

**GREENER EALING LIMITED (“GEL”)
MINUTES OF THE BOARD OF DIRECTORS MEETING HELD AT 10:00 HOURS ON 10 MARCH 2020
AT PERCEVAL HOUSE, EALING, LONDON**

Present:	Mike Boulton	Chair and Director	MB
	Alison Reynolds	Director	AR
	Kieran Read	Director	KR
In attendance:	Kevin O’Leary	Interim Managing Director, GEL	KOL
	John Arnold	Programme Manager, GEL	JA
	Bill Gilmour	Human Resources Manager, GEL	
	Chris Neale	Finance, LBE	CN
	Helen Harris	Director of Legal and Democratic Services, LBE	HH
	Gary Alderson	Shareholder Representative, LBE	GA
	Daniella Toma	Business apprentice, LBE (observing)	DT
	Jo Steel	Bridgehouse Company Secretaries	JS
	Lizzie Purewal	Bridgehouse Company Secretaries, (Minutes)	LP

1. Apologies for Absence

1.1 No apologies had been received.

2. Declarations of Interest

2.1 There were no other conflicts of interest in regards to items on the agenda.

3. Board Appointments

3.1 The Board noted that Bill Gilmour had been appointed (1 March 2020) as HR Director, by the shareholder to the Board.

4. Minutes of the last meeting – 3 February 2020

4.1 The minutes of the last meeting were approved as a correct record of the meeting, to be signed by the Chair.

5. Matters arising from the previous Board meeting

5.1 The Board discussed the summary update of matters arising from previous Board meeting, included in the meeting pack. The Board noted that several of the actions recorded at the meeting in February 2020 had been closed. The following remaining items were discussed:

- **7.1 - Half day strategy/business plan session** – due to be confirmed on 30 April. This would then lead in to the business plan which would be presented to the June Cabinet session. The Board recognised that elements of the report relating to delivery of the plan would be commercially sensitive and the report would be written with this in mind. *(post meeting note: this session had been postponed)*
- **7.1 – Induction** – 23 March was a possible date, diaries were being consulted.
- **9.1 – Directors interests** – JS would compile the register of interests for approval at the next meeting.
- **11.1 – Memorandum of Understanding** – HH and KOL to work together to create a MOU on dealing with disputes. An initial list had been collated, discussions would be taking place with Council colleagues to find a conclusion.

6. Change of Accounting Reference Date

6.1 JS presented the recommendation to change the Accounting Reference Date for the company, as included in the meeting pack.

It was recommended that the ARD initially be brought forward to 30 June 2020 to cover the non-trading period for the company, with a subsequent change to 31 March 2021 to bring each annual accounting period in line with the Council's financial year. The Council had approved this approach.

The Board **approved** the recommendation to change the accounting reference date to 30 June and to shorten the first accounting period to end on 30 June 2020. This change would be filed with Companies House.

7. Chairman Role Profile

7.1 JS presented the role profile for the role of the Chairman of the Board, as included in the meeting pack.

The Board **approved** the draft Chairman role profile.

8. Data Protection Policy

8.1. JS presented the Data Protection Policy, as included in the meeting pack.

AR sought clarification on the customer data that would be held. The intension was that customer data would be an anonymised list of addresses, with no personal data

held. AR commented that the current operation did hold personal data and so this would need to be changed. Personal data in relation to customer complaints, bulky items and garden waste would be dealt with on the client side, not by GEL. Customer data would be kept under review. [GA]

8.2. Following further discussion, it was agreed that GEL would register with the ICO (which would incur a minimal registration fee). [JS]

8.3. JS commented that discussions were taking place with the ICO regarding a Data Protection Officer (“DPO”). Due to GEL being owned by a council a DPO was required, and once someone had been identified to take on this role within Broadway Living it would be possible to register GEL. An exemption was currently in place given GEL currently did not process personal data.

