

Public Document Pack



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

To: Councillors: Richard Dew, Brian Jones, Dafydd Meurig, Bob Parry, Greg Robbins, Sam Rowlands, Carolyn Thomas, Julian Thompson-Hill and Catrin Wager
+ 1 Vacancy for a Flintshire County Councillor to be confirmed

Contact Officer:
Nicola Gittins 01352 702345
nicola.gittins@flintshire.gov.uk

5th June 2019

Dear Councillor

You are invited to attend a meeting of the **NORTH WALES RESIDUAL WASTE JOINT COMMITTEE** which will be held at **3.30 PM** on **TUESDAY, 11TH JUNE, 2019** in the **OPTIC GLYNDWR, ST ASAPH** to consider the following items

**** Members are asked to note the start time of the meeting****

A G E N D A

1 **APOLOGIES**

Purpose: To receive any apologies.

2 **DECLARATION OF INTEREST**

Purpose: To receive any Declarations and advise Members accordingly.

3 **ELECTION OF:-**

- a) Chair to the Joint Committee
- b) Vice-Chair to the Joint Committee

4 **APPROVAL OF PREVIOUS MINUTES** (Pages 5 - 8)

Purpose: To confirm as a correct record the minutes of the last meeting.

County Hall, Mold. CH7 6NA
Tel. 01352 702400 DX 708591 Mold 4
www.flintshire.gov.uk
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Ffôn 01352 702400 DX 708591 Mold 4
www.siryfflint.gov.uk

The Council welcomes correspondence in Welsh or English
Mae'r Cyngor yn croesawau gohebiaeth yn y Cymraeg neu'r Saesneg



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5 MATTERS ARISING FROM PREVIOUS MEETING

Purpose: To consider any matters arising from the previous meeting.

6 ANNUAL ACCOUNTS (Pages 9 - 20)

Purpose: For the Joint Committee to approve the Statement of Accounts for 2018/19.

7 CONSTRUCTION UPDATE (Pages 21 - 24)

Purpose: To update on construction progress and timetable.

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 reports contain details relating to the financial affairs of the 5 councils. Those details are commercially sensitive and the public interest in protecting that commercial position outweighs the public interest in revealing the information during the lifetime of the contract.

8 COMMISSIONING PREPARATIONS UPDATE (Pages 25 - 30)

Purpose: To update Members on the progress of the preparations for the commissioning and waste going into Parc Adfer.

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9 **HAULAGE SERVICES AND WASTE TRANSFER STATIONS REPORT** (Pages 31 - 36)

Purpose: To update Members on the progress of the Haulage Contract and Waste Transfer Stations.

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 reports contain details relating to the financial affairs of the 5 councils. Those details are commercially sensitive and the public interest in protecting that commercial position outweighs the public interest in revealing the information during the lifetime of the contract.

10 **COMMUNITY BENEFIT FUND REPORT** (Pages 37 - 40)

Purpose: To update Members on and discuss the development of the Parc Adfer Community Benefit Fund.

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 reports contain details relating to the financial affairs of the 5 councils. Those details are commercially sensitive and the public interest in protecting that commercial position outweighs the public interest in revealing the information during the lifetime of the contract.

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Chief Officer (Governance)
Prif Swyddog (Llywodraethu)

11 WELSH GOVERNMENT FUNDING (VERBAL)

Purpose: To update Members on the latest position regarding Welsh Government's funding support for the project.

12 ANY OTHER BUSINESS

Yours sincerely

Robert Robins
Democratic Services Manager

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NORTH WALES RESIDUAL WASTE JOINT COMMITTEE

Tuesday 26th March 2019 at 2pm at
Optic Glyndwr, St Asaph

PRESENT:

Councillor Brian Jones	Denbighshire County Council
Councillor Don Milne	Conwy County Borough Council
Councillor Carolyn Thomas	Flintshire County Council
Councillor Dafydd Meurig	Gwynedd County Council
Councillor Richard Dew	Isle of Anglesey County Council

ALSO PRESENT:

Flintshire County Council

Colin Everett (Lead Chief Executive) and Gareth Owens (Chief Officer – Governance)

Denbighshire County Council

Tony Ward

Conwy County Borough Council

Andrew Wilkinson

Gwynedd Council

Steffan Jones

Isle of Anglesey County Council

Meirion Edwards

North Wales Residual Waste Treatment Project

Steffan Owen (Regional Contract Manager)

1. **APOLOGIES**

Apologies for absence were received from Councillor Aaron Shotton (Flintshire County Council), Gary Ferguson (Flintshire County Council), Lisa Brownbill (Flintshire County Council), Councillor Julian Thompson-Hill (Denbighshire County Council).

