

## AUTHORITY MEETING MINUTES

**FRIDAY 25 JUNE 2021 - PART 1 PUBLIC ITEMS: - (10:00 AM–12:00 PM)  
HELD AT LBBD CHAMBERS, BARKING & DAGENHAM**

Present:

**Councillor John Howard (Chair / Redbridge), Councillor James Asser (Vice Chair / Newham), Councillor Dorothy Akwaboah and Councillor Syed Ghani (Barking & Dagenham), Councillor Nilufa Jahan (Newham) and Councillor Jo Blackman (Redbridge).**

Also in attendance:

**Gillian Clelland, (ELWA/LBR Finance, deputising for the Finance Director)**

### **1. Apologies for Absence**

Cllr Benham and Cllr Dervish (LBH).

### **2. Declaration of Members' Interests**

There were none declared.

### **3. Membership and Appointment of Chair, Vice Chair for the year 2021/22**

The Managing Director opened the meeting by requesting nominations from the membership for the post of Chair, for the municipal year 2021/22.

**Members noted** the composition of ELWA's membership as Councillors Dorothy Akwaboah and Syed Ghani, London Borough of Barking & Dagenham; Councillors Robert Benham and Osman Dervish, London Borough of Havering; Councillors James Asser and Nilufa Jahan, London Borough of Newham; and Councillors Jo Blackman and John Howard, London Borough of Redbridge.

**Members nominated and agreed** that Councillor Howard be appointed Chair for the municipal year 2021/22.

Cllr Howard took office and continued the meeting having thanked the Members for their support. The Chair received nominations from the Members for the post of Vice Chair as Cllr James Asser.

**Members nominated and agreed** the appointment of Cllr James Asser as Vice Chair for the municipal year 2021/22.

**Members welcomed** Cllr Jahan (LBN) and thanked the outgoing Cllr Kitchen (LBN) for her contribution to the Authority.

### **4. Minutes – To agree Part 1 (Public Items) of the minutes of the Authority's meeting held on 8 February 2021 and authorise the Chair to sign the same.**

Members confirmed as true and accurate the Part 1(Public Items) of the minutes of the Authority's meeting held on 8 February 2021. The Chair was authorised to sign the same.

**Members agreed** the Minutes.

## 5. Internal Audit Annual Report including Annual Opinion for 2020/21 and arrangements for future Internal Audit work

The Finance Director's representative for this meeting, Gillian Clelland (GC) LBR Finance, introduced the Internal Audit Annual Report, including the Internal Audit opinion for 2021/22 on the Authority's governance, risk management and internal control arrangements.

**Members noted** the Internal Audit Annual Report and approved the proposed Internal Audit Charter, Strategy and Internal Audit Plan for 2021-2026.

## 6. Final Financial Outturn Position and Contract Monitoring

The report was introduced by Ms Clelland (GC), deputising for the Finance Director.

**Members** were asked to agree the outturn 2020/21 as set out in the report. Members commended the diversion and recycling rates, acknowledged the significant increase in tonnages for March 2021 as a result of the Covid-19 pandemic and residents working from home and enquired whether increased tonnages have meant that Contract Waste was over-budget. Officers noted that Renewi's work with third party off-takers had contributed to a much improved recycling rate in 2020/21, confirmed that although Contract Waste tonnages were higher in March 2021 compared to the same period in 2020, they remain within budget. and that early indications for Q1 2021/22 indicate that whilst the Contract Waste tonnages were high, they were within budget. Officers noted however that having used 99.6% of the tonnage budget in 2020/21, prudence would continue to be needed.

GC further noted the improved financial position for the Authority since setting the budget and levy for 2020/21 which enables the Strategy Reserve to be increased to £20.852m. £18.528m will be released from the Strategy Reserve in 2021/22, along with £2.000m of the Business Risk Reserve, to enable a one-off reduction in the 2021/22 levy as agreed by Members in February 2021.

**Members agreed** the 2020/21 outturn and to delegate authority to the Finance Director (S73 Officer) for changes required as a result of the financial year end and external audit.

## 7. Treasury Management Annual Report 2020/21

GC summarised the report which sets out the outturn for the year against ELWA's Treasury Management Strategy for 2020/21 agreed by Members in February 2020. She confirmed that all investments had been placed in accordance with the strategy and that no additional borrowing was taken out in 2020/21.

**Members noted** the report.

## 8. Annual Governance Statement 2020/21

GC confirmed that there were no matters of concern identified in the Annual Governance Statement in relation to governance arrangements and internal control issues.

**Members approved** the Annual Governance Statement 2020/21 and noted that the Annual Governance Statement will form part of the approval of the Statement of Accounts for 2020/21.

## 9. Draft Statement of Accounts 2020/21

GC summarised the Draft Statement of Accounts 2020/21 and Members were recommended to:

- a) note the Statement of Accounts for the financial year 2020/21; and
- b) note that the date of the 2020/21 external audit has been advised by Ernst & Young to be moved to November 2021.

GC confirmed that external audit delays were due to resourcing issues within EY and that an update would be provided to Members at the next meeting in September 2021. She also confirmed that the Finance Director (FD) is to escalate the Authority's dissatisfaction within EY. Members asked if the increase in fees previously advised to members had been agreed and it was confirmed that it had **not**.

The Chair added that the service from EY was not acceptable taking into account the significant increases in fees. He requested that the FD's draft letter be circulated to Members initially for review and comment. Cllr Asser added that the draft letter should then be shared with the Chief Executives of the four Boroughs.

