** PLEASE NOTE VENUE **

South London Waste Partnership
Joint Committee

Membership:
London Borough of Croydon: Councillors Jason Perry and Phil Thomas

Royal Borough of Kingston upon Thames: Councillors Rolson Davies and Derek Osbourne (vice-chair)

London Borough of Merton: Councillors Andrew Judge (Chair) and Mark Betteridge

London Borough of Sutton: Councillors John Drage and Colin Hall

Substitute members:

Royal Borough of Kingston upon Thames: Councillors Liz Green and Patricia Bamford

London Borough of Merton: Councillors Mark Allison and Martin Whelton

The Annual Meeting of the South London Waste Partnership Joint Committee will be held on:

Date: Thursday 23 June 2011
Time: 17:30

Venue: Room F10, Croydon Town Hall,
Katherine Street Croydon CRO 1NX
South London Waste Partnership Joint Committee

1. Declarations of interest (see note1) -
   Councillors and co-opted members must declare if they have a personal or prejudicial interest in any of the items on this agenda at the start of the meeting, or as soon as the interest becomes apparent to them.

2. Apologies for absence -

3. Minutes of the meeting held on 24 March 2011 3

4. Election of Chair and Vice Chair -

5. Contract A Performance Monitoring 5

6. Final Accounts 2010/11 11

7. Auditor’s discussions with those charged with Governance 27

The following items are exempt from publication.
Before discussing the items the Committee will need to resolve:
That the public are excluded from the meeting for the following items of business on the grounds that they are exempt from disclosure for the reasons stated in the reports.

8. Risk Report -

9. Residual Waste Treatment Procurement Update -

Future meeting dates to be arranged
SOUTH LONDON WASTE PARTNERSHIP JOINT COMMITTEE
24 MARCH 2011
(5.55pm -6.35pm)

PRESENT: Croydon: Councillor Phil Thomas
      Kingston: Councillors Derek Osbourne and Rolson Davies
      Merton: Councillors Andrew Judge (Chair) and Mark Betteridge
      Sutton: Councillor John Drage.

ALSO PRESENT: Frank Smith (Director SLWP), Andy Smith, Cormac Stokes and
      Lynne Hartley (Merton), Malcolm Kendall and Lisa Taylor
      (Croydon), John Haynes, Rachel Sherman and Rob Dickson
      (Kingston) and Peter O’Connell (Sutton).

Apologies for absence were received from Councillors Dudley Mead (Croydon) and
      Colin Hall (Sutton).

1 DECLARATIONS OF INTEREST (Agenda Item 1)
No declarations of interest were made.

2 MINUTES (AGENDA Item 3)
RESOLVED: That the minutes of the meeting held on 17 February 2011 are
      agreed as a correct record.

3 CONTRACT A PERFORMANCE MONITORING (Agenda Item 4)
RESOLVED: To note the contents of the report.

4 BUDGET MONITORING – MONTH 10 REPORT 2010/11 (Agenda Item 5)
RESOLVED: To note the latest 2010/11 expenditure position.

5 ANNOUNCEMENT
As this was the last meeting Rob Dickson will attend the Joint Committee placed on
      record its thanks for his contribution to its work and wished him every success in his
      future career.

6 EXCLUSION OF THE PUBLIC
RESOLVED: That the public are excluded from the meeting during discussion of the
      following items of business (agenda items 6, 7 and 8) as they involve the disclosure
      of information which is exempt from disclosure under the Access to Information
      Regulations in that the information refers to the financial or business affairs of the
      constituent authorities.

7 REVIEW OF COMMUNICATIONS (DECEMBER 2009-JANUARY 2011),
      COMMUNICATIONS STRATEGY (2011-2012) AND COMMUNICATIONS
      PLAN (2011-2012) (Agenda Item 6)

Reason for Urgency
The Chair approved submission of this item as a matter of urgency as it provides key

All minutes are draft until agreed at the next meeting of the committee/panel. To find out the date of the next meeting
please check the calendar of events at your local library or online at www.merton.gov.uk/committee.
information relating to the current procurement programme and needs to be considered in order to manage the programme within planned timescales.

RESOLVED: That the Joint Waste Committee notes the Review of Communications and approves the Communications Strategy and Communications Plan.

8 RESIDUAL WASTE TREATMENT PROCUREMENT UPDATE (Agenda Item 7)

Reason for Urgency

The Chair approved submission of this item as a matter of urgency as it provides key information relating to the current procurement programme and needs to be considered in order to manage the programme within planned timescales.

The Joint Committee agreed the next stage of the procurement process.

The resolutions arising from consideration of this matter are exempt from disclosure and are the subject of an exempt minute.

9 RISK REGISTER (Agenda Item 8)

Reason for Urgency

The Chair approved submission of this item as a matter of urgency as it provides key information relating to the current procurement programme and needs to be considered in order to manage the programme within planned timescales.

The report was noted.
Committee: South London Waste Partnership Joint Waste Committee  
Date: 23 June 2011  
Agenda item: 5  
Wards: Borough-wide  

**Subject:** Contract A Performance Monitoring  
Lead officer: Malcolm Kendall (Croydon)  
Lead member:  
Forward Plan reference number:  
Contact officer: Malcolm Kendall (Croydon)  

**Recommendations:**  
A. The Joint Waste Committee is asked to note the contents of this report, and to comment on any aspects of the performance of the Partnership’s Phase A contracts.

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1  
**PURPOSE OF REPORT AND EXECUTIVE SUMMARY**  

1.1. To enable the Joint Waste Committee to comment on the performance of the Phase A contracts.

2  
**DETAILS**  

**Contract 1 - Landfill and Transportation (Viridor Waste Management Ltd)**  

2.1. The contract is operating effectively with municipal solid waste delivered to Viridor’s Beddington Farmlands Landfill facility by all Partnership boroughs.

