

Annwyl Syr / Fadam,

Atodir agenda a dogfennau eraill ar gyfer cyfarfod o'r **CYD-BWYLLGOR GWASTRAFF GWEDDILLIOL GOGLEDD CYMRU**.

Yr eiddoch yn gywir,

Gary Williams
Pennaeth Gwasanaethau Cyfreithiol a Democrataidd

Dear Sir / Madam,

An agenda and other documents for a meeting of the **NORTH WALES RESIDUAL WASTE JOINT COMMITTEE** are attached.

Yours faithfully,

Gary Williams
Head of Legal and Democratic Services

AGENDA

1 AGENDA PACK

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Agenda Item 1



Gareth Owens LL.B Barrister/Bargyfreithiwr
Chief Officer (Governance)
Prif Swyddog (Llywodraethu)

To: Councillor Eryl Williams (Chairman)

CS/NG

Councillors: Aaron Shotton, Kevin Jones, Dave Cowans, Michael Priestley, David Smith, John Wynn Jones, Richard Dew and J. Arwel Roberts

27 November 2015

Nicola Gittins 01352 702345
nicola.gittins@flintshire.gov.uk

Dear Sir / Madam

The Meeting of the **NORTH WALES RESIDUAL WASTE JOINT COMMITTEE** will be held in the **OPTIC GLYNDWR, ST ASAPH BUSINESS PARK, ST ASAPH, LL17 0JD** on **MONDAY 7 DECEMBER 2015** at **2.00PM** to consider the following items.

The Committee is asked to note the change of location

****WTI will be available at the location to be called into the meeting as required****

Yours faithfully

A handwritten signature in black ink, appearing to read 'P. Evans'.

Peter Evans
Democracy & Governance Manager

AGENDA

- 1 **APOLOGIES**
- 2 **DECLARATIONS OF INTEREST**

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www.flintshire.gov.uk
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- 3 **APPROVAL OF PREVIOUS MINUTES**
- 4 **MATTERS ARISING FROM PREVIOUS MEETING**
- 5 **PROGRESS REPORT (REPORT TO FOLLOW)**
- 6 **FINANCE UPDATE:**
 - 6a) **PROGRESS REPORT (REPORT)**
 - 6b) **PROGRESS REPORT (REPORT TO FOLLOW)**
- 7 **WASTE TRANSFER STATION NETWORK (VERBAL)**

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - TO CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC

The following item is considered to be exempt by virtue of Paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

The contract process is still underway and would be prejudiced by making public at this stage.

- 8 **PROCUREMENT UPDATE (REPORT AND PRESENTATION ON THE DAY)**
- 7 **ANY OTHER BUSINESS**



NORTH WALES RESIDUAL WASTE JOINT COMMITTEE

Friday, 5 June 2015 at 2.00 pm
Bodlondeb, Conwy

PRESENT:

Councillor Eryl Williams (Chair)	Denbighshire County Council
Councillor Richard Dew	Isle of Anglesey County Council
Councillor Kevin Jones	Flintshire County Council
Councillor John Wynn Jones	Gwynedd County Council
Councillor Mike Priestley	Conwy County Borough Council
Councillor Aaron Shotton	Flintshire County Council
Councillor David Smith	Denbighshire County Council

ALSO PRESENT:

Flintshire County Council

Colin Everett (Lead Chief Executive), David Webster (Internal Audit Manager) and Gary Ferguson (Section 151 Officer)

Denbighshire County Council

Steve Parker (Head of Environment)

Conwy County Borough Council

Ken Finch (Strategic Director – Democracy and Regulation) and Andrew Wilkinson (Head of Neighbourhood Services)

Gwynedd Council

Medwyn Williams (Senior Manager – Waste Treatment)

Isle of Anglesey County Council

Meirion Edwards (Lead Technical Officer)

Local Partnerships UK

Huw Roberts (Advisor)

1. **APPOINTMENT OF CHAIR**

RESOLVED:-

That Councillor Eryl Williams be appointed as the Chair of North Wales Residual Waste Joint Committee for 2015/2016.

2. **APPOINTMENT OF VICE-CHAIR**

It was agreed that in order to ensure that the Authority, in which the facility would be constructed, was represented and for continuity purposes two Vice-Chairs be appointed for 2015/2016.



RESOLVED:-

That both Councillor Kevin Jones and Councillor Mike Priestley be appointed as Vice-Chairs of the North Wales Residual Waste Joint Committee for 2015/2016.

