be funded from the Recycling Reserve which currently has a balance of £250,000. The Deputy General Manager confirmed that there was a separate budget for 'schools' education'.

It was then

**RESOLVED** to approve that:

- a) further to the downturn in the Mixed Paper market, as detailed in paragraphs 13 to 25 above, officers be instructed to arrange a meeting between Technical

Officers and representatives from CRE; and the General Manager to liaise with other waste authorities to ascertain how they were dealing with the downturn in the mixed paper market and to circulate his findings to Members of the Authority via their Technical Officers prior to the next Authority meeting in June;

- b) a core £25,000 communications budget be set for 2020/21, to communicate the 'What Happens to your Recycling' and 'End of the Line for Waste' reduction campaigns using organic and targeted paid-for advertising on social and on community platforms such as Nextdoor and the Authority's website, coupled with direct communications with residents who use the Authority's website and HWRC as described in paragraphs 35 to 43 above;
- c) a £25,000 budget be set aside for any new campaigns that may be required during the next financial year funded, if required, from the Recycling Reserve;
- d) continued focus be given to waste reduction, reuse and recycling at the HWRC;
- e) advertising via other means (including borough vehicle panels, borough publications, buses and bus shelters) and public engagement events across the four boroughs be discontinued;
- f) the Chairman writes to the London Waste and Recycling Board requesting that it introduce a London-wide waste reduction communications campaign; and
- g) otherwise receive this report as information.

#### **FORWARD PLAN (PAPER NO. WRWA 20-06)**

**RESOLVED** to agree:

- a). that the date of the Authority's meeting in September to be held on 29<sup>th</sup> September 2020; and
- b. otherwise to receive this report as 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 item 9 (Waste Management Services Agreement and Potential Redevelopment of the Cringle Dock Transfer Station) (Paper No. WRWA 20-07)) is 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 20-07)**

Following discussion, it was then

**RESOLVED** to approve the recommendations in paragraph 29 of the report.

The meeting ended at 8.00 p.m.