8.4. JS to create a decision note, within the data protection record, to capture the pros and cons and the reasons why GEL had decided to register voluntarily with the ICO. [JS]

8.5. The Board noted the applicability of GDPR to GEL and **approved** the Data Protection Policy.

The compliance steps relating to the practical implementation of GDPR were noted.

9. Freedom of Information Policy

9.1 JS presented the Freedom of Information (“FOI”) policy, included in the meeting pack and the following points were discussed:

- FOI for GEL would be logged centrally with the Council in the same manner as Broadway Living. Responsibilities in relation to FOI to be covered in the SLA between GEL and the Council. [KOL]
- Publication scheme requirements were discussed. It was expected GEL would have a single website holding any GEL related information with links between GEL and the Council website, to avoid duplication of documents.
 - Responsibilities to be formalised in the SLA in relation to support from the Council Communications team with regards to branding and website issues. [KOL]
 - Responsibility for maintaining up to date publications for GEL, to include regular updates for Board papers and minutes, to be allocated within GEL, embedded within the Company as opposed to a central function. [KOL]
 - Branding of the GEL website was being undertaken by the Council Corporate Communications Team

The Board **approved** the Freedom of Information Policy.

10. Health and Safety Framework & H&S Project update

10.1 KOL presented the Health and Safety Policy and Organisation and Responsibilities – Draft Policy, and the following points were discussed:

- Greener Ealing needs to establish a Health and Safety Framework. As a first step in this process the Board is asked to agree in principle to the following:
 - Draft Health and Safety Policy statement
 - Organisational framework
- A full review would be undertaken in consultation with Ealing Council.
- In response to MB's query KOL confirmed that resourcing was now in place.
- Discussions were taking place with advisors, regarding the documentation already in place with Amey and the Council, to confirm what could be utilised.
- KR commented that mental health should be considered as part of GEL's welfare and wellbeing responsibilities, in the Health and Safety Policy. KOL confirmed the policy would be updated to make the welfare and wellbeing responsibilities more explicit.

[KOL]

The Board **approved**, in principle, the draft Health and Safety Policy statement and the Organisational framework.

11. MD Mobilisation Plan Update and Report

11.1 KOL provided an update on the mobilisation. Considering both fleet deliveries and the pros and cons of whether to allow vehicles to be deployed under Amey's management if they arrive early. He provided a high-level overview of the key workstreams and identified the main risks and mitigation that had been put in place.

11.2 Vehicle Maintenance

- Two tenders had been received for the Vehicle Maintenance contract and it was hoped an offer would be confirmed by the end of the week.
 - The first tender looked promising, however, on review it was not clear if this would be economically sustainable, due to the low rate. Clarification had been requested.
 - Clarifications were also taking place with the second tender.
- In response to GA's query, JA commented that cabinet approval of the tender, had been added to the forward plan for key decisions within the past week.
- In response to MB's query GA confirmed that the Cabinet were mindful of deliverability, reliability and good customer service and would support the most suitable tender, not necessarily the cheapest, providing it fell within budget. KOL confirmed both tenders were within budget.

11.3 Vehicle Delivery

- The situation had slightly improved since the February Board update, with some new GEL vehicles being delivered sooner than expected.
- 2 options were being considered for vehicles arriving before the go live date (6 July), option A would be to allow the new GEL vehicles to be used by Amey and option B would be not to allow the vehicles to be used until 6 July. Option B requires consideration for the storage and security of the vehicles and the associated costs of this.
- Discussions were underway with Harrow Council regarding land that had been identified for storage.
- It was likely that a mixture of option A and B would be employed.
- MB commented that from the Council perspective there was a potential financial benefit in allow Amey to use the fleet. However, from a GEL perspective allowing another contractor to utilise the fleet prior to their departure from the contract would be a challenging scenario to manage. Unless there was a financial benefit to GEL it didn't seem to be a beneficial arrangement.
- KOL reported that Amey had initially said they would not wish to use the GEL fleet, however, negotiations were ongoing. It was known that Amey had hire vehicles that were coming to the end of their hire and so there use of the new GEL vehicles could also benefit Amey.
- In response to AR's query KOL and GA confirmed that pre and post inspection of the fleet could be employed and insurance of the vehicles could be put in place by Amey. With the necessary controls in place this could be a beneficial arrangement to all parties. It was not uncommon for a Council to allow an existing contractor to use new vehicles prior to their departure.
- GA highlighted that with option A the residents would get the benefit of a more reliable fleet straight away. Storing vehicles in use, in a depot, negated the security and storage costs associated with locating the vehicles elsewhere. At the end of the 5 year lease, not all of the fleet would require updating and this could be managed in stages.
- MB, KR and GA discussed the timeline for deciding which option to progress. The critical point for committing resources to storing the vehicles would be the date from which the suppliers would no longer hold them. JA confirmed this date had been pushed back to mid-April.
- GEL would put the necessary plans in place for the new vehicles to be stored until 6 July. Discussions were underway regarding a location in Harrow another location (which was yet to be disclosed).