3. APOLOGIES

Apologies for absence were received from Councillor J. Arwel Roberts (Isle of Anglesey County Council), Dewi Williams (Isle of Anglesey County Council), Gareth Owens (Flintshire County Council), Dilwyn Williams (??) Parry-Jones (??)

4. DECLARATIONS OF INTEREST

None.

5. APPROVAL OF PREVIOUS MINUTES

The minutes of the meeting of the North Wales Residual Waste Joint Committee held on the 17 March 2015 were submitted for approval.

RESOLVED - *That the minutes of the meeting of the North Wales Residual Waste Joint Committee held on 17 March 2015 be approved as a correct record, subject to the above amendment.*

6. MATTERS ARISING FROM PREVIOUS MINUTES

Concern was raised that the minutes did not reflect the amount of in-depth discussion held at the Joint Committee meetings, especially the concerns raised by Members.

Members were advised that as the minutes were a public document, discussion on exempt information would not be contained within the public minutes.

7. ANNUAL RETURN

Members were presented with the Annual Return Year Ended 31 March 2015 for the North Wales Residual Waste Partnership (NWRWP) for their approval.

The Accounts and Audit (Wales) Regulations required all Joint Committees to prepare year-end accounts. The Regulations were updated in 2014; as a result the type of accounts, and the accounts and audit arrangements for the Joint Committee had changed for 2015.



The Joint Committee was classed as a smaller relevant body as its gross income and expenditure was less than £2.5m in the year of account. The type of accounts that a smaller body was required to produce was an Annual Return provided by the Wales Audit Office. In 2013/14 the Joint Committee was classed as a larger body, and was required to produce a comprehensive set of accounts similar to that of a Council.

The Annual Return must be signed by the Responsible Finance Officer and approved by the Joint Committee before the deadline of 30 June 2015. The audit commenced after the Joint Committee had approved the Annual Return.

The audit must be completed and the Annual Return published by no later than 30 September 2015. If no amendments were made to the Annual Return during the audit, there would be no requirement for the Joint Committee to approve the amended Annual Return before publication.

RESOLVED:-

That the Annual Return for the year ending 31 March 2015 be approved.

8. EXEMPT ITEMS: LOCAL GOVERNMENT ACT 1972, SECTION 100A AND SCHEDULE 12A (ACCESS TO INFORMATION)

RESOLVED- *That the Public and Press be excluded from the meeting under the provisions of Section 100A of the above Act during consideration of the following item as it involves the likely disclosure of exempt information as defined in paragraph 14 of Part 4 of Schedule 12A to the Act and that in all the relevant circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

9. PROCUREMENT UPDATE

Colin Everett, Chief Executive (Flintshire County Council) gave a detailed presentation on the procurement position update.

Following an in-depth discussion, Members were assured that negotiations relating to financial costs, including prices being held, and the timetable for the project would be undertaken with the contractor and sub-contractors.

With regard to the permit for the operation, Colin Everett advised that he would contact the Welsh Government and Natural Resources Wales in relation to the permit timetable.



RESOLVED:-

- (a) That the content of the report be noted.
- (b) That delegated authority be given to the Lead Chief Executive to proceed to Financial Close, subject to no material changes, including prices being held, no new lender-led commercial changes and the compensation event terms limited as set out by the partnership previously.
- (c) That a further meeting be convened to review progress against the timetable, and any options to mitigate any slippage prior to Contract Award and signing, and to review the risks and benefits of an Early Works Agreement.

10. **ANY OTHER BUSINESS**

None.

(The meeting ended at 2.50 pm)



3.00 CONSIDERATIONS

- 3.01 The amended Annual Return for 2014/15 is attached at Appendix A. This Return was amended with approval from the Chair and presented as the Annual Return for 2014/15.

4.00 RECOMMENDATIONS

- 4.01 Members are requested to approve the Annual Return for the year ended 31st March 2015.

5.00 FINANCIAL IMPLICATIONS

- 5.01 None as a result of this report.

6.00 ANTI POVERTY IMPACT

- 6.01 None as a result of this report.

7.00 ENVIRONMENTAL IMPACT

- 7.01 None as a result of this report.

8.00 EQUALITIES IMPACT

- 8.01 None as a result of this report.

9.00 PERSONNEL IMPLICATIONS

- 9.01 None as a result of this report.

10.00 CONSULTATION REQUIRED

- 10.01 None as a result of this report.

11.00 CONSULTATION UNDERTAKEN

- 11.01 None as a result of this report.