2. **DECLARATIONS OF INTEREST**

No declarations of interest were made.

3. **APPROVAL OF PREVIOUS MINUTES**

The minutes of the meeting of the North Wales Residual Waste Joint Committee held on the 31st Oct 2018 were submitted for approval.



One minor amendment was noted, a missing word “not” in paragraph 8 of item 7 (Union actions).

RESOLVED:

- (a) *That the minutes of the meeting of the North Wales Residual Waste Joint Committee held on 31st October 2018 be approved as a correct record.*

4. **MATTERS ARISING FROM PREVIOUS MINUTES**

Tony Ward asked about what the proposals were for the Visitor Centre, and indicated that Denbighshire would not have the resources for staff to take visitors from Denbighshire to the Parc Adfer visitor centre.

Colin Everett replied that an outline is in place to meet this requirement, and it will be looked at in future.

Colin Everett noted that no further queries had been received from the unions, and that he had received positive feedback from Union colleagues.

5. **CONSTRUCTION UPDATE**

Steffan Owen went through the Construction Update Report, outlining that progress on site was positive, with high health and safety standards being maintained on site. The latest programme in relation to 1st waste delivery to Parc Adfer was early / mid May 2019.

A number of questions in relation to the background to the project and it's need were received by a member of the press at this point. All were responded to by the Joint Committee.

RESOLVED:

- (a) *That the report be noted.*

6. **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 items as they 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.*



COMMISSIONING PREPARATIONS UPDATE

Steffan Owen went through the report as issued in the papers, with updates on the resourcing and staffing for the contract management function which were now met within Flintshire. He went on to outline the work that was being undertaken in relation to developing the administrative process for payment flows operational management and contract monitoring.

RESOLVED:

- (a) *That the report be noted.*

7. HAULAGE SERVICES AND WASTE TRANSFER STATIONS REPORT

Steffan Owen went through the report as issued in the papers, with updates on the progress on preparations for waste transfer within each partner authority and the procurement of the haulage contracts. He also outlined the application for capital funding in relation to waste transfer stations that had been submitted by the partner authorities to Welsh Government (WG).

RESOLVED:

- (a) *That the report be noted.*
(b) *That Steffan Owen updates the Joint Committee on the result of the haulage contract procurement.*

6. AIR QUALITY MONITORING (PM2.5) REPORT

Steffan Owen went through the report as issued in the papers, outlining changes that had taken place to the air quality reporting regime as managed by Natural Resources Wales, principally in relation to particulate monitoring.

A discussion was held on the monitoring regime and the partnership's requirements in terms reporting.

RESOLVED:

- (a) *That the Joint Committee recommend specifying additional reporting of PM2.5 particulates, specifically 2 additional "extractive tests", during the first year of operation. This will ensure that quarterly reporting will be provided during the first year of operation.*

9. WELSH GOVERNMENT FUNDING

Colin Everett provided a verbal update on discussions with WG in relation to revenue support during the commissioning period.



Councillor Brian Jones asked if it would be preferable to write to WG as a Joint Committee in relation to the issue.

A discussion followed on making a case to WG in relation to the grant from WG.

RESOLVED:

- (a) *That the report be noted; and*
- (b) *That a letter is written to Welsh Government on behalf of the Joint Committee.*

10. **ANY OTHER BUSINESS**

It was agreed that the next meeting would be scheduled for June 2019. Date and location to be confirmed.

Colin Everett noted that the next meeting would be an Annual General Meeting requiring election of Chair and Vice Chair, and asked that authorities other than the lead authority, Flintshire, consider acting as Chair. This will be discussed at the next meeting.