2.2. Viridor opened on the Bank & Public holidays on Good Friday (22 April), Easter Monday (25 April), Royal Wedding (29 April), May Day (2 May) and Whitsun Monday (30 May) to receive waste and recyclables delivered to their facilities. There were no operational issues reported for any of five Bank & public holidays.

2.3. There are no performance or complaint issues relating to this contract.

**Contract 2 - Management of Household Reuse & Recycling Centres (Environmental Waste Controls)**  

2.4. EWC continues to perform well in respect of the diversion of household waste from landfill for reuse and recycling.

2.5. **Table 1** shows the recycling actual diversion rates for each of the seven HRRRC’S during the period February to April 2011. This table includes the first two years contract targets for each facility, actual performance of each facility prior to the commencement of the contract with EWC, and the contract performance for each facility for the first two years. These rates exclude inert material delivered to the facilities.
### Table 1

<table>
<thead>
<tr>
<th>Facility</th>
<th>Pre contract actual</th>
<th>Year 1 target</th>
<th>First Year actual</th>
<th>Years 2 - 4 targets</th>
<th>Year 2 actual</th>
<th>Feb 2011</th>
<th>March 2011</th>
<th>April 2011</th>
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<tr>
<td>Factory Lane</td>
<td>41%</td>
<td>45-50%</td>
<td>75.25%</td>
<td>50-55%</td>
<td>73.71%</td>
<td>70.68%</td>
<td>74.17%</td>
<td>72.31%</td>
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<td>Fishers Farm</td>
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<td>73.87%</td>
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<td>70-75%</td>
<td>84.08%</td>
<td>72-77%</td>
<td>82.38%</td>
<td>83.11%</td>
<td>83.52%</td>
<td>80.14%</td>
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<td>Villiers Road</td>
<td>45%</td>
<td>47-52%</td>
<td>74.93%</td>
<td>55-60%</td>
<td>74.62%</td>
<td>71.65%</td>
<td>74.90%</td>
<td>77.99%</td>
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<td>Garth Road</td>
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<td>71.38%</td>
<td>67.39%</td>
<td>69.24%</td>
<td>68.48%</td>
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<tr>
<td>Weir Road</td>
<td>85%</td>
<td>90-95%</td>
<td>98.16%</td>
<td>90-95%</td>
<td>99.05%</td>
<td>98.23%</td>
<td>98.59%</td>
<td>96.97%*</td>
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</tr>
<tr>
<td>Kimpton Park Way</td>
<td>34%</td>
<td>45-50%</td>
<td>74.59% **</td>
<td>50-55%</td>
<td>75.74%</td>
<td>71.84%</td>
<td>71.09%</td>
<td>70.93%</td>
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<td>Partnership average</td>
<td><strong>49.57%</strong></td>
<td><strong>56-61%</strong></td>
<td><strong>78.58%</strong></td>
<td><strong>62-67%</strong></td>
<td><strong>75.39%</strong></td>
<td><strong>72.15%</strong></td>
<td><strong>74.30%</strong></td>
<td><strong>73.85%</strong></td>
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</tbody>
</table>

* Weir Road facility closed on 1 April 2011.
** Performance period summarised as February to October 2009.

2.6. EWC operated all the Partnerships Household Reuse & Recycling Centres on the Bank & Public holidays on Good Friday (22 April), Easter Monday (25 April), Royal Wedding (29 April), May Day (2 May) and Whitsun Monday (30 May) to receive waste and recyclables delivered to their facilities.

2.7. All of the sites were extremely busy on Easter Saturday and East Monday, and on both Bank holidays during May. However the sites on Good Friday, Easter Sunday and on the Royal Wedding Bank holiday were relatively quiet and officers within the Partnership will be looking at ways to improve the awareness to our customers that the facilities are open on Good Friday and Easter Sunday in future.

2.8. All complaints received by SLWP officers regarding the seven HRRC’S are brought to the attention of EWC management, who have on each occasion investigated the complaints promptly and effectively.

2.9. Weir Road Household Reuse & Recycling Centre closed on 1 April 2011, and the site has now been handed back to Merton Council. Customers have been advised of the closure and were encouraged to deliver their recyclables to the Garth Road HRRC.

2.10. Mattress recycling has been introduced at five of the Partnerships facilities, and customers are encouraged to store their unwanted mattresses in to a separate recycling bin. Once the bin is full the mattresses are taken to a processing facility in Deptford know as Matt UK.
2.11. Members of the Committee will be aware that on Monday 16 May 2011, the BBC Panorama programme ‘Track my Trash’ revealed that three non-working television sets left at Civic Amenity sites in Croydon and Merton had been, or were in the process of being, exported to Africa in contravention of the Waste Electrical and Electronic (WEEE) Resources Regulations 2006.

2.12. The South London Waste Partnership takes its responsibilities of reusing, recycling and disposing of waste in a responsible and sustainable manner extremely seriously.

2.13. The seven Reuse and Recycling Centres managed by Environmental Waste Controls (EWC) on behalf of the Partnership are amongst the highest performing in the country – fully audited figures show that 75% of the waste brought to these sites is re-used or recycled.

2.14. Electrical waste brought to the sites is handled by an EWC sub-contractor, DHL. Contractually, it is DHL’s responsibility to ensure that electrical waste is handled in accordance with WEEE regulations.

2.15. The South London Waste Partnership is extremely concerned about the findings of this investigation and thank the Environmental Investigations Agency (EIA) and the BBC for bringing them to our attention.

2.16. The Partnership acted quickly and decisively in responding to these allegations, and the on-going investigation by the Environment Agency will look in detail at the actions of all contractors and sub-contractors involved in the running of these sites.

2.17. It is however important to note that the Environment Agency through their discussions with EWC have stated that they do not feel that the Partnership failed in its Duty of Care in respect of managing its WEEE at the HRRC facilities.