12.00 APPENDICES

Appendix A – Annual Return

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**



NWRWTP

North Wales Residual Waste Treatment Project

Contact Officer:
Telephone:
Email:

Dave Ledsham
01352 704503
dave.ledsham@flintshire.gov.uk

Small Local Government Bodies in Wales Annual Return for the Year Ended 31 March 2015

Section 12 of the Public Audit (Wales) Act 2004 requires local government bodies in Wales to make up accounts each year to 31 March and to have those accounts audited by the Auditor General for Wales. Regulation 14 of the Accounts and Audit (Wales) Regulations 2014 states that smaller local government bodies (ie, those with annual income and expenditure below £2.5 million) must prepare their accounts in accordance with proper practices.

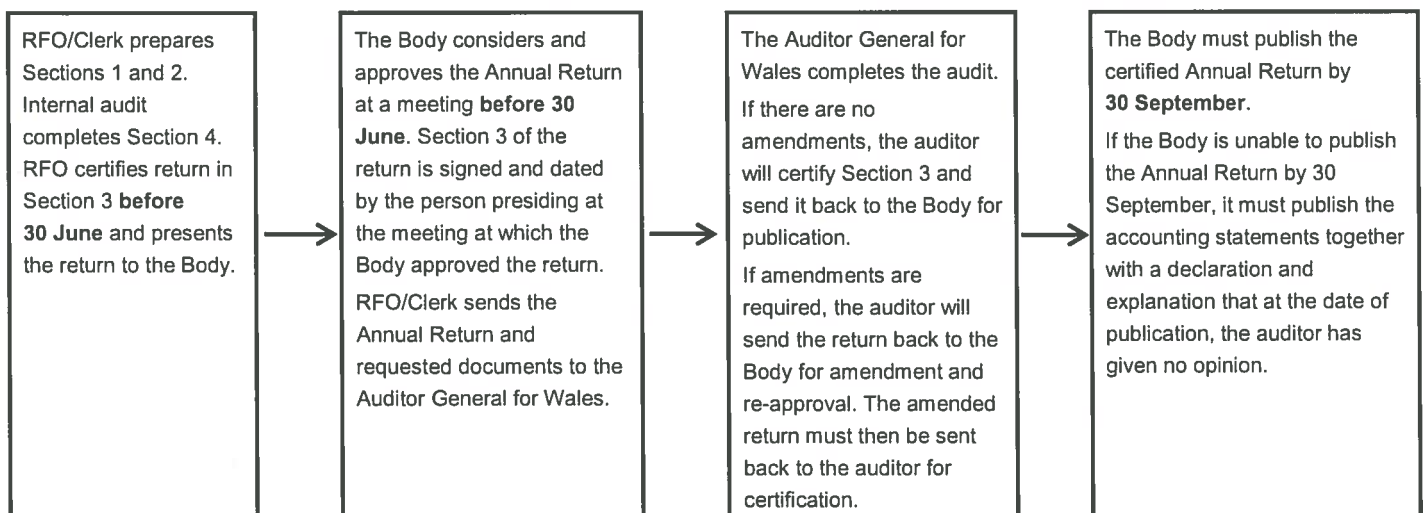
The following legislation defines proper practices as the One Voice Wales/SLCC Guidance publication *Governance and accountability for local councils in Wales – A Practitioners' Guide (2011)* (the Practitioners' Guide):

- Port health authorities: Accounts and Audit (Wales) Regulations 2014, Regulation 4(b)
- Small joint committees: Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003, Regulation 25(1)

The Practitioners' Guide requires that smaller bodies prepare their accounts in the form of an annual return. This Annual Return meets the requirements of the Practitioners' Guide.

Please complete all sections highlighted in pink. Incomplete or incorrect returns may require additional external audit work and incur additional costs. Further guidance is included in Section 5 and in Section 2 which includes references to where the Practitioners' Guide has further information.

Under the Accounts and Audit (Wales) Regulations 2014, the Body must formally approve the return and certify Section 3 before the return is sent to the auditor. The Body must approve the Annual Return by 30 June. Unless the Annual Return needs to be amended, the auditor will certify the return and send it back to the Body for publication with no further approval by the Body required. The accounts approval and audit arrangements follow the process as set out below.



Your external audit team will advise you what additional information is needed for the audit.

Please send the original Annual Return (ie, not a photocopy), together with any additional information requested, to your external auditor by the date specified by the auditor. Unless requested, please do not send any original financial records to the external auditor.

Audited and certified returns are sent back to the Body for publication or display of Sections 1, 2 and 3.

