

At a meeting of the West London Waste Authority held on Friday 23 June 2023 at 10.00 am at the Meeting Room 4, First Floor - Harrow Council Hub, Forward Drive, Harrow, HA3 8LU.

Present:

Councillor Deirdre Costigan (Chair)

Councillor Julia Neden Watts (Vice-Chair)

Councillor Guy Lambert, Councillor Eddie Lavery, Councillor Anjana Patel and Councillor Krupa Sheth

Robin Pritchard – Independent Member

54. Apologies for absence

There were no apologies for absence.

55. Declarations of interest

RESOLVED: To note that there were no declarations of interests made by Members.

56. Minutes of the meetings held on 20 January 2023 and 24 March 2023

RESOLVED: That the minutes of the Audit Committee held on 20 January 2023 and of the Authority meeting held on 24 March 2023 be taken as read and signed as correct records.

57. Appointment of the Chair and Vice-Chair of the Authority, Audit Committee, Chair of the Audit Committee and Independent Member

RESOLVED: That (1) Councillor Deirdre Costigan be appointed as Chair of the Authority for the 2023/24 municipal year;

(2) Councillor Julia Neden Watts be appointed as Vice-Chair of the Authority for the 2023/24 municipal year;

(3) Councillor Krupa Sheth be appointed as Chair of the Audit Committee for the 2023/2024 Municipal Year;

(4) it be noted that Robin Pritchard would continue as Independent Member of the Audit Committee for the 2023/24 Municipal Year.

58. Meetings for the Municipal Year 2023/24

RESOLVED: That the following dates of meetings of the Authority and the Audit Committee be confirmed: -

Friday 22 September 2023 at 10.00am
Friday 1 December 2023 at 10.00am
Friday 19 January 2024 at 11.00am (Audit Committee at 10.00am)
Friday 22 March 2024 at 10.00am
Friday 21 June 2024 at 10.00am
Friday 20 September 2024 at 10.00am
Friday 6 December 2024 at 10.00am

59. Internal Audit Report Procurement and Expenditure

Councillor Krupa Sheth, Chair of the Audit Committee, chaired the meeting for this item and items 7-12.

Members received the Internal Audit Report 2022/23 which reviewed the robustness of the Authority's controls in relation to Procurement and Expenditure.

Mike Pinder, Internal Auditor, outlined the content of the report and advised that overall there was reasonable assurance. A further report would be submitted to the Audit Committee in January.

In terms of the key findings and the high risk that none of the procurement cases examined had signed contracts in place and the potential impact, the Internal Auditor advised that there was a risk in that the contractor could just walk away. In response to a Member's question in relation to the HB Public Law (not HB Law as referred to in the report) contract and the assumption that there was a contract in place, the Internal Auditor advised that a review of service level agreements was required and that it was not unusual for contracts not to be signed in advance. It was however important to carry out a review and to safeguard the Authority's position. The Independent Member emphasised the need to chase up HB Public Law to resolve these issues and the Treasurer added that the ability to use electronic signatures on documents could speed up the process.

Members expressed concern at the delays in getting contracts signed and Tom Beagan, Head of Service Delivery undertook to provide an update at the end of the month. Jay Patel, Finance Director, confirmed that all suppliers had been checked and the recommendations implemented.

RESOLVED: That the report be noted.

60. Annual Internal Audit Report

Members received the Annual Report on Internal Audits and the Head of Internal Audit opinion. The report also provided details of the work completed by the Audit Team between April 2022 and March 2023.

The Independent Member requested that the dates in paragraph 5 of the report be corrected.

RESOLVED: That the report be noted.

61. 2021/22 External Auditors Report

Members received the draft Audit results report for the year ended 31 March 2022 which summarised Ernst & Young preliminary audit conclusion in relation to the audit of the Authority.

Andrew Brittain and Kalthiemah Abrahams, Ernst & Young (EY), joined the meeting online, to present the report. Mr Brittain reminded Members that the report had been delayed for a number of reasons as explained at the previous meeting and that there was one outstanding issue around the triennial evaluation. It was anticipated that EY would be in a position to issue an unqualified opinion on the financial statements and value for money.

In terms of the 2022/23 audit, Mr Brittain advised that planning work had commenced and that it was intended to conclude this work by the end of the calendar year.

RESOLVED: That the report be noted.

62. Final 2021-22 Statement of Accounts

Members received the report which provided the 2021-22 Statement of Accounts for approval.

RESOLVED: That the Chair of the Authority be authorised to approve the 2021/22 financial statements once the audit had been finalised by Ernst & Young.

63. Draft Statement of Accounts for the year ending 31 March 2023

Members received the report which presented the draft 2022/23 Statement of Accounts.

Jay Patel, Finance Director, outlined the content of the report and advised that the dates in the header required correction. Financial performance over a number of years had been relatively strong and there were greater reserves than required. It was therefore proposed to disperse the excess in reserves back to the boroughs in July.

RESOLVED: That (1) the draft Statement of Accounts for 2022/23, as set out in Appendix 1 to the report, be noted;
(2) the disbursement of PPP contract income totalling £12.7 million, as set out in section 13 of the officer report, be approved.
(3) the disbursement of excess reserves totalling £3.3 million, as set out in section 24 of the officer report, be approved.