2.18. While this investigation is ongoing, all activities relating to the re-use of televisions deposited at the Partnership’s Reuse and Recycling Centres have been suspended (televisions left by residents are being sent for recycling rather than reuse until the matter is resolved).

**Contract 3 - Materials Recycling Services, Composting, and Additional Treatment Services (Viridor Waste Management Ltd)**

**Composting**

2.19. Green garden waste and kitchen food waste continues to be managed by Viridor, although as a result of an increase in the number of odour related complaints received by Viridor via Sutton Environmental Health Officers and the Environment Agency, composting operations at the Beddington Farmlands facility ceased on Friday 9 July 2010.

2.20. Viridor have recently started to start limited controlled trials of processing the Partnership’s green garden waste from Croydon, Merton and Sutton delivered to the Beddington Farmlands site, through the original In-vessel green garden waste tunnels. All remaining green garden waste will continue to be transported to one of their approved composting facilities at Foxhall in Suffolk.
2.21. Green garden waste collected by the Royal Borough of Kingston continues to be initially delivered to the Villiers Road facility, before being transported to the Foxhall facility by Viridor.

2.22. The current trials using the original composting processing equipment at Beddington Farmlands are being monitored by the Environment Agency and Sutton Environmental Health Officers. There is no additional cost to the Partnership as a result of this service change.

2.23. Since Monday 14 June 2010, the Partnership’s collected food waste has been delivered by Viridor to the Vertal facility located in Hackbridge within the London Borough of Merton boundary.

2.24. The rate paid by the Partnership to Viridor for using this facility has been temporarily reduced by £4 per tonne.

**Materials Recycling Services**

2.25. All co-mingled and single stream dry recyclable materials collected by Kingston, Merton and Sutton, continue to be transported by Viridor to their MRF (materials recycling facility) at Crayford in Kent for processing.

2.26. From 1 April 2011 all dry recyclables collected by Merton are now delivered directly to the Beddington Farmlands facility, as opposed to previously being delivered to Garth Road Waste Transfer bulking facility.

**Lakeside EFW**

2.27. Suitable household waste from the Partnership continues to be delivered to the Lakeside energy from waste facility, as part of the contractual obligation to deliver 10,000 tonnes of waste to the Lakeside facility during 1 April 2011 and 31 March 2012.

2.28. The Partnership during the period 1 April to 3 June 2011 delivered some 3473 tonnes of household waste to the Lakeside EFW. The Partnership has therefore fulfilled its contractual obligation in respect of this matter.

2.29. There are no complaints or invoicing issues relating to this contract.

3. **ALTERNATIVE OPTIONS**

3.1 N/A

4. **CONSULTATION UNDERTAKEN OR PROPOSED**

4.1 N/A

5. **TIMETABLE**

5.1 N/A

6. **FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

6.1 Discussed in separate budget report.

7. **LEGAL AND STATUTORY IMPLICATIONS**

7.1 Outstanding legal issues are being pursued by the Partnership’s lead Solicitor at the Royal Borough of Kingston.
8. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS
8.1 N/A

9. CRIME AND DISORDER IMPLICATIONS
9.1 N/A

10. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS
10.1 A separate report regarding risk management is being considered by members of this committee.
10.2 All Health and Safety implications are addressed through regular contract meetings with both contractors.

11. APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT
   • None.

12. BACKGROUND PAPERS
12.1 Background papers – Held by Malcolm Kendall, Head of Recycling & Waste Management, Croydon Council. Tel 020 8255 2788.
   Email: Malcolm.Kendall@croydon.gov.uk

12.2 Contract A Performance Monitoring
AGENDA ITEM 6

SOUTH LONDON WASTE PARTNERSHIP JOINT COMMITTEE

23 JUNE 2011

FINAL ACCOUNTS 2010/11

Report by the Director of Finance – Kingston Upon Thames

PURPOSE

The Accounts and Audit Regulations require the South London Waste Partnership accounts for 2010/11 to be approved by the Joint Committee. The Joint Committee’s functions include the scrutiny and approval of the SLWP’s accounts. This report provides information to assist the Committee in carrying out its responsibilities.

RECOMMENDATION

It is RECOMMENDED that the Joint Committee

1. scrutinise the draft accounts for 2010/11 as set out in Enclosure 1 to this agenda;
2. subject to any matters arising from the above recommendation, to approve the accounts for 2010/11 for publication.

Reason for Recommendation:

To scrutinise and approve the 2010/11 accounts as required by the legislation.

BACKGROUND

1. Under section 3 of the Audit Commission Act 1998, the Audit Commission is required to audit the accounts of certain local government bodies, including joint committees of two or more local authorities.

2. In accounting terms, the South London Waste Partnership is assumed to be a Joint Venture.

3. The Royal Borough of Kingston has lead financial responsibility for the Partnership and is therefore the Accountable Body for the Joint Committee’s Budget.

4. The Accounts and Audit Regulations require the South London Waste Partnership accounts for 2010/11 to be approved and published.

5. This report provides the supporting information to facilitate the Committee’s “robust scrutiny” of the accounts before approval.
ACCOUNTS FOR 2010/11

6. The draft published accounts for 2010/11 are attached to this agenda. They have been prepared in accordance with the guidance set out by CIPFA in the Accounting Code of Practice for Local Authorities (ACOP).

7. During the 2010/11 financial year, the Joint Committee received regular reports on the budget monitoring position.

AUDIT OF ACCOUNTS

8. The Audit Commission will carry out the external audit of accounts during July and August 2011, reporting the outcome to this Committee at its September 2011 meeting. Once the accounts have been audited, and approved by this Committee, they will be published in the same timescale as per the Royal Borough Of Kingston’s accounts.

