

EAST LONDON WASTE AUTHORITY

Monday, 25 June 2007
(1:10 - 2:15 pm)

Present: Councillor M E McKenzie (Chair), Councillor S Kelly (Deputy Chair), Councillor P Murphy (Item 12 - Minute 1504 onwards), Councillor P Sheekey, Councillor B Tebbutt, Councillor Mrs P A Twomey and Councillor A Weinberg

1492 Appointment of Chair

We have appointed Councillor McKenzie as Chair for the ensuing municipal year.

1493 Appointment of Deputy Chair

We have appointed Councillor Kelly as Deputy Chair for the ensuing municipal year.

1494 Apologies for Absence

An apology for absence was submitted on behalf of Councillor P Goody and an apology for delay was submitted on behalf of Councillor P Murphy.

1495 Minutes - To confirm as correct the minutes of the last meeting held on 02 April 2007

We have confirmed as correct the minutes of our meeting held on 2 April 2007.

1496 Membership 2007/08

We have noted the appointments for the municipal year 2007/08.

1497 ELWA Limited Directorship 2007/08

Having considered a report from the Office Manager on issues relating to ELWA's directorship on ELWA Limited, we have:-

- (i) appointed Councillor Weinberg as ELWA's 'A' Director on the ELWA Limited Board for the 2007/8 municipal year;
- (ii) authorised the 'A' Director to act as ELWA's representative at the Annual General Meeting of ELWA Ltd;
- (iii) agreed that such appointment to take effect following prior consultation with the "B" shareholder.
- (iv) authorised the Chair to nominate an alternative 'A' Director should the need arise.

1498 Programme of Meetings 2007/08

We have noted the agreed programme of meetings for the municipal year 2007/08 and the requirements of the Constitution relating to attendance.

We have received Councillor Tebbutt's apologies for non-attendance at our meeting held 02.04.07.

1499 Best Value Performance Plan 2007/08

We have received and noted ELWA's draft Best Value Performance Plan 2007/8, which is required to be published by 30 June, and have authorised the Executive Director to approve the final version prior to publication.

1500 Contract Performance for Year 2006/07 (including LATS Performance)

We have noted the General Manager's report and Appendices on Contract Performance for the period April 2006 to March 2007. We have received commentary on tonnage data and contract payments, satisfactory operations at the RRC sites, the development of Jenkins Lane Bio-Mrf, commissioning of Frog Island and difficulties experienced with regard to Opti-bags.

Noted that the contract recycling rate had failed to meet target, despite an increase on the previous year's figure, resulting in the Contractor suffering a loss in recycling supplements. Noted that, in accordance with Minute 1485, the Board had met with the Contractor and this would be discussed later during this meeting.

1501 External Audit - International Standard on Auditing UK & Ireland (ISA) Report 260

We have received the Finance Director's report on the External Auditor's Annual Governance Report for 2006/07 and agreed to the delegation that the Finance Director receives and considers this Report, in consultation with the Chair, by the 30 September 2007. Should the External Auditor raise any significant unexpected issues, the Chair would convene an urgent Special Meeting of the Authority before the 30 September. The Finance Director will report again at the October meeting.

1502 Final Financial Outturn Report 2006/07

We have received and noted the Finance Director's report on the final outturn for 2006/07. Members had received budgetary control reports throughout 2006/07 containing explanations of the major variations. The main variances related to higher than anticipated spending in the last quarter in respect of contract payments, the receipt of a Hazardous WEEE Grant and lower tonne mileage claims made by the Boroughs. The report included an analysis of the contingency and reserves. The Authority's Treasury Management and Capital activities for the year remained within the limits set.

1503 Draft Statement of Internal Control 2006/07

We have received the Finance Director's report setting out the basis upon which the Statement of Internal Control (SIC) was produced and note that the issues raised have been discussed at length by the Management Board. We have approved the Statement.

We have noted the improvements and changes achieved during the year namely contract monitoring, the Authority's self management and additional risk strategy

work. No major areas of internal control weakness were drawn to our attention.

