

**AUTHORITY MINUTES – MONDAY 07 OCTOBER 2019 - PART 1 PUBLIC ITEMS  
(9.40 AM–11.04 AM)**

Present:

Councillor O Dervish (Chair), Councillor D Akwaboah, Councillor J Asser (Vice Chair), Councillor R Benham, Councillor S Ghani, Councillor J Howard and Councillor G Kitchen.

**1. Apologies for Absence / Welcome / Farewell**

An apology for absence was received on behalf of Councillor S Bain, the Monitoring Officer, Fiona Taylor (Paul Feild, Legal Adviser attended) and the Finance Director, Maria Christofi (late arrival).

Members welcomed John Woodruff and Rachel Espinosa, Consultants from Ricardo Energy & Environment (see Item 10).

A brief presentation was made to the Office Manager, Shirley-Ann Gray, in recognition of her service with the Authority and upcoming retirement. The Chair and other Members thanked her for her work in support of the Authority over many years.

**2. Declaration of Members' Interests**

There were none declared.

**3. Minutes - Part 1 (Public Items) of the Annual General meeting: 28 June 2019**

**Members confirmed** as true and accurate the public minutes of the Annual General Meeting held on 28 June 2019. The Chair was authorised to sign the same.

**4. Minutes - Part 1 (Public Items) of Extraordinary General meeting: 18 July 2019**

**Members confirmed** as true and accurate the public minutes of the Extraordinary General Meeting held on 18 July 2019. The Chair was authorised to sign the same.

**5. Annual Audit Letter 2018/19**

Members received the Finance Director's report and draft appendix, stating that the Annual Audit Letter was being presented on behalf of the External Auditors for information. The Audit letter provided a high-level summary of the results of the 2018/19 external audit work undertaken. A brief explanation was given as to the differences between the Audit Results Report (ISA260) and Annual Audit Letter, and the Finance Director confirmed that the Annual Audit Letter did not contain any financial recommendations for improvement. The Finance Director advised Members that the Audit Letter was still draft because the final audit fee had not yet been confirmed to reflect the additional work undertaken by the Auditors in their first year to satisfy themselves that previous matters were in order as well as the financial year in question.

**Members noted** the report and requested that the fees referred to are communicated to Members and the final Annual Audit Letter 2018/19 is then published on the website.

**6. Budgetary Control & Contract Monitoring to 31 July 2019**

Members received the regular joint report and two Appendices from the Finance Director and Managing Director in relation to budgetary control and contract monitoring to 31 July 2019. The report contained information on the Revenue Budget, Prudential Indicators, Contract Monitoring (including tonnages, performance, monitoring, communications and insurance).

The Finance Director advised that Appendix A (Budget Monitoring Statement) showed a good position with an overall underspend of approximately £2m. This was due mainly to lower tonnage levels over the four months period, substantially lower interest payments and additional commercial waste income. Appendix B, Tonnage Profile 2019/20, showed contract tonnages

slightly under profile (2.9%). This position will be kept under review. National and local waste minimisation campaigns and projected regeneration programmes are likely to effect waste arisings in the future.

Members discussed the differences between projected and actual housing growth in their 'home' boroughs.

The Finance Director advised that the December meeting will include the Levy predictions and that Authority officers were seeking more accurate figures from the Constituent Councils where available.

The Finance Director confirmed that as the provision for purchasing a site had not been used, the associated facility borrowing programme had not started, resulting in an underspend.

**Members noted** the report.

### **7. Integrated Wastes Management Services (IWMS) Contract – Contract Efficiencies & Improvements**

**Members received** the report from the Managing Director and Head of Waste & Support Services on discussions with the Operator about future contract efficiencies and improvements and in particular how the diversion from landfill and recycling rates at the four Reuse & Recycling Centres can be improved.

The Head of Waste & Support Services provided commentary in relation to the Mechanical Biological Treatment (MBT) facilities at Frog Island and Jenkins Lane in terms of improvements to the facilities' floors in the drying areas, improving MBT efficiency. Other operational changes should improve recovery of aggregate, glass and metals. There were marked improvements in the separation of recycling at both facilities resulting in an approximate 2.4% combined increase during the period July 2018 and 2019. All costs are borne by the Operator.

The Head of Waste & Support Services had been working with the Operator, following visits to the four Reuse & Recycling Centres (RRCs) to improve practices. Discussions included issues such as infrastructure, signage, road markings, traffic flow, staffing and public engagement.

Authority officers are facilitating discussions with the Operator and Constituent Councils' Operational Managers to implement minor unloading changes by separating types of material to help recycling performance.

Members also noted the importance of reducing contamination of dry mixed recycling stream, ongoing work on the next Annual Budget and Service Delivery Plan and Five Year Service Delivery Plan, and the work on reintroducing the Automatic Number Plate Recognition (ANPR) system at the Reuse and Recycling Centres once the multi-party management system had been agreed.

Responding to a question about financial benefits to the Authority in relation to current improvements and efficiencies, the Managing Director advised that the aim of the matters discussed was to get the Operator up to the target of 33% recycling, and that this was being pursued with no additional cost to the Authority. He also noted that other ways had been and would be explored about cost reductions for the Authority.

Noting an overlap with the next agenda item, clarification was sought about the destination of Refuse Derived Fuel (RDF) in respect of Amsterdam reducing their available lines. The Managing Director responded that the Operator took the majority of RDF to other destinations, e.g. UK, Germany and Scandinavia. He added that some destinations wanted the RDF loose (UK based destinations) and others baled, and confirmed that none was going directly to landfill.

**Members noted** the report and expressed that they would like sight of the Annual Budget & Service Delivery Plan before March.