EQUALITY IMPACT ASSESSMENT IMPLICATIONS

9. None

ENVIRONMENTAL IMPLICATIONS

10. None.

Background papers: held by Al Mawji, Finance & Accounts Manager – Royal Borough of Kingston Upon Thames (author of report), 020 8547 5356;

1. Accounts and Audit Regulations
2. Accounting Code of Practice for Local Authorities (CIPFA)
3. Governance Framework
Explanatory Foreword

The South London Waste Partnership has been established to secure waste treatment and disposal services. The partnership is governed by a Joint Committee, established under section 101 of the Local Government Act 1972.

Waste is cited as one of the top pressures on council tax and, therefore, realising efficiencies in this area is a priority. The Spending Review announcement in 2004 included local government efficiency gains on waste and street cleansing services of £300m by 2007/8. Partnership working is one of the ways local authorities can realise efficiency savings. DCLG’s Strategic Partnering Taskforce’s final report published in 2004 described strategic partnerships as one of the main service delivery options available to local authorities in their quest for efficient and effective high quality services.

Promoting greater joint working between local authorities is a key focus of the Waste Strategy 2007 published by Defra. Several of Defra’s waste policies have been targeted at driving greater partnership working.

These joint committee proposals are intended to facilitate savings through economies of scale and reduced transaction costs. However, there are complex financial adjustments and contributions, which are intended to be reflected in the operational agreements.

The South London Waste partnership comprises the following partners:

| London Borough of Croydon of Taberner House, Park Lane, Croydon, CR9 3JS |
| London Borough of Merton of Civic Centre, London Road, Morden, SM4 5DX |
| London Borough of Sutton of Civic Offices, St Nicholas Way, Sutton, SM1 1EA |
| Royal Borough of Kingston of Guildhall, High Street, Kingston, KT1 1EU |

The Royal Borough of Kingston is the Lead Borough for the procurement of Phase A contracts and therefore is the Accountable Body for the Joint Committee Budget and shall prepare and keep accounts and make all accounting records and other documents available for inspection by any Authority on request.

As the Lead Borough for Phase A procurement, The Royal Borough of Kingston, has delegated powers to enter into Contracts for itself and for on behalf of the other Authorities comprising the South London Waste partnership.

The membership of the Joint Committee is drawn from Members of the participating Council’s as follows:

| London Borough of Croydon | two members of the Executive |
| Royal Borough of Kingston | two members of the Executive |
| London Borough of Merton | two members of the Executive |
| London Borough of Sutton | two members of the Executive |
The key documentation for the formation of this Partnership, including its Constitution and Standing Orders, can be found in the Inter Authority Agreement which was signed by all parties on 26th August 2008.

**Cost Allocation and Payment**

There are 2 types of cost allocation:

- **Procurement Costs**
The procurement cost allocation is governed by the principle that costs incurred in procurement will be shared equally between the authorities.

- **Service Costs**
The principle of Service Cost allocation must ensure that the costs set out in the payment mechanism for each contract are fully covered.

There are 3 service contracts which have been procured and came into existence from late summer 2008. The contracts are as follows:

- Contract 1: Viridor Waste Management Limited has been awarded a 14 year contract for the transport, transfer and disposal of waste to landfill.

- Contract 2: Environmental Waste Controls have been awarded a 14 year contract to manage the Household Reuse and Recycling Centres across all the 4 partner Boroughs.

- Contract 3: Viridor have been awarded a 14 year contract to manage composting, recycling through a materials recycling facility and additional treatment of SLWP waste at the Lakeside Energy from Waste plant.

This annual statement of accounts sets out the financial position to 31st March 2011.

It includes the following statements and accounts

- Income and Expenditure Account
- Balance Sheet
- Cash flow Statement

__________________________________________________________________________________________

**Leigh Whitehouse**  
Director of Finance & S151 Officer for the Lead Borough  
Royal Borough of Kingston Upon Thames
### SOUTH LONDON WASTE PARTNERSHIP

**INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2011**

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<tr>
<th>2009/10</th>
<th>£</th>
<th>Notes</th>
<th>£</th>
<th>2010/11</th>
<th>£</th>
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<td><strong>INCOME</strong></td>
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<tr>
<td>(4,236,131)</td>
<td>Royal Borough of Kingston upon Thames Contribution</td>
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<td>(5,427,620)</td>
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<td>(10,835,388)</td>
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<td><strong>(25,278,440)</strong></td>
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<td></td>
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<td><strong>(29,947,643)</strong></td>
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<td><strong>EXPENDITURE</strong></td>
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<td>874,167</td>
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<td><strong>0</strong></td>
<td>OPERATING (SURPLUS)/DEFICIT FOR THE YEAR</td>
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<td>(SURPLUS)/DEFICIT FOR THE YEAR</td>
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## SOUTH LONDON WASTE PARTNERSHIP

### BALANCE SHEET AS AT 31 MARCH 2011

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<th>Notes</th>
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<td>4,820,412</td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>4,820,412</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank balance</td>
<td>2,590</td>
<td>11</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td>(4,192,436)</td>
<td></td>
<td>(4,823,002)</td>
<td></td>
</tr>
<tr>
<td>Creditors</td>
<td>(4,823,002)</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank Overdraft</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS/(LIABILITIES)</strong></td>
<td>0</td>
<td></td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Finance by</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution from SLWP members</td>
<td>0</td>
<td></td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL NET WORTH</strong></td>
<td></td>
<td></td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
### SOUTH LONDON WASTE PARTNERSHIP

#### CASH FLOW STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>2009/10 £</th>
<th>Notes</th>
<th>2010/11 £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOW FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income</td>
<td>0</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Changes in accounts affecting operations:</td>
<td>(819,528)</td>
<td></td>
<td>(627,975)</td>
</tr>
<tr>
<td>(Increase)/decrease in debtors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase/(decrease in creditors)</td>
<td>2,284,815</td>
<td></td>
<td>869,863</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>1,465,287</td>
<td></td>
<td>241,888</td>
</tr>
<tr>
<td><strong>INCREASE (DECREASE) IN CASH</strong></td>
<td></td>
<td></td>
<td>241,888</td>
</tr>
</tbody>
</table>

