

**AUTHORITY MINUTES –MONDAY 10 FEBRUARY 2020 - PART 1 PUBLIC ITEMS
(9.30 AM–11.00 AM)**

Present:

Councillor O Dervish (Chair) (Havering), Councillor D Akwaboah (ELWA Ltd, Barking & Dagenham), Councillor S Ghani (Barking & Dagenham), Councillor Robert Benham (Havering), Councillor J Asser (Vice Chair) (Newham), Councillor Sheila Bain (Redbridge), Councillor J Howard (Redbridge).

1. Apologies for Absence

Apologies for absence were received on behalf of Councillor Genevieve Kitchen (Newham).

2. Declaration of Members' Interests

There were none declared.

3. Minutes -To agree Part 1 (Public Items) of the minutes of the Authority's meeting held on 02 December 2019 and authorise the Chair to sign the same. (page 1)

Members confirmed as true and accurate the public minutes of the Authority Meeting held on 02 December 2019. The Chair was authorised to sign the same.

4. External Audit Plan 2019/20

Members were asked to note the External Audit Plan for the period 1 April 2019 to 31 March 2020 including the audit of the 2019/20 final accounts. The representative from Ernst & Young presented the audit planning report to Members. In response to a question about fraud detection she advised that this was not the main focus of the Ernst & Young report. The Finance Director confirmed however that she is responsible for preventing fraud.

Members noted the report.

5. Budgetary Control & Contract Monitoring to 31 December 2019

Members were asked to note the Finance Director's report and forecast outturn based on the profiled budget of £52.522m for net expenditure on services and the actual net expenditure on services of £49.465m. The current position reported was a net underspend of £3.058m to date as noted in Appendix A. In addition, there has been a drawdown from the Strategy Reserve of £0.122m to fund strategy related expenditure, resulting in a total net underspend to date of £3.180m.

The forecast outturn is currently a favourable variance of £3.564m. This is the result of actual tonnages to December 2019. This variance will be placed in the Strategy Reserve.

Members noted the report.

6. Treasury Management Strategy and Prudential Code Indicators 2020/21 to 2022/23

Members were asked to agree the Finance Director's Treasury Management Strategy and Prudential Code Indicators 2020/21 to 2022/23. Focus was on the 2020/21 financial year, and Members were recommended to agree:

- a) the Borrowing Strategy for 2020/21 as set out in paragraph 9 of the report;
- b) the Minimum Revenue Provision Policy Statement for 2020/21 as set out in paragraph 10 of the report;
- c) the Annual Investment Strategy for 2020/21 as set out in paragraphs 11-15 and summarised in paragraph 18 of the report; and
- d) the Prudential Indicators for Capital and Treasury Management as set out in paragraphs 19-21 of the report.

The Finance Director noted there are many uncertainties and external risks facing the Authority such as post-Brexit trade arrangements and impacts, and changes to PWLB lending rates.

Members agreed to the recommendations a) to d) as set out in the report and requested that the visit to the Closed Landfill site at Aveley be re-arranged for the spring of 2020.

7. Revenue & Capital Budgets and Levy 2020/21

Members received the Finance Director's report. The Finance Director noted that the total levy had not increased from the current financial year, but that individual constituent council's levies were all different. She also clarified the way in which the levy is apportioned.

Members were asked to agree the revenue budget for 2020/21, totalling £71.076m as set out in Appendix A in the report and the Capital Strategy and Capital Programme totalling £60.400m as set out in Appendix E of the report. The levy as the sum of £67.488m which represents, on average, no overall increase from 2019/20., with the breakdown being:

	£m	% increase / (decrease)
Barking and Dagenham	12.531	(0.03)
Havering	16.363	(4.02)
Newham	20.244	1.21
Redbridge	18.350	2.50

Members agreed the revenue budget and capital programme for 2020/21 and **agreed** the ELWA Levy for 2020/21.

8. Review of the Corporate Risk Register

Members were asked to approve the Corporate Risk Register highlighting the current risk profile of the Authority. It was noted that at paragraph 5.9 of the report C9 should read C12.

Members approved the corporate risk register.

9. Annual Budget & Service Delivery Plan 2020/21 and Five-Year Service Delivery Plan

Members are asked to agree:

- a) the submitted draft Annual Budget and Service Delivery Plan (ABSDP) 2020-21 (as at Appendix A);
- b) delegated authority for the Managing Director to agree the Five-Year Service Delivery Plan (FYSDP).

The Head of Waste & Support Services noted the five key improvement projects the Operator (Renewi Ltd) has proposed in its Annual Budget & Service Delivery Plan (ABSDP) 2020/21 to reach the target of 33% recycling of Household Waste. The need for Constituent Council operational support was highlighted for three of the key projects.

Members were also informed that the Five-Year Service Delivery Plan (FYSDP) is not yet at the stage to be agreed and is currently in draft format. Once agreed, it is intended to review this (FYSDP) in two years when the policy landscape is more certain, and so that Renewi can prepare a refreshed FYSDP that will cover the last five years of the IWMS contract (2022-2027).

Members agreed the (ABSDP) **and** that, rather than delegate authority, the Five-Year Service Delivery Plan (FYSDP) will be brought to the next Authority meeting, which should include a presentation by Renewi covering (i) an implementation update on the ABSDP, (ii) the proposed actions under the recommended FYSDP, and (iii) the potential for Renewi to pass to ELWA any savings arising from further increases in recycling under the FYSDP.

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

Members received an update from the Head of Strategy & Development in respect of the East London Joint Resources and Wastes Strategy. Progress was reported on establishing baseline data on the waste and recycling collection systems operated by ELWA and the Constituent Councils, undertaking forecasting of how waste and resources will change, carrying out engagement with key stakeholders involved in waste reduction and reuse initiatives in East London, and preparing for modelling of waste reduction, reuse and recycling scenarios. Members were also advised on an indicative timescale for progressing the next stage of the strategy development, which will cover infrastructure.

Members

- a) **noted** progress on the development of a new Joint Resources and Wastes Strategy; and
- b) **approved** the principles of the procurement for Parts B and C of the strategy development

11. Any other public items

None.

12. 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).

13. Minutes - Part 2 (Restricted Items) of the Minutes of the Authority's meeting held on 02 December 2019

Members confirmed as true and accurate Part 2 (Restricted Minutes) of the Authority's meeting held on 02 December 2019. The Chair was authorised to sign the same.

14. ELWA Limited Update

Members noted the Managing Director's report and **agreed** his recommendation.

15. Possible future changes to Dry Mixed Recycling (DMR) and disposal service arrangements

Members Agreed the Managing Director's and Head of Waste & Support Services' report.

16. Any other confidential or exempt items which the Chair decides are urgent

There were none.

Chair:

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Date:

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