The Chair proposed a third and fourth recommendation to be listed:

- c) note the unacceptable delay in the conclusion of the external audit; and
- d) the Finance Director should liaise further with the Chair and Constituent Council Chief Executives so that additional representations of concern can be raised with EY as appropriate.

**Members agreed** to all four recommendations.

## 10. Anti-Fraud and Corruption Strategy and Supporting Policies

It was noted that although there had been no incidents of fraud, it was important to have appropriate policies in place and to remain vigilant. Members were recommended to approve the updated Anti-Fraud and Corruption Strategy and supporting policies including the updated Whistleblowing Policy and three new policies covering Anti-Bribery & Corruption, Anti-Money Laundering and Prosecutions and Sanctions.

**Members approved** the Anti-Fraud and Corruption Strategy and supporting policies as above.

## 11. Risk Management Policy and Strategy 2021/22

Members were informed of the development of the Authority's Risk Management Policy and Strategy 2021/22 as set out in the report.

**Members approved** the Risk Management Policy and Strategy 2021/22.

## 12. DEFRA Resources and Waste Strategy Consultations

Members were asked to note the report which include details covering the key issues contained within three consultations released by DEFRA in March 2021, two of which closed in early June 2021. The report covers the main points and key issues identified by DEFRA in May 2021, closing on 4 July 2021.

Members commented that the report was very informative especially regarding Food waste reduction in para 8.4a, and a discussion developed covering the risk that the IWMS residual

waste treatment processes appear likely to require a minimum amount of organic waste in the residual waste in order to function as designed.

Officers confirmed that work on this risk is in progress with the Operator (Renewi), and further technical analysis is required, along with further clarity from Government on the scale and scope of funding that local authorities may receive from the Government for food waste services, which may impact on LB Havering first given it is reprocurring collection services.

Officers also noted the Deposit Return Scheme (which is due for roll out in 2024) could potentially face further delays due to Covid-19, and that the implementation timeline for Extended Producer Responsibility (EPR) for packaging presents some significant challenges, primarily owing to the Government's appointment of the Scheme Administrator not being planned before early 2023.

The Chair added that Food Waste is a key focus, and asked officers to actively engage with Renewi before the end of the contract. **ACTION**

The MD added that the suppliers of the MBT technology are in discussion with Renewi currently.

**Members noted** the report.

### **13. Joint Strategy – Preparations for Future Wastes Management Arrangements in East London – Update**

The Head of Strategy and Development (HSD) introduced the report on the Joint Strategy for East London's Resources and Waste, the Preliminary Draft of which will also be going to the Constituent Council Cabinets over the next three weeks for approval before the Consultation commences in the second half of July 2021. He highlighted a number of key points including the nature of the public consultation on the Preliminary Draft and that formal consultation would be undertaken with the Greater London Authority, as well as the three statutory consultees on the Strategic Environmental Assessment screening report (Environment Agency, Historic England and Natural England). Members discussed the linkages between the Joint Strategy and future procurement work of the Authority and of the Constituent Councils to improve services.

**Members approved** the Preliminary Draft of the East London Joint Resources and Waste Strategy for consultation and **delegated authority** to the Managing Director, in consultation with the Chair and Vice-chair, to make minor changes to the Preliminary Draft that arise as part of its consideration and approval by the other Partner Authorities before it is formally published for consultation and **agreed the consultation approach** for the Joint Strategy, to be commenced once approval has also been received from the four Constituent Councils.

### **14. East London Waste Prevention Programme**

The Head of Strategy Development (HSD) presented the report, noting delays and reprioritisation of activity due to Covid-19 and a proposed campaign on school uniform reuse with Keep Britain Tidy in the autumn of 2021.

Members discussed the prioritisation of food waste and offered any assistance in this initiative suggesting that places of worship were a recommended area of focus to gain access to all parts of the community. They also raised the importance of communications in appropriate languages and noted that women are often the gatekeepers to such matters in family environments.

The HSD confirmed that a budget has been allocated for food waste prevention work, possibly using the Love Food Hate Waste campaign, which is expected to start in Autumn 2021 to complement work already being done on this topic by Keep Britain Tidy.

**Members noted** the report.

#### **15. Forward Plan**

The Managing Director updated Members of the items listed on the Forward Plan.

**Members noted** the report.

#### **16. Any other public items which the Chair decides are urgent**

The Chair was asked to consider the late report detailing ELWA's office team relocation.

Members were informed that Officers are negotiating terms for office space withing TfL's premises at Endeavour Square, Stratford. A second option with a private landlord, also in Stratford, has been found and will be pursued if necessary.

**Members agreed** to delegate authority to the Managing Director, in consultation with the Chair, Legal Adviser and Finance Director to take steps that are necessary to put in place arrangements to provide suitable office premises for the core ELWA officer team.

#### **17. Resolution**

**Members resolved to consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

#### **18. Minutes – To agree Part 2 (Restricted Items) of the minutes of the Authority's meeting held on 8 February 2021 and authorise the Chair to sign the same.**

**Members confirmed** as true and accurate the Part 2 (Restricted Items) of the minutes of the Authority's meeting held on 8 February 2021. The Chair was authorised to sign the same.

#### **19. Infrastructure and Projects Authority Health Check (Confidential)**

**Members noted** the report.

#### **20. Fire Improvement Works (Confidential)**

**Members agreed** the recommendations in the report.

#### **21. Contract Savings Proposals (Confidential)**

**Members agreed** the recommendations in the report.

#### **22. ELWA Limited Update (Confidential)**

**Members agreed** the recommendations in the report.

#### **23. Any other confidential or exempt items which the Chair decides are urgent**

There were none.

Chair: \_\_\_\_\_

Date: \_\_\_\_\_