(The meeting ended at 4.00 pm)



Agenda Item 6

NWRWTP

North Wales Residual Waste Treatment Project

AGENDA ITEM NO: 6

REPORT TO: **NWRWTP JOINT COMMITTEE**

DATE: **11 JUNE 2019**

REPORT BY: **CORPORATE FINANCE MANAGER (FCC)**

SUBJECT: **ANNUAL RETURN YEAR ENDED 31ST MARCH 2019**

1.00 PURPOSE OF REPORT

1.01 To present to Members of the Joint Committee the Annual Return Year Ended 31st March 2019 for the North Wales Residual Waste Partnership (NWRWP) for their approval.

2.00 BACKGROUND

2.01 The Joint Committee is classed as a smaller relevant body as its gross income and expenditure is less than £2.5m in the year of account. The type of accounts that a smaller body is required to produce is an Annual Return provided by the Wales Audit Office.

2.02 The Annual Return must be signed by the Responsible Finance Officer and approved by the Joint Committee before the deadline of 30th June. The audit commences after the Joint Committee has approved the Annual Return.

2.03 The audit must be completed and the Annual Return published by no later than 30th September. If no amendments are made to the Annual Return during the audit there will be no requirement for the Joint Committee to approve the amended Annual Return before publication.

3.00 CONSIDERATIONS

3.01 The Annual Return for 2018/19 is attached at Appendix A.

3.02 The Annual Return includes Flintshire County Council (FCC) Internal Recharge costs for Finance, Legal, Audit, Chief Executive and Democratic Services. A breakdown of the costs are shown below:-



Department	Time spent on project	Value
Finance	Finance Manager (Financial Modelling, Joint Committee, budget strategy) Accountant Budget Monitoring, Financial Modelling, preparation, collation and presentation	£2,400
Legal		£3,000
Internal Audit		£3,000
Committee Services	(issuing papers, website) (Minute taking etc)	£1,000
Chief Executives		£5,000
Streetscene	Waste Management – Operational Support in Contract Management Team	£10,020
	TOTAL	£24,420

4.00 RECOMMENDATIONS

4.01 Members are requested to approve the Annual Return for the year ended 31st March 2019.

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



NWRWTP

North Wales Residual Waste Treatment Project

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**

Contact Officer: Dave Ledsham
Telephone: 01352 704503
Email: dave.ledsham@flintshire.gov.uk

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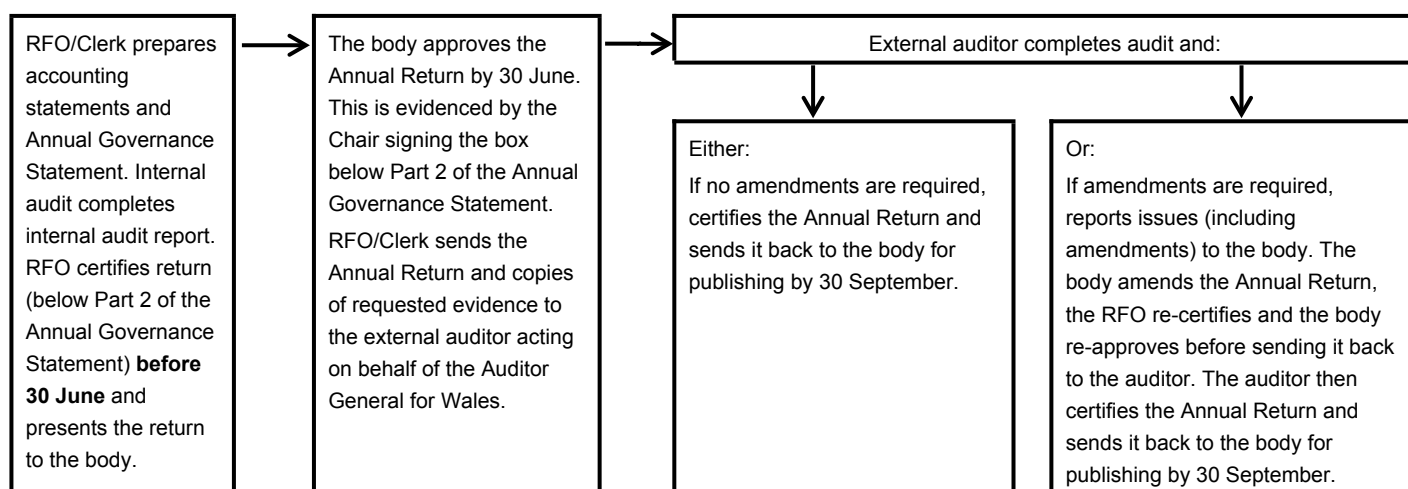
Smaller relevant local government bodies in Wales Annual Return for the Year Ended 31 March 2019

THE ACCOUNTS AND AUDIT PROCESS

Section 12 of the Public Audit (Wales) Act 2004 requires local government bodies in Wales to make up their 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 i.e. those with annual income and expenditure below £2.5 million must prepare their accounts in accordance with proper practices.

