

AUDIT COMMISSION WASTE PARTNERSHIP
PERFORMANCE REPORT 2007/08
WDA/55/08

Recommendation

That:

1. Members note the contents of the Audit Commission Report
2. Members agree the development of an action plan to address the areas over which the Authority has control.
3. Members approve the proposals for the development of an action plan to address areas that relate to the Merseyside and Halton waste partnership

THIS PAGE INTENTIONALLY BLANK

AUDIT COMMISSION WASTE PARTNERSHIP
PERFORMANCE REPORT 2007/08
WDA/55/0855/08

Report of the Director

1. Purpose of the Report

- 1.1 To present to Members the 2007/2008 Audit Commission Waste Partnership Performance report.
- 1.2 To seek Members approval for the process of developing separate Authority and partnership action plans.

2. Background

- 2.1 This Authority is a Best Value Authority. Under section 10 of the Local Government Act 1999, the Audit Commission may carry out inspections of an English best value authority's compliance with Part 1 of that Act. Part 1 includes (among other things) the duty on best value authorities to make arrangements to secure continuous improvement in the way their functions are exercised, having regard to economy, efficiency and effectiveness.
- 2.2 External Audit is an essential element in the process of accountability for public money and makes an important contribution to the stewardship of public resources and the corporate governance of public services. Due to the interrelationships of waste management services on Merseyside and the commitment of the Merseyside Authorities and Halton to work in partnership, the Audit Commission have determined to undertake an inspection on a partnership basis.
- 2.3 The Director has recently received the Audit Commission Waste Partnership Performance report for 2007/08 which is attached at Appendix 1.

3. The Performance Report

- 3.1 The report assesses the progress made by the Merseyside Waste Partnership to:
- meet its obligations for the management of household and municipal waste;
and
 - procure long-term treatment and disposal facilities for such waste.
- 3.2 The principle conclusion of the report is that the Authorities in partnership are making good progress on waste management. However the issue of the location of waste management facilities poses a significant risk of delay in the procurement which has the potential to cost the partnership over £400 million.
- 3.3 In respect of the Waste Disposal Authority, the report highlights the Authority's compliance with its landfill diversion obligations and that it has acted prudently to mitigate its future obligations through trading in Landfill allowances. The funding arrangements i.e such as the sinking fund that have been put in place for the future costs of waste handling and treatment are also reflected as positive progress.
- 3.4 The Authority's procurement strategy is considered to be well constructed to increase competition and thereby be more likely to secure better value for money.
- 3.5 Regarding access to Household Waste Recycling Centres (HWRC) the report notes that for most people it is good and that the HWRCs provide convenient opportunities for local users to recycle additional materials such as batteries. Improved layouts and access to particular HWRCs has contributed to improved recycling performances. Proposals for improving existing sites and developing new sites in line with the JMWMS are subject to the determination of planning applications. If approved they will ensure accessible, adequate facilities for all users and hence reduce the amount of waste going to landfill.
- 3.6 In respect of organisational capacity the report details that MWDA has enhanced its executive capacity. It has recruited additional senior managers and changed its operational structure to better align with the JMWMS and the procurement programme. The Audit Commission concluded that the Authority is now more able to deal with the complex issues that it is facing on procurement, financial planning and strategy development and delivery.
- 3.7 On the issue of partnership working the report states that the partnership authorities can demonstrate good examples of partnership working but their effectiveness has been limited by inconsistent implementation of decisions and action planning. The support of all partners on a way forward is critical to the delivery of the JMWMS by taking joint ownership of decisions that are made and overcoming barriers to progress.

1. Action Plans

- 1.1 The report makes ten recommendations to be incorporated into every partner authorities' action plans. The majority require joint action between Collection Authorities and the Disposal Authority. There are further areas for development that the Audit Commission specifically addressed to the Authority.
- 1.2 Actions that are solely the responsibility of this Authority will be incorporated into an Action Plan and subject to a further report to this Authority.
- 1.3 In respect of the majority of recommendations that require action across the partnership it is proposed that the Authority support the Senior Officer Working Group (SOWG) to produce technical solutions and an action plan to be reported to all district cabinets and the Authority.
- 1.4 The Authority has previously made budget provision for joint activities such as communications and strategy. Recommendation R5 asks that consideration is given to joint funding in order to coordinate and replicate waste management activities. Both the Waste disposal Authority and SOWG action plans will need consideration by the Treasurer as additional budget provision may be required and will be subject to a further report.

2. Risk Implications

None

3. HR Implications

None

4. Environmental Implications

- 4.1 Implementation of the Audit Commission recommendation will improve the partnership waste management performance and thereby deliver environmental benefit.

5. Financial Implications

- 5.1 The Audit Commission has identified specific areas for the Authority to develop and recommendations for all waste Collection Authorities and the Disposal Authority to action jointly. These may have budgetary implications which will need to be considered by the Treasurer upon receipt of the Authority Action plan and the plan of the SOWG, the outcome of which will be subject to a further report.

6. Conclusion

- 6.1 Members are asked to note the findings of the Audit Commission, as presented at this meeting.
- 6.2 Members approve the proposals for development of Action plans and the assessment of their budgetary impact as detailed in 4 above.

The contact officer for this report is: Neil Ferris
6th Floor, North House, 17 North John Street, Liverpool, L2 5QY

Email: neil.ferris@merseysidewda.gov.uk

Tel: 0151 255 1444

Fax: 0151 227 1848

The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.