11.4 Personal Protective Equipment ("PPE"), Agency Staff and Fuel

- A series of Procurements were continuing – Agency Staff and Fuel were on the forward plan for Cabinet approval.
- Fuel – GA commented that the price of fuel was linked to an indicator that was expected to materially reduce over the next month, this would need to be highlighted in the next cabinet report.

[KOL]

- Agency staff – in response to MB KOL and JA confirmed Amey sourced agency staff from Hays. The GEL agency supplier: Pertemps would be engaging with Hays to carry out an agency TUPE of staff ready for 6 July. A plan was in place to recruit additional staff and a letter of intent was due to be sent to Pertemps, to allow them to review GEL needs and allow ample time to recruit for the Agency levels indicated by Amey.
- ICT – no issues had been identified.
- HR Manager Bill Gilmour started on 1 March 2020 and Head of Finance Katerina Pohancenikova was due to start in early April.
- High level, early discussions had taken place with the Trade Unions. Engagement with them and the local shop stewards would continue on a regular basis once we the TUPE phase of the project started.
- Greenford Road Depot – parking arrangements in the depot were being checked with Amey transport manager and Ealing staff. JA confirmed discussions were underway in relation to the location and costing of electric charges for the GEL new vehicles. Following inspection of the welfare facilities these were not considered fit for purpose and an agreed programme of works was being reviewed. A project manager was reviewing all depot issues.
- Communications –a dedicated part time Communications Officer: Verity Adams had now been recruited.
- The service contract has now been received and consideration was being given to the GEL formal response to the document.
- GA commented that a big element in the Amey contract was the day rate requirements. It was recognised that GEL would not currently have this level of granularity. The Council had therefore requested that this schedule be provided 6 months after the go live date, when the costs were truly understood. The Council were looking to find the balance between being supportive and helpful whilst also being legal and correct and protecting the council in the longer term.
- KR sought clarification on whether the resources available within the service contract were sufficient to meet the contract obligations from 6 July, or in the future. KOL confirmed that there was a small risk that the resources would not be sufficient. Resources had been impacted by matters such as the additional £100k that would be required in 2021 due to the unforeseen increase in London Living wage and the escalating ICT costs. Until a full picture had been determined it would be difficult to confirm that the contract would be delivered on budget. Detailed work was being undertaken across the 3 main workstreams, profiled across the year to review the income and costs impact. A further challenge on assumptions made in terms of the business plan would be undertaken. An update would be provided at the next Board meeting. An experienced waste manager and a contract support company were due to be brought on board to strengthen the team.
- AR sought clarification on whether the IT costs also included the ongoing revenue costs. KOL confirmed that negotiations on SLAs had not yet been concluded and some costs were yet to be determined. GA confirmed that ICT was being discussed in weekly meetings. Whilst the increase was frustrating the requirements had been evidenced and there was transparency on costs.

[KOL]

- The Operator's licence application was being progressed.
- MB confirmed his appreciation at the level of work that had been undertaken to date.