For minor joint committees with income and expenditure below £2.5 million, proper practices are set out in the One Voice Wales/Society of Local Council Clerks publication 'Governance and accountability for local councils in Wales – A Practitioners' Guide' (the Practitioners' Guide). The Practitioners' Guide requires that they prepare their accounts in the form of an annual return. This annual return meets the requirements of the Practitioners' Guide.

The accounts and audit arrangements follow the process as set out below.



Please read the guidance on completing this Annual Return and complete all sections highlighted in red including the Annual Governance Statement.

APPROVING THE ANNUAL RETURN

There are two boxes for certification and approval by the body. The second box is only required if the annual return has to be amended as a result of the audit. You should only complete the top box before sending the form to the auditor.

The committee must approve the annual return BEFORE the accounts and supporting documents are made available for public inspection under section 30 of the Public Audit (Wales) Act 2004.

The Auditor General for Wales' Audit Certificate and report is to be completed by the auditor acting on behalf of the Auditor General. It MUST NOT be completed by the Clerk/RFO, the Chair or the internal auditor.

Audited and certified returns are sent back to the body for publication and display of the accounting statements, Annual Governance Statement and the Auditor General for Wales' certificate and report.

Accounting statements 2018-19 for:

Name of body: NORTH WALES RESIDUAL WASTE JOINT COMMITTEE

	Year ending		Notes and guidance for compilers
	31 March 2018 (£)	31 March 2019 (£)	Please round all figures to nearest £. Do not leave any boxes blank and report £0 or nil balances. All figures must agree to the underlying financial records for the relevant year.
Statement of income and expenditure/receipts and payments			
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/levy	0	0	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	120,296	118,629	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	-59,233	-60,579	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 eg. termination costs.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	-61,063	-58,051	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).
Statement of balances			
8. (+) Debtors and stock balances	120,296	94,868	Income and expenditure accounts only: Enter the value of debts owed to the body and stock balances held at the year-end.
9. (+) Total cash and investments	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	-120,296	-94,868	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 asset and investment register value of all fixed assets and any other long-term assets held 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).

Annual Governance Statement

We acknowledge as the members of the **Committee**, 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 accounting statements for the year ended 31 March 2019, that:

	Agreed?		'YES' means that the Committee:	PG Ref
	Yes	No*		
<p>1. We have put in place arrangements for:</p> <ul style="list-style-type: none"> effective financial management during the year; and the preparation and approval of the accounting statements. 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12
<p>2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7
<p>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 Committee to conduct its business or on its finances.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	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
<p>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.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Has given all persons interested the opportunity to inspect the body's accounts as set out in the notice of audit.	6, 23
<p>5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Considered the financial and other risks it faces in the operation of the body and has dealt with them properly.	6, 9
<p>6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	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
<p>7. 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 Committee and, where appropriate, have included them on the accounting statements.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6
<p>8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.	6, 8, 23

* 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.

Committee approval and certification

The Committee is responsible for the preparation of the accounting statements in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014 and for the preparation of the Annual Governance Statement.

<p>Certification by the RFO</p> <p>I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Committee and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2019.</p>	<p>Approval by the Committee</p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:</p>
	Insert minute reference and date of meeting
RFO signature:	Chair of meeting signature:
Name: GARY FERGUSON	Name:
Date:	Date:

Committee re-approval and re-certification (only required if the annual return has been amended at audit)

<p>Certification by the RFO</p> <p>I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2019.</p>	<p>Approval by the Committee</p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:</p>
	Insert minute reference and date of meeting
RFO signature: signature required	Chair of meeting signature: signature required
Name: name required	Name: name required
Date: dd/mm/yyyy	Date: dd/mm/yyyy

Auditor General for Wales' Audit Certificate and report

The external auditor conducts the audit on behalf of, and in accordance with, guidance issued by the Auditor General for Wales. On the basis of their review of the Annual Return and supporting information, they report whether any matters that come to their attention give cause for concern that relevant legislation and regulatory requirements have not been met.

