

At a meeting of the West London Waste Authority held on Friday 21 January 2022 at 11.00 am at the Council Chamber, Harrow Civic Centre, Station Road, Harrow, HA1 2XY.

Present:

Councillor Graham Henson (Chair)

Councillor Deirdre Costigan, Councillor Guy Lambert, Councillor Eddie Lavery and Councillor Julia Neden Watts

Apologies for Absence

Councillor Krupa Sheth

134. Apologies for absence

Apologies for absence had been received from Councillor Krupa Sheth.

135. Declarations of interest

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

136. Minutes of the meeting held on 3 December 2021

RESOLVED: That the minutes of the meeting held on 3 December 2021 be taken as read and signed as a correct record.

137. 2022/23 Budget

Members received a report which set out the 2022/23 budget proposal.

Jay Patel, Finance Director, introduced the report and advised that following the December meeting of the Authority it had been updated in terms of the bottom line, both commentary and a column added to the table in section 15, the use of the latest 2021/22 forecast in section 2 and the formal feedback from borough Finance Directors. He added that the risk position would be reviewed prior to the March meeting of the Authority.

In response to a question about employees, the Finance Director reported that the main change in establishment was two new roles aligned to strategic themes, a data officer and one to support the climate emergency officer group. He added that the change in projects reflected line management structures and that they were spread across the teams.

A Member stated that the lack of clarity on reserves impacted on local authority budgets. Local authorities were required to set a balanced budget and cuts were agreed knowing

that they might not be necessary later in the financial year. Boroughs had already commenced the budget setting process for 2022/23 and residents might be facing cuts that they did not need to. The Finance Director advised that officers were taking a cautious approach and that more information would be available by the March meeting. In response to whether constituent boroughs could allow the Authority to 'go bust', the Authority was statutorily required to charge boroughs for the service and on that basis, there was a need to maintain and use reserves to keep levies and charges at a relatively constant level so that budgets could be managed by boroughs.

The Treasurer acknowledged the concerns expressed by Members in terms of the reserves position and borough budget setting processes. Borough Treasurers wanted certainty and stability to enable planning. Any reserves distributed to the constituent boroughs would however go into their reserves. He was satisfied with the level of reserves held by the Authority but took on board the comments made.

A Member referred to section 21 of the report and sought clarification on the level of reserves held by other waste authorities. The Finance Director undertook to circulate this information but stated that the lowest level was approximately £30-40m whilst others held £70m and that therefore the Authority's level was measurably lower. The level was determined by considering the schedule of risk.

Emma Beal, Managing Director, responded to a question about PAYT Levy income and fly tipping stating that fly tipping was 3-8% of the waste collected and was therefore unlikely to have a noticeable effect on the budget. However, more granularity was required as to whether waste was street, household, commercial or fly tipped so that strategic decisions could then be made around its disposal.

- RESOLVED:** That (1) the 2022/23 budget be approved;
- (2) the payment of £0.2 million per borough for agreed improvements, principally Household Reuse and Recycling Centre diversion rates be approved;
- (3) the Pay As You Throw (PAYT) rates, as set out in section 15 of the officer report, and the PAYT levy made up of two components totalling of £50.4 million be approved;
- (4) the Fixed Cost Levy (FCL) of £14.2 million, as set out in section 16 of the officer report, be approved;
- (5) the recommended trade and construction prices, as set out in section 17 of the officer report, and delegated authority to the Treasurer to change these in year should the need arise be approved;
- (6) the new proposed capital budgets, as set out in section 18 of the officer report, be approved;
- (7) the target level of reserves of £9.2 million to act as a buffer for managing risks and avoiding supplementary levies, as set out in section 19 of the officer report, be approved;
- (8) the Medium and Long Term Financial Plan, as set out in section 20 of the officer report, be approved.

138. Contracts and Operations Update

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

RESOLVED: That the report be noted.

139. Projects Update

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

RESOLVED: That the report be noted.

140. Finance Update

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

RESOLVED: That (1) the current financial position and forecast for 2021/22 be noted;
(2) the Key Performance Indicator performance for 2021/22 be noted;
(3) the delegated decisions be noted;
(4) the Treasury Management Plan for 2022/23 be approved.

141. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED: That in accordance with Part I of Schedule 12A to the Local Government Act 1972, the press and public be excluded from the meeting for the following item for the reasons set out below:

| <u>Item</u> | <u>Title</u> | <u>Reason</u> |
|-------------|---|---|
| 9. | Variation to the West London Residual Waste Services Contract | Information under paragraph 3 (contains information relating to the financial or business affairs of any particular person (including the authority holding that information)). |

142. Variation to the West London Residual Waste Services Contract

Members received a confidential report in relation to the West London Residual Waste Services Contract.

RESOLVED: That progressing option 1, as set out in the report, be approved.

The meeting finished at 11.58 am.

The minute taker at this meeting was Alison Atherton.