12 Appointment of Bankers and change to banking mandate

12.1 CN presented the paper 'Appointment of Bankers and change to banking mandate', included in the meeting pack, and following points were discussed:

- A Lloyds bank account had been opened for the company, on Monday 19th February 2020
- A Service User Number for Greener Ealing Ltd had been set up for iTrent/Midland Software to allow them in future to process payroll paid by the Greener Ealing bank account, and to allow testing by IT
- The Council had deposited £10 into that account to allow testing of it by IT regarding payroll.
- The mandate currently was set up to ensuring system testing on the account, so allows for 1 signatory only, this would be updated with a relevant proposal before there were material funds in the account, once employees were in place.

13. Finance Update

13.1 CN presented the Finance Update paper, included in the meeting pack, and the following points were discussed:

- In response to a request at the February Board further clarification was provided regarding the lease terms.
- There had been no other changes to the forecast since the February Board.
- A 5 year leasing option was chosen for the funding of the new GE fleet as opposed to an 8 year option. The 5 year option increases annual revenue costs but this was offset by the following:
 - Optimal lifecycle for the majority of the fleet
 - Vehicle reliability and service confidence regarding delivery
 - Cheaper maintenance after year 5
 - Captures for impact of greater residual values achieved at 5 years
 - Avoids poor reliability and service failure in years 5 -8 and
 - Allows for the earlier introduction of greener or alternative fuel vehicles to help reduce CO2 emissions.
 - There was an ability to extend the contract beyond 5 years, although this had not been included in the contract to avoid confusion with lease finance.
- The lease allowed the council to temporarily lease on to the outgoing contractor Amey, with provisions to protect the council on vehicles being returned.
- KR sought clarification in relation to the environmental benefits that were not in line with Council priorities and the cost associated with penalties for older

vehicles. KOL confirmed the Company was obliged to consider council priorities in its financial decision making. GA confirmed that the Council Director of Finance was involved in the decision to take the 5 year lease option. Going forward the Council would have a range of priorities which the Company might or might not be able to accommodate in the business plan. Essentially where the council has a requirement that GEL needs to meet, the Council will need to pay for it, for example the requirement that GEL pays the London Living Wage.

- KOL commented that it was important for GEL to grow its own identity and have its own aspirations in relation to the environment. With a view to having a relationship with the Council and other potential 3rd parties. GEL should have an environmental accreditation to aid future business development.
- The draft service contract and specification, received from the Council, needed to be reviewed and priced by GEL within 6 months.
- KOL and CN had met with the Council's auditor Deloitte to agree the service and timing, with the audit starting in September. Deloitte had suggested that given this was an audit on operations to the end of June and there would have been limited activity, their work could focus on the lease contracts. A Letter of Engagement and requirements was due to be agreed.
- The Council's tax advisor PwC was expected to provide more advice in the next month. Tax registrations were underway for VAT, PAYE and Corporation Tax.
- Specialist advice had been requested from external advisors to confirm the approach to be taken regarding State Aid and a reasoned decision would need to be documented in relation to this.

[KOL]

14. Board Forward Plan

- 14.1** The Forward Plan was discussed. KOL advised that some items might be moved from the April agenda to May due to the workload required to progress certain items.

KOL would provide a revised update of the draft business plan that was presented to Cabinet in October.

[KOL]

15 Any Other Business

- 15.1**
- Coronavirus - AR queried whether specific plans would be put in place in relation to the Coronavirus. GA confirmed that the Council had considered the potential scenario of losing up to 35% of staff. From the client side pre-agreed prioritisation of services was in place. The current approach would be transferred across to the new contract, with more vulnerable people being supported first.
 - The Next meeting would take place on 23 April. Remote connection was considered, due to homeworking measures being put in place for the Coronavirus. HH confirmed that meeting remotely was not permitted for Committee and Cabinet meetings. If self isolation was required emergency decision making powers could be enacted.

15.2

There being no other business the meeting closed at 11.12am

Signed

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Mike Boulton
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Date

14-May-2020 | 09:46 BST

Mike Boulton

Chair of the Board