We certify that we have completed the audit of the Annual Return for the year ended 31 March 2019 of:

External auditor's report

[Except for the matters reported below]* On the basis of our review, in our opinion, the information contained in the Annual Return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

[[These matters along with]* Other matters not affecting our opinion which we draw to the attention of the body and our recommendations for improvement are included in our report to the body dated _____.]

Other matters and recommendations

On the basis of our review, we draw the body's attention to the following matters and recommendations which do not affect our audit opinion but should be addressed by the body.

(Continue on a separate sheet if required.)

External auditor's name:

External auditor's signature:

Date:

For and on behalf of the Auditor General for Wales

* Delete as appropriate.

Annual internal audit report to:

Name of body: NORTH WALES RESIDUAL WASTE JOINT COMMITTEE

The Committee'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 2019.

The internal audit has been carried out in accordance with the Committee'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 Committee.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Review of AP/P2P undertaken. This review covered all transactions including NWRW
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Review of Payroll has been undertaken
8. Asset and investment registers were complete, accurate, and properly maintained.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
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.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

For any risk areas identified by the Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:					
	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
11. Insert risk area	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
12. Insert risk area	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
13. Insert risk area	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

* 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.

During 2018/19 NWRW did not have its own separate book of accounts, bank account etc as they were part of the Flintshire Financial systems. During 2018/19 Internal Audit reviewed Paryoll, General Ledger and Sundry Creditors. NWRW Risk Register was not covered. The Annual Internal Audit report is formed based on the overall work completed during 2018/19 which will be presented to Audit Committee on the 5th June, 2019.

Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2017-18 and 2018-19. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: LISA BROWNBILL
Signature of person who carried out the internal audit:
Date: dd/mm/yyyy

Guidance notes on completing the Annual Return

1. You must apply proper practices when preparing this annual return. Proper practices are set out in the Practitioners' Guide.
2. Make sure that the Annual Return is fully completed ie, no empty red boxes. Please avoid making any amendments to the completed return. If this is unavoidable, cross out the incorrect entries, make sure the amendments are drawn to the attention of the body, properly initialled and an explanation for them is provided to the external 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 and may incur additional costs. Ask your auditor for an electronic copy of the form if required.
3. Use a second pair of eyes, perhaps the Chair or a member, to review your Annual Return for completeness before sending the original form to the auditor.
4. Make sure that your accounting statements add up, that the balance carried forward from the previous year (line 7 of 2018) equals the balance brought forward in the current year (line 1 of 2019). Explain any differences between the 2018 figures on this annual return and the amounts recorded in last year's annual return.
5. Explain fully any significant variances in the accounting statements. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a detailed analysis to support your explanation and be specific about the values of individual elements making up the variances.
6. Make sure that the copy of the bank reconciliation you send to your auditor with the 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 Committee holds any short-term investments, please note their value on the bank reconciliation. The auditor should also be able to agree your bank reconciliation to line 9 in the accounting statements. More help on bank reconciliations is available in the Practitioners' Guide.
7. **Every committee must send to the external auditor, information to support the assertions made in the Annual Governance Statement even if you have not done so before.** Your auditor will tell you what information you need to provide. Please read the audit notice carefully to ensure you include all the information the auditor has asked for. You should send **copies** of the original records (certified by the Clerk and Chair as accurate copies) to the external auditor and not the original documents themselves.
8. Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful.
9. If the auditor has to review unsolicited information, repeat a request for information, receives an incomplete bank reconciliation or explanation of variances or receives original documents that must be returned, the auditor will incur additional costs for which they are entitled to charge additional fees.
10. **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.
11. **Please note that if completing the electronic form, you must print the form for it to be certified by the RFO and signed by the Chair before it is sent to the auditor.**

Completion checklist – 'No' answers mean that you may not have met requirements		Done?	
Initial 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?	X	
	Does the bank reconciliation as at 31 March 2019 agree to Line 9?	X	
Approval	Has the RFO certified the accounting statements and Annual Governance Statement (Regulation 15 (1)) no later than 30 June 2019?	X	
	Has the body approved the accounting statements before 30 June 2019 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 the accounting statements and Annual Governance Statement 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 the Auditor General'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 Committee's approval of the amendments before re-submission to the auditor?		