64. Assurance Statements for the year ending 31 March 2023

Members received the Assurance Statements from the Authority's Chief Officers and Senior Managers which formed part of the overall governance framework and supported the approval of the Annual Statement of Accounts.

In response to a comment by the Independent Member that there might be benefits in linking assurance statements to the risk management system, Jay Patel, Finance Director, advised that the Authority was a relatively small organisation but that this could be looked at. A Member commented that the gross expenditure in relation to employees appeared to have increased and was advised that this movement was essentially a

valuation adjustment but that further detail could be provided to Members and the notes updated on these draft statements.

RESOLVED: That the Assurance Statements, attached at Appendix 1 to the officer report, be noted.

65. Risk Register

Members received the Authority's updated risk register.

RESOLVED: That the content of the Risk Register, as attached at Appendix 1 to the officer report, be noted.

66. 2022/23 Business Plan

Councillor Deirdre Costigan, Chair of the Authority, chaired the meeting for the remaining items of business.

Members received the report which provided the Authority's Business Plan for 2022/23.

Emma Beal, Managing Director, introduced the report and responded to a Member's questions in relation to UK net zero greenhouse gases targets and whether they related specifically to waste operations, as set out on page 219 of the papers. The Managing Director indicated that she would review this and also consider whether a whole borough target was needed. In terms of the London Mayor's targets of 65% recycling by 2030, 50% should have been achieved by 2020 but once the targets were published Members would be updated.

RESOLVED: That the conclusion of the 2022 Business Plan be approved and that some of the activities, as outlined in the officer report, be rolled over to the 2023/24 Business Plan.

67. 2023/24 Business Plan

Members received the report which provided details of the five strategic priorities that would form the basis for the Authority's Business Plan for 2023/24.

Emma Beal, Managing Director, introduced the report and drew attention to the five strategic priorities :-

- Citizen perception
- 'Reuse' Social Value
- Data Driven Efficiency
- Increased access
- Organisational Excellence

In response to a Member's comment that there was still considerable work to do on food waste, the Managing Director advised that this service was a challenge as not enough residents were using it. Citizen perception would inform all of the programmes and increasing access is also important because if, for example, only 70% of residents had access to a service, targets would never be met.

The Independent Member commented that there should be a link between risk management and the strategic objectives and resistance to change should be considered. A Member commented that perception was key, for example, residents

might consider recycling to be about plastic whereas it was about food. The Members discussed the difficulties of food waste collection in estates, flats and flats above shops and the need to have provision within the planning application process to assist. Another suggestion was to engage schools with food waste collection as the messaging about its importance might then reach parents via their children.

RESOLVED: That the 2023 Strategic Priorities to shape the Business Plan for 2023/24 be approved and included in the Annual Report.

68. Contracts and Operations Update

Members received a report which provided an update on the Authority's waste treatment arrangements and procurements.

Tom Beagan, Head of Service Delivery, introduced the report and advised that since the publication of the agenda the Government had announced a change in legislation which would require all HRRCs to accept some DIY waste from Autumn 2023. There were some risks around this change in terms of a reduced ability to charge but there might also be opportunities, for example, harmonising charging policies across the Boroughs.

In response to a question about disposal of vapes and whether any communications around e-waste was required, the Head of Service Delivery advised that these were mostly being placed in residual waste by residents but that he would report back to the Authority if more were being seen in electrical waste bins at the HRRCs. The Members were advised that the government were expected to release a consultation on e-waste and that there was a suggestion that vapes would be included as a separate category.

RESOLVED: That the report be noted.

69. Programmes Update

Members received a report which provided an update on the Authority's programmes.

Referring to the Reuse and Social value table on page 245 of the agenda, a Member questioned how and when the West London Waste plan would consider whether there were the right number of waste sites. The Members were advised that the plan was in the process of being updated, coordinated by the West London Alliance and that this issue was being dealt with by planners and expected to take between 3 – 5 years to deliver. A periodical update could be submitted to the Authority.

Emma Beal, Managing Director, stated the importance of protecting waste sites for waste use. Moving to a circular economy would require the definition of waste to change as there should be a technical assessment to decide whether items could be reused or recycled.

RESOLVED: That (1) the progress on the Authority's programmes outlined within the officer report be noted;
(2) the importance of aligning priorities and working in partnership in order to increase the chances of successful delivery be noted.

70. Finance Update

Members received a report which provided an update on financial and operational matters.

RESOLVED: That (1) the current financial position and forecast for 2023/24 be noted;
(2) the 2023/24 Key Performance Indicators be noted.
(3) the Key Performance Indicators to date be noted.

71. Human Resources Services Update

Members received an update on the Authority's Human Resources Services.

RESOLVED: That the report be noted.

72. Jay Patel - Finance Director

Members expressed their gratitude to Jay Patel, Finance Director, who was retiring from the Authority's employ, for all his work and keeping the Authority in good financial shape. Members wished him well for the future.

The meeting finished at 11.51 am.

The minute taker at this meeting was Alison Atherton.