

AUTHORITY MINUTES: MONDAY 09 SEPTEMBER 2013 (9.36AM – 10.25AM)

Present:

Councillor M McCarthy (Chairman), Councillor I Corbett, Councillor S Kelly, and Councillor K Prince (Vice Chairman), Councillor B Tebbutt.

18. Welcome & Apologies for Absence

The Chairman welcomed Members, officers and Ciaran McLaughlin and Andrew Firth, External Auditors, PricewaterhouseCoopers to the meeting (external auditors attended for Item 3 only.)

The Chairman advised that portfolio holder changes at London Borough of Barking & Dagenham had brought about a new Member being appointed to the Authority. Councillor H (Bert) Collins replaces Councillor E Obasohan.

An apology for absence was received from Councillors R Crawford, A Choudhury and H Collins.

19. Declaration of Members' Interests

The ELWA Limited 'A' director declared an interest in Agenda Item 12. Members agreed to continue discussions in his presence.

20. Minutes of previous meeting (20/06/13)

Members confirmed as correct the minutes of the Authority meeting held 20 June 2013.

21. Statement of Accounts & Auditor's Report 2012/13

Members received the Finance Director's report and, with the Chairman's approval, Statement of Accounts & Auditor's Report. The Finance Director confirmed that the Accounts reflected the information provided to them throughout the year and that their agreement was required before the end of the month. The Auditors had confirmed that there were no exceptions or major issues although there were one or two items still to be clarified.

In commentary, the Auditors confirmed that they had completed the majority of their audit work and expected to issue an unqualified audit opinion on 23 September 2013. Outstanding matters related to component accounting on enhancement expenditure, confirmation from the London Pension Fund Authority that census data sent to the actuaries is in line with audited payroll data and a valuation of the whole fund at 31 March. Auditors advised that there were two judgements, the application of component accounting and depreciation charge and valuation of property, plant and equipment and impairment review. Other areas requiring increased scrutiny and focus were pensions liability (nothing to raise at this stage), employee benefits (not of concern at this stage) and independence (no material issues affecting the Authority). Both the Auditors and Finance Director provided clarification on the discrepancies in accounting for depreciation charge.

The Finance Director confirmed that he would keep Members informed of developments with a view to finalising the accounts on the due date.

Members noted the report and **agreed** that the finance director should have delegated authority to sign off the Accounts having satisfied himself that there were no outstanding issues.

The Chairman thanked the External Auditors for attending the meeting and for providing Members with their detailed summary.

22. Contract Monitoring to 30 June 2013

Members received the Contract Manager's report for the first quarter of 2013 containing details of contract performance, Reuse & Recycling Centre controls and minor site works. Overall contract performance remained on track, with slightly disappointing recycling figures (26.8%) being mitigated by increased diversion (74.9%).

Overall tonnages remained within budget. Changes being introduced at the Reuse & Recycling

Centres were expected to maintain the gains made on last year's controls. Gerpins Lane is the pilot site and new monitoring and controls procedures would be rolled out to Frizlands Lane next. Minor works related to concrete floor repairs at various sites and drainage repairs at the Ilford site.

Members noted the report.

23. Budgetary Control to 31 July 2013

The Finance Director presented his regular revenue estimates and prudential indicators report. He advised that there was a net under spend for the period of £247,000 and the final projected outturn at year end was expected to be £41,000 under budget. Contract and non contract costs were projected to be below budget at year end, the projected favorable variations being partly offset by a shortfall of income particularly commercial waste income.

Close monthly monitoring will continue and the ability to remain within budget is dependent on tonnage trends, achievement of diversion targets and income collection.

Members noted the report.

24. Treasury Management Outturn 2012/13

The Finance Director presented his regular statutory report containing details of the current portfolio position, borrowing requirements/capital programme and prudential indicators. He confirmed that the Authority had managed its treasury management arrangements in accordance with the strategy and kept within its prudential indicators and all investment was carried out in accordance with the approved creditworthiness criteria

Members noted the report.

25. Dates of next meetings

Members noted the future meeting dates for 2013 as being 25 November (Approval of the Annual Budget & Service Delivery Plan) and 10 February 2014. Members were reminded that the meeting on 10 February 2014 (Approval of the Levy) needed to be quorate.

26. Private Business

Members resolved to exclude the public and press from the remainder of the meeting by reason of the nature of the business to be discussed which included information exempt from publication by virtue of paragraph 3 or by virtue of paragraphs 1, 3, 4 and 8 respectively of part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

27. Staff Restructure

Members received the confidential report prepared and commented upon by both the Acting Managing Director and Section 151 Officer which detailed the review carried out on the officer structure, proposals for change at the Authority and savings in staff costs of £115,000.

Members agreed the recommendations as set out in paragraphs 2.1 (a-d), 2.2, 2.3 and 2.4 of the report. The Chairman thanked officers for their work in this regard.

28. Contract Renegotiation and Options for Savings

The Acting Managing Director presented his confidential report and Appendix drawing members' attention to the paragraphs relating to mutually beneficial savings, indicative timescales and proposed application to the Department for Communities and Local Government (DCLG) for funding support.

The potential savings and the outline for funding support as set out in the report and Appendix A were discussed in depth.

Members also discussed the possible use of Aveley closed landfill site to divert 'fines' away from landfill. The Chairman agreed to speak to the joint Chief Executive of Barking & Dagenham and Thurrock councils in this respect. Havering Council would also be approached.

**East London Waste Authority
25 November 2013**

Members agreed submission of the outline bid to the DCLG and noted the report. Officers were asked to produce a study of the closed landfill option for members' consideration at a future meeting.

29. ELWA Limited 18/07/13 Board Agenda

Members noted and briefly discussed the content of the Agenda pack.

30. Other Confidential Business

None.

Minutes agreed as a true record.

Chair: *Keth*

Date: *25.11.13*