AGENDA ITEM NO: 7

REPORT TO: NWRWTP JOINT COMMITTEE

DATE: 11th JUNE 2019

REPORT BY: CONTRACT MANAGER

SUBJECT: CONSTRUCTION PROGRESS REPORT

1. PURPOSE OF REPORT

- 1.1. To update the Joint Committee on progress on the construction of the Parc Adfer facility.

2. BACKGROUND

- 2.1. Financial Close on the NWRWTP procurement was reached in mid-December 2016 and the contract formally awarded to Wheelabrator Technologies Inc (WTI).
- 2.2. WTI's Engineering Procurement and Construction (EPC) contractor is CNIM, whose Civil Engineering sub-contractor is Clugston. Both CNIM and Clugston are highly experienced contractors in the Energy from Waste (EfW) market. Furthermore, they have a well-established relationship, with Parc Adfer being their 10th EfW construction project together.
- 2.3. A Liaison Procedure for reporting progress of the construction against the timetable is set out in the Project Agreement (PA). To comply with the with PA's requirements a formal Monthly Construction Progress Report is submitted to the authority by WTI. Monthly meetings (Contract Management Board) are being held with WTI and their contractors to formally report on progress, issues on site and any potential known risks to the programme.
- 2.4. The NWRWTP are represented on the Contract Management Board (CMB) and all output and discussions of the CMB is reported to the Technical Officers Group and the Project Board.
- 2.5. As well as the above, the authority's Contract Manager visits the site weekly, although complete flexibility remains to visit the site at other times should the need arise.

3. CONSIDERATIONS

Overall progress



- 3.1. Progress on site has seen some delays, with the programme for 1st waste delivery now expected to be in July 2019.
- 3.2. Works on the site have continued in the following areas: completing mechanical and electrical works, air cooled condenser, perimeter fencing and permanent roads.
- 3.3. Commissioning activities have continued with substantial completion achieved for the majority of the of process systems. Civils works, which include building services and fire protection, are the current critical path activities and CNIM has implemented an acceleration plan with the aim of trying to ensure that the current delay does not impact the Planned Services Commencement Date (15th October 2019).

Health and Safety

- 3.4. Overall health and safety standards on site have been maintained to a high standard, however work is ongoing to improve standards in some areas such Personal Protective Equipment (PPE) compliance and housekeeping.

Planning and Permit

- 3.5. All of Natural Resources Wales's (NRW) pre-operational conditions have now been satisfied, with pre-operational meetings taking place with NRW.
- 3.6. A further non material amendment has been submitted to the Planning Authority. These include minor changes to the building footprint and minor variation to the shade of colour to the cladding material etc. Discussions with the Planning Authority indicate the minor nature of the changes mean there are no areas of concern.

Reported key dates

- 3.7. The date of 1st waste delivery by the Partnership to Parc Adfer is expected to be in July 2019. Preparations for this are discussed further in the agenda.

4. RECOMMENDATIONS

The Joint Committee is asked to:-

- 4.1. Note the content of this report.

5. FINANCIAL IMPLICATIONS

- 5.1. The financial implications of the contract have previously been through an approvals process within all partner authorities, and the implications of the



NWRWTP

North Wales Residual Waste Treatment Project

revised offer have been discussed by the Project Board and Joint Committee.

6. ANTI-POVERTY IMPACT

6.1. Not applicable.

7. ENVIRONMENTAL IMPACT

7.1. The environmental implications of the contract have previously been through an approvals process within all partner authorities.

8. EQUALITIES IMPACT

8.1. Not applicable.

9. PERSONNEL IMPLICATIONS

9.1. Not applicable.

10. CONSULTATION REQUIRED

10.1. As set out within the report.

11. CONSULTATION UNDERTAKEN

11.1. Not applicable.

LOCAL GOVERNMENT ACCESS TO INFORMATION ACT 1985

Background Documents:

None

Contact Officer: Steffan Owen - NWRWTP Project Manager

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