

At a virtual meeting of the West London Waste Authority - Audit Committee held on Friday 22 January 2021 at 10.00 am

Present:

Councillor Krupa Sheth (Chair)

Councillor Graham Henson, Councillor Mik Sabiers and Councillor Julia Neden Watts

Apologies for Absence

Councillor Philip Corthorne

65. Apologies for absence

Apologies for absence had been received from Councillor Philip Corthorne and Andrea White, Independent Member.

66. Declarations of interest

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

67. Minutes of the meeting held on 26 June 2020

RESOLVED: That the minutes of the meeting held on 26 June 2020 be taken as read and signed as a correct record.

68. Membership

The Chair reported that Andrea White, Independent Member, was coming to the end of her 8 year term, the maximum permitted by the Committee's terms of reference. She stated that Andrea White's experience and contribution had been invaluable to the work of the Committee and that although she had submitted her apologies for the meeting she had requested that her thanks and good wishes be passed on to both Members and officers.

Jay Patel, Finance Director, reported that it was a requirement of the Committee's Terms of Reference, that an independent external co-opted member be appointed for a period of three to four years up to a maximum of eight years. The Committee had been fortunate in that Andrea White had brought a wealth of experience to the role having previously worked for, amongst others, the Audit Commission.

The Committee discussed the role of the Independent Member and indicated that they had welcomed the input, value and independent aspect of the role. Members expressed their support of and agreement to the Finance Director commencing the recruitment process, firstly by consulting professional bodies such as CIPFA and ICEAW. The Finance Director indicated that he would report further on process and timelines to the next meeting of the Authority.

The Committee requested that their gratitude be conveyed to Andrea White for her work and contribution to the Committee.

69. Internal Audit Report Creditors

Members received a report on Creditors from the Internal Auditors.

Nick Cutbill, Internal Auditor, outlined the content of the report and advised that overall there was a substantial assurance over the key risks to the achievement of objectives for creditors.

RESOLVED: That the report be noted.

70. Internal Audit Report - Contracts and Procurement

Members received a report from the Internal Auditors in relation to contracts and procurement. Nick Cutbill, Internal Auditor, introduced the report and advised that, overall, a reasonable assurance had been given in relation to the key risks to achievement of objectives in relation to contracts and procurement.

A Member questioned, given the limited assurance in relation to one of the scope items, whether officers were satisfied in terms of contract implementation this would address the concerns raised by the Internal Auditors so that the Committee could be reassured. Tom Beagan, Head of Service Delivery, advised that in terms of the service it was felt that with management action there would be controls in place and contracts signed more quickly. There would, however, be occasions where for commercial reasons there might be a delay. The Internal Auditor indicated that clearly the preference would be for contracts to be signed as soon as possible to avoid ambiguity but acknowledged that there might sometimes be a delay. Sarah Hydrie, Internal Auditor added that follow up work would be carried out as well as testing on the implementation of new contracts which she hoped would provide the Committee with reassurance.

Referring to the timescales for signing contracts, the Finance Director indicated that this could be challenging. He expressed the view that it was important to be transparent as there may be good reasons for a delay in the signing of a contract.

In response to a Member's question in relation to the risks of unsigned contracts with a significant value, the Head of Service Delivery advised that the MRF contract had been rolling onwards for the longest period and had a value of £2 million. Currently, officers were dealing with some technicalities on the contract. Emma Beal, Managing Director, explained that the report had highlighted some actions that needed to be put in place and that the MRF was not the only contract that had rolled forwards. She added that this was the first time the Authority had been the agent for one, rather than all of the boroughs.

RESOLVED: That the report be noted.

71. Risk Register

Members received a report which provided the Authority's updated Risk Register.

Jay Patel, Finance Director, introduced the report and advised Members of a minor correction to section 4 in that there was one red risk and thirteen amber risks facing the Authority. Further, he advised that in terms of COVID 19, the risks had increased due to the transmission rates rising but that Members would be kept informed via their fortnightly

meetings with officers. Referring to Brexit Risks, the Finance Director reported that as there had been a deal the risks were not as significant but that waste markets and the impact on employment would require monitoring.

A Member asked if there had been a shortage of drivers as a result of Brexit and whether, as people were anxious about losing their jobs as a result of the ongoing pandemic, connections between those seeking employment and driver shortages could be made to resolve this. Emma Beal, Managing Director, advised that the shortage of drivers was an example of where the risks associated with Brexit and COVID 19 came together and that there may be opportunities to resolve this shortage.

RESOLVED: That the content of both the Risk Register, as set out in Appendix 1 to the officer report, and the Brexit Risk Register, Appendix 2, be noted.

The meeting finished at 10.25 am.

The minute taker at this meeting was Alison Atherton.