Reconciliation of the movement in cash to the movement in net debt

- Opening bank balance (O/D) \( (239,298) \)
- Net cash movement during the year \( 241,888 \)
- Closing bank balance \( 2,590 \)
NOTES TO THE ACCOUNTS

1. Accounting Policies

i). General Principles
The Statement of Accounts summarises the Authority’s transactions for the 2010/11 financial year and its position at the year-end of 31 March 2011. The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2003, which those Regulations require to be prepared in accordance with proper accounting practices.
These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2010/11 and the Best Value Accounting Code of Practice 2010/11, supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the 2003 Act.
The purpose of the Statement of Accounting policies is to explain the basis for the recognition, measurement and disclosure of transactions and other events in the accounts.

ii). Jointly Controlled Operations and Jointly Controlled Assets
Jointly controlled operations are activities undertaken by the Authority in conjunction with other venturers that involve the use of the assets and resources of the venturers rather than the establishment of a separate entity.
In accounting terms the South London Waste Partnership is assumed to be a jointly controlled operation as a joint venture between four London Boroughs. It is a contractual arrangement under which its participants engage in joint activities that do not create an entity. It does not trade on its own and is merely a cost sharing arrangement between the four boroughs and is designed not to make profit as a separate entity.
The joint venture does account for its own assets, liabilities and cashflows, measured according to the terms of the agreement governing the arrangement.
The four boroughs only record their share of assets and liabilities within their own single entity accounts and are not required to consolidate the SLWP accounts into their own Group Accounts.

iii). Debtors and Creditors
The revenue transactions have been prepared on an income and expenditure basis in accordance with best practice. The accounts therefore include all sums payable for goods and services provided or received during the year. Estimated amounts are included where the actual amounts are not known at the time of producing the accounts.

iv). VAT
VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty’s Revenue and Customs. VAT receivable is excluded from income.

v). Financial Instruments (FRS 25)
Debtors and Creditors
In line with the requirements of FRS 25 debtors and creditors are measured at fair value and carried at their amortised cost.
Financial assets are all loans and receivables at amortised cost and financial liabilities are all creditor balances and bank overdraft at amortised cost.
Fair value is defined as the amount for which an asset could be exchanged or a liability settled, assuming that the transaction was negotiated between parties knowledgeable about the market in which they are dealing and willing to buy/sell at an appropriate price, with no other motive in their negotiations other than to secure a fair price.
Since the debtor and creditor balances are with partners, the Royal Borough of Kingston state that there are no liquidity, financial or credit risks.

2. Accounting standards issued but not adopted.
The Code of Practice on Local Authority Accounting in the United Kingdom 2011/12 (the Code) has introduced a change in accounting policy in relation to the treatment of heritage assets. This change will not affect the SLWP accounts in future years.

3. Critical judgements in applying accounting policies
The SLWP whilst by strict definition a joint venture is not considered to be an entity on its own but merely a cost sharing arrangement between four London boroughs where there is no intention for the entity to be left with a profit or a loss. The entity does not trade but instead collects cost from the waste activities of the four boroughs which are paid for, proportionately by the four boroughs, similar to a levying arrangement.

4. Assumptions made about the future and other major sources of estimation uncertainty
Revenues and expenses are recognized as they are earned or incurred and not as money received or paid. Revenue is earned when products are delivered or services are provided and Expense is recognized in the period in which related revenue is recognized and before cash is paid out. The SLWP has applied best practice in estimating the accruals shown in the financial statements.

5. Contributions
The contributions by the SLWP members ensure that the costs under each of the 3 contracts are recouped in line with the costs of providing services for their areas.

6. Procurement costs
These are costs associated with procuring the contracts and are shared equally between the authorities.

7. Contracts underlying the expenditure
These relate to costs under the three 14 year contracts for the following.
- The transport, transfer and disposal of waste to landfill.
- The management of the Household Reuse and Recycling Centre.
- The composting, recycling through a materials recycling facility and additional treatment of SLWP waste.

8. Management Fee
This cost is in relation to Contract 2, The Management of the Household Reuse & Recycling Centres.

9. Audit Fees
This cost is for the fees payable with regard to the external audit services carried out and for other services provided by the Audit Commission.

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure</th>
<th>2010/11</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net</td>
<td>£</td>
</tr>
<tr>
<td>2009/10</td>
<td>11,350</td>
<td>Fees payable with regard to external services carried out by the Commission</td>
</tr>
<tr>
<td></td>
<td>1,023</td>
<td>Fees payable in respect of other services provided by the Commission</td>
</tr>
<tr>
<td>12,373</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
10. Debtors
These are amounts owing from partnership authorities for the provision of goods and services under the three contracts and for the procurement costs.

<table>
<thead>
<tr>
<th></th>
<th>2009/10</th>
<th>2010/11</th>
</tr>
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<tbody>
<tr>
<td>Net</td>
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<td>£</td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
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<tr>
<td>London Borough of Croydon</td>
<td>1,429,394</td>
<td>1,811,340</td>
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<td>850,792</td>
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<td>1,074,726</td>
</tr>
<tr>
<td><strong>Total</strong></td>
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<td>4,820,412</td>
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11. Bank Balance
The SLWP does not have a separate bank account. All cash receipts and payments in respect of SLWP are reflected in the Royal Borough of Kingston bank account. The bank balance position reflects the excess income received over the payments made for the partnership.

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These amounts relate to organisations we owe more to at the end of the financial year. Our main creditors are Viridor Waste Management Ltd and Environmental Waste Controls for the collection and disposal of waste materials.