1504 Draft Statement of Accounts 2006/07

We have received the Finance Director's report advising on production and publication changes and note that the Accounts reflect the variances mentioned in the Outturn Report. We have approved the 2006/07 Draft Statement of Accounts.

1505 Contract Performance for April/May 2007

We have received the General Manager's report, together with tabled Appendices updated to include May figures, on Contract Monitoring. We have received commentary on tonnage data and contract payments on recycling and diversion from landfill and contract payments and site operations for the period April/May 2007. We have discussed the effects of the contingencies proposed to improve recyclates capture provided by the Contractor following their meeting with the Board in March. The Executive Director explained the penalties imposed by the contract and note that the Contractor continues to incur losses in financial supplements as a result of under achievement. Noted that the Contractor has been asked by the Board to provide a revised and detailed improvement plan. We have agreed to receive a report at our next meeting on the improvement plans proposed by the Contractor in respect of recycling and composting performance and on the arrangements for dealing with the disposal of electrical goods.

1506 Budgetary Control Report to 30 April 2007

We have noted the under spend of £118,000 against estimated budget for the month of April. The Finance Director drew our attention to the fact that the main variation related to the receipt of unbudgeted income in the form of a WEEE Grant.

1507 Internal Audit Progress Report 2006/07, Audit Plan 2007/08 and Planned Audit Coverage to March 2012

Received the Finance Director's report on the Authority's internal audit systems and procedures and his opinion that the overall systems are sound. We have

- noted the audit work for 2006-07 on Closed Landfill Sites and Performance Measures;
- agreed the planned internal audit coverage for the five years to 31 March 2012 as outlined;
- agreed the Internal Audit Strategy and Audit Charter as outlined;
- agreed the audit coverage as outlined for 2007/08

1508 Flood Contingency (Frog Island and Jenkins Lane)

In accordance with Minute 1485, we have received and discussed the General Manager's report on the contingency operations in place if the River Thames were to flood. The report sets out the arrangements within the contract, the Environment Agency's London Flood Response Strategic Plan (published March 2007)

(LFRSP) and indicated that all Authorities would have to act in accordance with the LFRSP and take directions from the emergency services.

The General Manager advised that there would not be a contamination problem for Aveley Methane.

1509 Waste Strategy for England 2007

We have received the Executive Director's report and noted the government's publication and have:

- noted the Waste Strategy for England 2007 and provisional summary of the general implications for the Authority as being an increase in future recycling and recovery targets, increased focus on waste issues, Landfill Allowances Trading Schemes, commercial interest in solid recovered fuel, packaging and producer responsibility, increased landfill tax and conformity with the Mayor of London's waste strategy.
- agreed to receive a further report when government clarifies the new performance framework for Local Authorities in the Autumn;
- also agreed to review the Joint Waste Management Strategy (together with Constituent Councils) when waste management targets under the new performance framework are known, and when the Mayor of London has completed the review of the Regional (London) Waste Strategy.

1510 Joint Waste Development Plan Document (DPD)

We have received the Executive Director's report and consultation summary 'Building the Evidence Base and Identifying Issues and Options'. We have discussed and agreed the proposed response to the Consultation and noted the timetable for the development of a Joint Waste DPD. This Joint Waste DPD is another major pioneering step forward by east London that will influence the way in which east London is perceived.

1511 Employee Arrangements for ELWA - Restructure

We have received the Human Resources Manager's report and noted the position with regard to the successful TUPE staff transfers, employment contracts and policies both immediate and future.

1512 Code of Conduct*

In response to a question from one of the Havering members, the Executive Director confirmed that ELWA was not required to adopt a Code of Conduct for its Members as it was not included in the list of authorities required to do so by the Local Government Act 2000. He explained that the Members of the four constituent Councils who are appointed to serve as Members of ELWA, are bound by their respective Council Codes when acting in their official capacity on ELWA.

* This item has been considered as a matter of urgency with the consent of the Chair under the provisions of Section 100(B)(4)(b) of the Local Government Act 1972.

Chair:

.....

Dated:

.....