Section 2 – Annual Governance Statement

We acknowledge as the members of the Body, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the Body's accounting statements for the year ended 31 March 2015, that:

	Agreed?		'YES' means that the Body:	PG Chap.	
	Yes	No*			
1. We have approved the accounting statements which have been prepared in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014 and proper practices.	YES		Prepared its accounting statements in the way prescribed by law.	6, 12	
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	YES		Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7	
3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Body to conduct its business or on its finances.	YES		Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6	
4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.	YES		Has given all persons interested the opportunity to inspect and ask questions about the Body's accounts.	6, 23	
5. We have carried out an assessment of the risks facing the Body and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	YES		Considered the financial and other risks it faces in the operation of the Body and has dealt with them properly.	6, 9	
6. We have maintained an adequate and effective system of internal audit of the Body's accounting records and control systems throughout the year and have received a report from the internal auditor.	YES		Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the Body.	6, 8	
7. We have taken appropriate action on all matters raised in previous reports from internal and external audit.	YES		Has responded to matters brought to its attention by internal and external audit.	6, 8, 23	
8. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Body and, where appropriate, have included them on the accounting statements.	YES		Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6	
9. Trust funds – in our capacity as trustee, we have: <ul style="list-style-type: none"> Discharged our responsibility in relation to the accountability for the fund(s) including financial reporting and, if required, independent examination or audit. 	Yes	No	N/A	Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.	3, 6
			X		

* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.

Section 1 – Accounting statements for:

NORTH WALES RESIDUAL WASTE PARTNERSHIP

	Year ending			Notes and guidance for compilers			
	31 March 2014 (£)	31 March 2015 (£)					
				Please round all figures to nearest £. Do not leave any boxes blank and report £0 or nil balances. All figures must agree to the Body's underlying financial records for the relevant year.			
1. Balances brought forward	0	0		Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to Line 7 of the previous year.			
2. (+) Income from local taxation and/or levy	0	0		Total amount of local taxation, rates and/or levy received or receivable in the year including funding from a sponsoring body.			
3. (+) Total other receipts	790,160	418,694		Total income or receipts as recorded in the cashbook less income from local taxation and/or levy (Line 2). Include any grants received here.			
4. (-) Staff costs	-189,821	-167,970		Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses.			
5. (-) Loan interest/capital repayments	0	0		Total expenditure or payments of capital and interest made during the year on the Body's borrowing (if any).			
6. (-) Total other payments	-600,339	-250,724		Total expenditure or payments as recorded in the cashbook minus staff costs (Line 4) and loan interest/capital repayments (Line 5).			
7. (=) Balances carried forward	0	0		Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).			
8. (+) Debtors and stock balances	473,574	333,510		Income and expenditure accounts only: Enter the value of debts owed to and stock balances held at the year-end.			
9. (+) Total cash and investments	473,574 472,128 0	0		All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.			
10. (-) Creditors	-473,574 -472,128	-333,510		Income and expenditure accounts only: Enter the value of monies owed by the Body (except borrowing) at the year-end.			
11. (=) Balances carried forward	0	0		Total balances should equal Line 7 above: Enter the total of (8+9-10).			
12. Total fixed assets and long-term assets	0	0		The original Asset and Investment Register value of all fixed assets, plus other long-term assets owned by the Body as at 31 March.			
13. Total borrowing	0	0		The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).			
14. Trust funds disclosure note	Yes	No	N/A	Yes	No	N/A	The Body acts as sole trustee for and is responsible for managing (a) trust fund(s)/assets (readers should note that the figures above do not include any trust transactions).
		X			X		



Section 4 – Annual internal audit report to: NORTH WALES RESIDUAL WASTE PARTNERSHIP

The Body's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2015.

The internal audit has been carried out in accordance with the Body's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Body.

	Agreed?			
	Yes	No*	N/A	Not covered**
1. Appropriate books of account have been properly kept throughout the year.	Yes			
2. The Body's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	Yes			
3. The Body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes			
4. The annual precept requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.			N/A	
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.			N/A	
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.			N/A	
7. Salaries to employees and allowances to members were paid in accordance with Body approvals, and PAYE and NI requirements were properly applied.			N/A	
8. Asset and investment registers were complete and accurate, and properly maintained.			N/A	
9. Periodic and year-end bank account reconciliations were properly carried out.	Yes			
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	Yes			
11. Trust funds (including charitable trusts). The Body has met its responsibilities as a trustee.			N/A	

For any risk areas identified by the Body (list any other risk areas below or on separate sheets if needed) adequate controls existed:	Agreed?			
	Yes	No*	N/A	Not covered**
13.				
14.				

* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

** If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

Name of person who carried out the internal audit: David Webster

Signature of person who carried out the internal audit:



Date: 28/05/2015

Section 5 – Guidance notes on completing the 2015 Annual Return

1. **Please note the changes to the accounts approval and audit process for this year. These are described on the front cover of this Annual Return.**
2. For guidance please read the Practitioners' Guide (*Governance and accountability for local councils: A Practitioners' Guide 2011 (Wales)*) – available from One Voice Wales and SLCC. It contains everything you need for the financial year-end and the statutory audit.
3. **The Wales Audit Office Good Practice Exchange (www.wao.gov.uk/good-practice/finance/community-council-money) provides further information on the accounts and audit process along with guidance on governance matters.**
4. Please make sure that all sections are completed (ie, no empty pink boxes) by the appropriate person and the certificates in Section 3 are properly signed and dated. Avoid making any amendments to the completed return. If this is unavoidable, cross out the incorrect entries, make sure the amendments are properly initialled and an explanation for them is provided to the auditor. **Please do not use correction fluid.** Annual returns that are incomplete or contain unapproved and/or unexplained amendments or correction fluid will be returned unaudited.
5. Use the checklist provided below. Use a second pair of eyes, perhaps your internal auditor or the Chair, to review your Annual Return for completeness before sending a copy to the auditor.
6. Make sure that the copy of the bank reconciliation you send to your auditor with the copy Annual Return covers **all** your bank accounts and cash balances. If there are no reconciling items, please state this and provide evidence of the bank balances. If your Body holds any investments, please note their value on the bank reconciliation. The auditor should also be able to agree your bank reconciliation to Line 9 in Section 1. More help on bank reconciliation is available in the Practitioners' Guide*.
7. Please **explain fully** any significant variances in the accounting statements. The auditor wants to know that **you** understand the reasons for the change. Please include a relevant and quantified analysis as shown in the Practitioners' Guide examples and not just a copy of your detailed accounts.
8. Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful. Please ensure that you enclose all the information that the auditor has asked for. If the auditor has to review unsolicited information, repeat a request for information, receives an incomplete bank reconciliation or explanation of variances this may incur additional costs for which the auditor is entitled to charge additional fees.
9. Please make sure that Section 1 adds up! Also please ensure that the balance carried forward from the previous year (Line 7 of 2014) equals the balance brought forward in the current year (Line 1 of 2015).
10. **Do not complete the External Audit Certificate in Section 3.** The external auditor completes this after the external audit work has been completed.
11. **Please deal with all correspondence with the external auditor promptly.** This will help you to meet your statutory obligations and will minimise the cost of the audit to the Body.

Completion checklist – 'No' answers mean that you may not have met requirements		Done?	
On submission to the external auditor		Yes	No
Accounts	Do the papers to be sent to the external auditor include an explanation of significant variations from last year to this year?		
	Does the bank reconciliation as at 31 March 2015 agree to Line 9?		
Approval	Has the RFO certified Section 3 (Regulation 15 (1)) no later than 30 June 2015?		
	Has the Body approved the accounting statements before 30 June 2015 and has Section 3 been signed and dated by the person presiding at the meeting at which approval was given?		
All sections	Have all pink boxes in Sections 1 and 2 been completed and explanations provided where needed?		
	Has all the information requested by the external auditor been sent with this Annual Return? Please refer to your notice of audit and any additional schedules provided by your external auditor.		
If accounts are amended after receipt of external auditor's report on matters arising		Yes	No
Accounts	Have the amended accounting statements been approved and Section 3 re-signed and re-dated as evidence of the Body's approval of the amendments before re-submission to the auditor?		

Note on Section 4 – Internal Audit

During the time covered the NWRWTP did not have its own separate books of account, bank accounts, etc. They were all part of the Flintshire accounts.

As such they were subject to the Flintshire Financial Procedure Rules and the same level of control as the rest of the Flintshire financial systems.

During 2014/15 the Flintshire financial systems were audited by Internal Audit, however the NWRWTP risk register was not covered.

The Annual Internal Audit report relies on the overall work completed at during the year.

NORTH WALES RESIDUAL WASTE TREATMENT PARTNERSHIP ACCOUNTS

Councillor Eryl Williams, Denbighshire CC

Following the Annual Return being signed in June 2015, an error has been detected on both the Debtors and Creditors figures for the 2013/14 financial year.

The figures on Page 3 should have read £472,128 when in fact they were in the accounts as £473,574.

Therefore, please can you initial to the side of the amended figures and provide full signature beneath the table on Page 3 (as shown with the yellow sticky tabs).

I also enclose a copy of the 2013/14 Statement of Accounts to confirm the figure that was presented in those Accounts.

Many thanks,



Dave Ledsham

Finance Manager

Flintshire County Council

Tel No. 01352 704503

25th September 2015

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