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<th>2009/10</th>
<th>2010/11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Creditors</td>
<td>3,940,766</td>
<td>4,810,302</td>
</tr>
<tr>
<td>London Borough of Croydon</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Royal Borough of Kingston upon Thames</td>
<td></td>
<td></td>
</tr>
<tr>
<td>London Borough of Merton</td>
<td></td>
<td></td>
</tr>
<tr>
<td>London Borough of Sutton</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
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<td>4,810,302</td>
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A related party relationship is created where there is some element of control or influence by one party over another, or by a third party over the two parties. In this reporting entity, no one party has direct or indirect control of the other parties. By nature of being the lead authority, the Joint Committee has adopted policies similar to those exercised by the authority for its own reporting entity but this does not give Kingston any additional influence over the Joint Committee.
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ANNUAL GOVERNANCE ASSURANCE STATEMENT 2010/11

EXPLANATORY NOTE

The purpose of this statement is to provide assurance that the Partnership has a sound governance framework in place to manage the risks that might prevent achievement of its statutory obligations and organisational objectives.

It is also important to note that the Royal Borough of Kingston upon Thames, which provides support services to the Partnership, has a role in ensuring good governance for the Joint Committee. A degree of reliance can, therefore, be placed on the governance framework of RBK.

RBK has approved and adopted a code of corporate governance. Local authorities are required to prepare and publish an Annual Governance Statement (AGS) in accordance with the Solace/CIPFA framework which was published in July 2007. This is necessary to meet the statutory requirement set out in regulation 4(2) of the Accounts and Audit Regulations 2011. The AGS confirms that RBK has arrangements in place which support the Council’s compliance with the new framework and the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit [Amendment] [England] Regulations 2006 in relation to the publication of a statement on internal control.

SCOPE OF RESPONSIBILITY

The South London Waste Partnership is responsible for ensuring its business is conducted in accordance with the law and proper standards, that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Partnership (and the local authorities that make up the Partnership) also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging its responsibility, The South London Waste Partnership, is required to put in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which include arrangements for the management of risk.

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, culture and values, by which the Partnership is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Partnership to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services. The system of internal control is a significant part of that framework and it is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives. It can only provide reasonable and not absolute assurance of effectiveness.

THE GOVERNANCE FRAMEWORK
The key elements of the systems and processes that comprise the Joint Committee’s governance arrangements include arrangements for:

1. **Focus, purpose and outcomes for the community and implementing a vision for the local area**

   1.1. Exercising strategic leadership by developing and clearly communicating the Partnership’s purpose and vision and its intended outcomes for citizens and service users.

   1.2. Ensuring that users receive a high quality service.

   1.3. Ensuring that the Partnership makes best use of resources and that taxpayers and users receive excellent value for money.

2. **Members and officers working together to achieve a common purpose with clearly defined functions and roles**

   2.1. Ensuring effective leadership throughout the Partnership and being clear about executive and non-executive functions and the roles and responsibilities of participating authorities.

   2.2. Ensuring the public are clear on who to contact for what.

   2.3. Ensuring a constructive working relationship exists between members and officers and that the responsibilities of members and officers are carried out to a high standard

3. **Promoting the values of the South London Waste Partnership and demonstrating the values of good governance through upholding high standards of conduct and behaviour**

   3.1. Ensuring members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.

   3.2. Ensuring that organisational values are put into practice and are effective.

4. **Taking informed and transparent decisions which are subject to effective scrutiny and manage risk**

   4.1. Ensuring that the Joint Committee is rigorous and transparent about how decisions are taken and listens and acts on the outcome of constructive scrutiny.

   4.2. Ensuring it has good quality information, advice and support to ensure that services are delivered effectively and are what the community needs/wants.

   4.3. Ensuring it has an effective risk management system in place.

   4.4. Ensuring it uses its legal powers to the full benefit of the citizens and communities in the participating authorities.
5. Developing the capacity and capability of members and officers

5.1. Ensuring it makes sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.

5.2. Ensuring it develops the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.

5.3. Ensuring it encourages new talent for membership of the Partnership so that best use can be made of individuals’ skills and resources in balancing continuity and renewal.

6. Engaging with local people and other stakeholders to ensure robust public accountability

6.1. Ensuring it exercises leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships and develops constructive accountability relationships.

6.2. Ensuring it takes an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery in partnership or by commissioning.

6.3. Making best use of human resources by taking an active and planned approach to meet responsibilities to staff.

EFFECTIVENESS OF GOVERNANCE ARRANGEMENTS

The South London Waste Partnership has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of managers within the Partnership who have responsibility for the development and maintenance of the governance environment, but also work done by internal audit, and by comments made by the independent auditors.

SIGNIFICANT GOVERNANCE ISSUES

No significant governance issues have yet been raised. As and when any governance issues are raised, we will take all necessary management action to remove them, or at least mitigate the risks.

Signed:.................................................................
Name:.................................................. Chair of the SLWP Management Group
Date: 23 June 2011

Signed:.................................................................
Name:.................................................. Chair of the SLWP Joint Committee
Date: 23 June 2011
<table>
<thead>
<tr>
<th></th>
<th>2009/10 £</th>
<th>Notes</th>
<th>2010/11 £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
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<td>10</td>
<td>4,820,412</td>
</tr>
<tr>
<td>Bank balance</td>
<td>0</td>
<td>11</td>
<td>2,590</td>
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<td></td>
<td>4,823,002</td>
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<tr>
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<td></td>
<td></td>
<td></td>
</tr>
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<td>12</td>
<td>(4,823,002)</td>
</tr>
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<td></td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
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<td></td>
<td>(4,823,002)</td>
</tr>
</tbody>
</table>

0 NET CURRENT ASSETS/(LIABILITIES)

Finance by

0 Contribution from SLWP members

TOTAL NET WORTH 0
10. Debtors
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<th>2010/11</th>
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Committee: SLWP JOINT COMMITTEE  
Date: 23 JUNE 2011  
Agenda item: 7  
Wards:  
Subject: AUDITOR’S DISCUSSIONS WITH THOSE CHARGED WITH GOVERNANCE  
Lead officer: Al Mawji  
Lead member:  
Forward Plan reference number:  
Contact officer: Al Mawji  

Recommendations:  
A. That the report be noted by the Joint Committee.  