### **8. Brexit Preparations**

Members received the Managing Director's and Head of Waste & Support Services' joint report on the Operator's Brexit preparations and the AEB Energy Recovery Facility (Amsterdam) and Dutch proposals to tax wastes imported to such facilities.

Members discussed the issues that could arise in the event of a 'No Deal Brexit' and if exports could not depart UK ports or if HGV drivers were unable to get to sites. The Head of Waste and Support Services confirmed that if export was not possible, then waste may go to landfill, and that the Operator had contingency arrangements for this. The Managing Director advised Members that the Operator had been pro-active, and he was confident that they had done as much as was reasonably possible to deal with any Brexit issues. He noted that when the Amsterdam facility went out of action the Operator demonstrably coped with this, and that similar procedures would be actioned in response to Brexit issues.

When asked whether a communications plan was in place, the Managing Director confirmed that Members will receive regular weekly updates dependent on the speed of change taking place.

**Members noted** the report.

### **9. DEFRA Resources and Waste Strategy – Summary of Government Responses to Consultation Feedback**

Members received the joint report of the Managing Director and Head of Strategy & Development which provided information on the Government's response to the feedback received on four consultations that closed in May in relation to the Resources & Waste Strategy published in December 2018. The report noted where the Government's conclusions diverged from the Authority's position in its consultation responses.

The Head of Strategy & Development outlined the Government's responses and advised that the biggest area of impact strategically was Extended Producer Responsibility (EPR). He added that more consultations will follow in respect of specifics.

The Government is taking forward proposals to introduce a plastic packaging tax. The Authority would continue to push for avoidance of loopholes that could allow movement in recycling content within the packaging system to prevent producers shifting recycled content across products.

A Deposit Return Scheme for drinks containers will be introduced by the Government, but further work will be undertaken to determine which items/materials will be included and how the scheme will be managed.

On the Consistency agenda, the Government is to continue with plans to mandate separate food waste collections, and also specify a core set of materials for all local authorities to include in their dry recycling collections. Proposals around garden waste and source-segregated collections are being reviewed further. Separation of waste for recycling is to become mandatory for businesses.

The Managing Director commented that the final Resources and Waste Strategy (RWS) will preserve material resources by minimising waste, promoting resource efficiency and moves towards a circular economy. In relation to the circular economy and legislation, anything could happen.

Members discussed examples of EPR, the scope for plastic packaging tax on items from online stores, timescales for introduction of food waste collections and core waste collections becoming compulsory, and a desire to restate to Government the Authority's position and obligations under the IWMS PFI Contract.

Members considered the prevailing uncertainties, and the Head of Strategy & Development confirmed that Officers' main aim would be to continue to work with peer groups such as National Association of Waste Disposal Officers and London Environment Directors' Network to look at proposals and offer suggestions for improvement prior to the 2020 consultations. Additionally, Officers will be working with the Operator and other MBT facilities to generate an evidence base to present to Government in respect of separate food waste collections.

**Members noted** the report.

### **10. Strategy – Preparations for the Future Wastes Management Arrangements in East London - Update**

Members received the joint report of the Managing Director and Head of Strategy & Development in respect of the East London Joint Resources and Wastes Strategy, Part A. The report contained an update on the procurement process, flats performance modelling and next steps. Appendix A (Summary of Tenders Received) to the report had been issued in the restricted items section of the Agenda.

Following introductions by the Managing Director for the two consultants, John Woodruff and Rachel Espinosa of Ricardo Energy & Environment, the Managing Director advised that assuming Members were content with the process undertaken to date and representation to follow, he would appoint Ricardo in line with the Constitution.

Members received a briefing from the Head of Strategy & Development on the process undertaken to-date since the tenders were received and evaluated. He also advised on the next steps, including the holding of a project inception meeting to set milestones, workshop dates and modelling arrangements in order to progress and develop Part A of the East London Joint Resources & Wastes Strategy.

Members received a summary of applicable qualifications and experience from each of the two consultants and of the wider Ricardo team and organisation, following which the Chair confirmed that the Authority was looking forward to working with Ricardo and to attending the workshops in the future.

**Members noted** the report and congratulated Ricardo.

### **11. Date of next meeting: Monday 02 December 2019 at 9.30am.**

**Members noted** the date of 02 December 2019 as the date of the next Authority meeting, scheduled to take place at Barking Town Hall at 9.30 am. Members discussed the possibility of locating the February 2020 meeting at Newham's Workplace offices in Stratford and ELWA Officers agreed to investigate the possibility of securing a room there for that Authority meeting.

### **12. Any other public items**

There were none.

### **13. Resolution**

**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 of part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

**14. Minutes - Part 2 (Restricted Items) of the Annual General meeting: 28 June 2019**

**Members confirmed** as true and accurate the Part 2 (Restricted Minutes) of the Annual General Meeting held on 28 June 2019. The Chair was authorised to sign the same.

**15. Strategy – preparations for the Future Wastes Management Arrangements in East London (oral update)**

**Members noted** Appendix A (Summary of Tenders Received) as part of the report referred to at Item 10 above.

**16. Closed Landfills – Management and Sale – Wennington Farm & Aveley**

Members received the confidential joint report issued by the Managing Director, Head of Waste & Support Services and Head of Strategy & Development about preparing for future options in relation to the Authority’s closed landfill sites.

**Members noted** the report.

**17. ELWA Limited Board Meeting 31/07/19 Update**

Members noted the Managing Director’s confidential report and commentary on the issues discussed at the board meeting of ELWA Limited on 31 July 2019.

**Members noted** the report.

Chair: O Dervish  
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Date: 02 December 2019  
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