REASON FOR RECOMMENDATION  
To set out how the Joint Waste Committee undertakes its functions with regard to fraud and internal control, and compliance with laws and regulations  

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY  
1.1. The Audit Commission is required to obtain an understanding of how those charged with governance exercise oversight of management’s processes for identifying and reporting the risk of fraud and possible breaches of internal control. The Commission also requires an understanding of how those charged with governance gain assurance that all relevant laws and regulations have been complied with. Questions which the Audit Commission would like to discuss with the Committee are set out in the report to facilitate discussion at the Joint Committee meeting.  

2 DETAILS  
AREAS THE COMMISSION ARE SEEKING ASSURANCE ON  
There are a number of questions that the Commission would like to discuss with the Committee. These are set out below, with responses.  

2.1 How does the Joint Committee oversee management’s processes to identify and respond to the risk of fraud and possible breaches of internal control?  
The processing of all invoices and payments is the responsibility of the Royal Borough of Kingston on behalf of the partnership. Therefore significant reliance can be placed on RBK’s arrangements for counter fraud and corruption. The Council’s work is designed to move the focus away from investigating fraud and corruption into deterrence, prevention and detection. All suspected frauds however are investigated in accordance with approved proper procedures with loss recovery and deterrence firmly in mind. The Joint Committee will be kept aware of any issues arising.  

Fortnightly contract management meetings take place between the partnership’s technical lead officer, representatives of operations management from the other
boroughs and contractors. Progress reports are then included on the agenda at every Management Group and Joint Waste Committee meeting.

The Joint Committee recognises that the assurances it receives on internal controls are risk based rather than comprehensive but understands that this is the most cost effective way to ensure probity and propriety.

2.2 Are members of the Partnership Committee aware of any actual, suspected or alleged instances of fraud?

The Joint Committee would be made aware of any significant fraud occurred within the Partnership. No significant issues have been made known to the management group.

2.3 How does management assess the risk that the financial statements may be misstated due to fraud?

The financial statements for the partnership are prepared by the Royal Borough of Kingston and their internal controls and procedures are followed.

2.4 What is management’s process for identifying and responding to these risks?

The same process is followed as detailed in paragraphs 3 to 5.

2.5 How does management communicate its arrangements to the Partnership Committee?

The Management group submits regular finance and contract management reports to the Joint Committee. These include reviewing contract performance and the Annual Governance Statement.

2.6 How are staff encouraged to report their concerns about fraud, and the types of concerns they are expected to report?

Each of the Councils in the partnership have whistle blowing mechanisms in place to enable staff to raise genuine concerns and suspicions. The partnership is committed to protect those who use them.

2.7 How does the Partnership Committee gain assurance about the Partnership’s compliance with relevant laws and regulations?

The Partnership Committee gains assurance about the Partnership’s compliance with relevant laws and regulations through the Annual Governance Statement and underlying assurance framework which provides assurance that the principles of good administration law are integrated into its procedures and decision making, and that professional advice on matters that have legal or financial implications is provided and recorded.

In practice compliance with the relevant laws and regulations is managed via regular contract management meetings and by use of external bodies such as the Environmental Agency.
2.8 Are members of the Partnership Committee aware of any actual instances of non-compliance with laws and regulations?
The Partnership Committee would be made aware of any significant non-compliance. There are no significant instances that are known to the management group or the Joint Committee at this time.

2.9 Are members of the Committee aware of any litigation and claims involving the Partnership which may result in a material misstatement of the financial statements?
No, not aware of any claims.

2.10 What are the Partnership’s procedures for identifying related parties and recording transactions with them in the financial statements?
Councillors are required to abide by the individual Council’s Members Code of Conduct and are required to declare any interests at the beginning of each Joint Committee meeting. Officers of the management group are required to sign an annual related parties contract in line with the individual Council’s process.

3 ALTERNATIVE OPTIONS
3.1 None.

4 CONSULTATION UNDERTAKEN OR PROPOSED
4.1 None.

5 TIMETABLE
5.1 Response to Audit Commission required by 30 June 2011.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS
6.1 None arising directly from this report’s recommendations

7 LEGAL AND STATUTORY IMPLICATIONS
7.1 None arising directly from this report’s recommendations

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS
8.1 None arising directly from this report’s recommendations

9 CRIME AND DISORDER IMPLICATIONS
9.1 None arising directly from this report’s recommendations

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS
10.1 None arising directly from this report’s recommendations

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT
Letter from the Audit Commission to the Chair of the Joint Waste Committee
12 BACKGROUND PAPERS

12.1 Background papers: held by Al Mawji (author of report) e-mail: al.mawji@rbk.kingston.gov.uk
Dear Cllr Judge

Audit of South London Waste Partnership Financial Statements - Compliance with International Auditing Standards

For purposes of our audit, it has been agreed that the Partnership Committee performs the role of “those charged with governance” under International Standards on Auditing. In order to comply with a number of these Standards, I am required to obtain an understanding of the following areas:

1. How does the Joint Committee oversee management's processes to identify and respond to the risk of fraud and possible breaches of internal control (ISA (UK&I) 240)?

2. Are members of the Partnership Committee aware of any actual, suspected or alleged instances of fraud (ISA (UK&I) 240)?

3. How does management assess the risk that the financial statements may be misstated due to fraud? (ISA (UK&I) 240)

4. What is management’s process for identifying and responding to these risks?

5. How does management communicate its arrangements to the Partnership Committee?

6. How are staff encouraged to report their concerns about fraud, and the types of concerns they are expected to report (ISA (UK&I) 240)?

7. How does the Partnership Committee gain assurance about the Partnership's compliance with relevant laws and regulations? (ISA (UK&I) 250)?

8. Are members of the Partnership Committee aware of any actual instances of non-compliance with laws and regulations (ISA (UK&I) 250)?

Audit Commission, 1st Floor, Millbank Tower, Millbank, London, SW1P 4HQ
T 0844 798 1212  F 0844 798 2945  www.audit-commission.gov.uk
9. Are members of the Committee aware of any litigation and claims involving the Partnership which may result in a material misstatement of the financial statements (ISA (UK&I) 505)? and

10. What are the Partnership’s procedures for identifying related parties and recording transactions with them in the financial statements (ISA (UK&I) 550)?

A brief response by letter, by 30 June, will suffice. Please contact me if you wish to discuss anything in relation to this request.

Yours sincerely

Keith Hosea
Audit Manager
Dear Cormac

Audit of South London Waste Partnership Financial Statements - Compliance with International Auditing Standards

In order to comply with a number of International Standards on Auditing I am required to obtain an understanding of the following areas:

1. What are the Partnership Management Team’s processes to identify and respond to the risk of fraud and possible breaches of internal control (ISA (UK&I) 240)?
2. Are the Management Team aware of any actual, suspected or alleged instances of fraud (ISA (UK&I) 240)?
3. How does the Management Team assess the risk that the financial statements may be misstated due to fraud? (ISA (UK&I) 240)
4. What is the Management Team’s process for identifying and responding to these risks?
5. How does the Management Team communicate its arrangements to the Partnership Committee?
6. How are staff encouraged to report their concerns about fraud, and the types of concerns they are expected to report (ISA (UK&I) 240)?
7. How does the Management Team gain assurance about the Partnership’s compliance with relevant laws and regulations? (ISA (UK&I) 250)?
8. Are members of the Management Team aware of any actual instances of non-compliance with laws and regulations (ISA (UK&I) 250)?
9. Are members of the Management Team aware of any litigation and claims involving the Partnership which may result in a material misstatement of the financial statements (ISA (UK&I) 505)? and
10. What are the Partnership's procedures for identifying related parties and recording transactions with them in the financial statements (ISA (UK&I) 550)?
A brief response by email or letter to the above issues and how they are addressed in your capacity as the Chair of the Management Team will suffice.

Please contact me if you wish to discuss anything in relation to this request.  
Yours sincerely

Keith Hosea  
Audit Manager
Dear Keith

Re: Auditors discussion with those charged with Governance.

I write with reference to your letter dated 16 March 2011.

This has been considered by the Partnership’s senior officer Management Group. The responses to the questions raised were agreed by the Management Group and I am writing to provide our response in my capacity as Chair of the Management Group. The responses to each individual question raised we detail below:

1. What are the Partnership Management Team’s processes to identify and respond to the risk of fraud and possible breaches of internal control?

1a) The processing of all invoices and payments is the responsibility of the Royal Borough of Kingston on behalf of the partnership. Therefore significant reliance can be placed on RBK’s arrangements for counter fraud and corruption. The Council’s work is designed to move the focus away from investigating fraud and corruption into deterrence, prevention and detection. All suspected frauds however are investigated in accordance with approved proper procedures with loss recovery and deterrence firmly in mind. The Management Group is kept aware of any issues arising.

1b) Fortnightly contract management meetings take place between the partnership’s technical lead officer, representatives of operations management from the other boroughs and contractors. Progress reports are then included on the agenda at every Management Group and Joint Waste Committee meeting.

1c) The Management Group recognises that the assurances it receives on internal controls are risk based rather than comprehensive but understands that this is the most cost effective way to ensure probity and propriety.

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2. Are the Management Team aware of any actual, suspected or alleged instances of fraud?

2a) The Management Group would be made aware of any significant fraud occurred within the Partnership. No significant issues have been made known to the management group.

3. How does the Management Team assess the risk that the financial statements may be misstated due to fraud?

3a) The financial statements for the partnership are prepared by the Royal Borough of Kingston and their internal controls and procedures are followed.

4. What is the Management Team’s process for identifying and responding to these risks?

4a) The same process is followed as detailed in response 1a) and 1c).

5. How does the Management Team communicate its arrangements to the Partnership Committee?

5a) The Management group submits regular finance and contract management reports to the Joint Committee. These include reviewing contract performance and the Annual Governance Statement.

6. How are staff encouraged to report their concerns about fraud, and the types of concerns they are expected to report?

6a) Each of the Councils in the partnership have whistle blowing mechanisms in place to enable staff to raise genuine concerns and suspicions. The partnership is committed to protect those who use them.

7. How does the Management Team gain assurance about the Partnership’s compliance with relevant laws and regulations?

7a) The Management Group gains assurance about the Partnership’s compliance with relevant laws and regulations through the Annual Governance Statement and underlying assurance framework which provides assurance that the principles of good administration law are integrated into its procedures and decision making, and that professional advice on matters that have legal or financial implications is provided and recorded.

7b) In practice compliance with the relevant laws and regulations is managed via regular contract management meetings and by use of external bodies such as the Environmental Agency.

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8. Are members of the Management Team aware of any actual instances of non-compliance with laws and regulations?

8a) The Management Group would be made aware of any significant non-compliance. There are no significant instances that are known to the Management Group at this time.

9. Are members of the Management Team aware of any litigation and claims involving the Partnership which may result in a material misstatement of the financial statements?

9a) No, not aware of any claims.

10. What are the Partnership’s procedures for identifying related parties and recording transactions with them in the financial statements?

10a) Councillors are required to abide by the individual Council’s Members Code of Conduct and are required to declare any interests at the beginning of each Joint Committee meeting. Officers of the management group are required to sign an annual related parties contract in line with the individual Council’s process.

I trust this meets with your requirements. If you require any further information or clarification please do not hesitate to contact me at the above address.

Yours sincerely

Cormac Stokes
Chair, South London Waste Partnership Management Group