

GREENER EALING LIMITED (“GEL”)
MINUTES OF THE BOARD OF DIRECTORS MEETING
HELD AT 15:00 HOURS ON 28 MAY 2020 BY SKYPE CONFERENCE

Present:	Mike Boult Alison Reynolds Kieran Read	Chair and Director Director Director	MB AR KR
In attendance:	Kevin O’Leary	Interim Managing Director, GEL	KOL
	John Arnold	Programme Manager, GEL	JA
	Bill Gilmour	Human Resources Manager, GEL	BG
	Katarina Pohancenikova	Head of Finance, GEL	KP
	Chris Neale	Finance, LBE	CN
	Sharon Brown	Human Resources, LBE – (from minute: 7)	HH
	Gary Alderson	Shareholder Representative, LBE	GA
	Lizzie Purewal	Bridgehouse Company Secretaries, (Minutes)	BCS

1. Apologies for Absence

Apologies were received from Helen Harris and Dipti Patel.

2. Declarations of Interest

There were no conflicts of interest in regard to items on the agenda.

3. Minutes of the last meeting – 23 April 2020

3.1 The minutes of the last meeting, 23 April 2020, were approved as a correct record of the meeting, to be signed by the Chair.

4. Matters arising from the previous Board meeting

4.1 The Board discussed and noted the summary update of matters arising from previous Board meeting, included in the meeting pack.

The actions still in progress were carried forward. The Chair made a plea that all actions were closed by the next board so that the new contract could start with all items resolved.

[ALL]

5. Governance - Anti-Fraud Policy

5.1 The Board reviewed and approved the Draft Anti-Fraud Policy, included in the meeting pack.

6. Business Plan 2020/21

6.1. KOL presented the Business Plan 2020/21, included in the meeting pack and the following points were discussed:

- This was the final version of the Business Plan, following initial consultation with the Board at the last meeting on 23rd April and the valuable input from Directors at a virtual session on 12th May.
- The plan had been amended to include an additional longer-term ambition for growth expressed at the meeting on 12th May. There were now 3 higher level strategic ambitions in total.
- GEL's aspirations on environmental sustainability had also been strengthened by including a reference in the values. This would be further strengthened when the action plans were developed.
- From the 3 overarching mission critical objectives, 10 supporting key objectives had been identified. These had been grouped into 2 sets of objectives. Objectives 1-5 were proposed as a way of measuring the performance of the management team from July 2020 to March 2021 and were considered a higher priority in terms of getting to know the business, settling it down and reviewing the areas.
- Objectives 6-10 related to longer-term priorities from January 2021 to July 2021, reflecting the need for consideration of GEL's longer-term growth, identified by Directors at the virtual session on 12th May.
- Amey and the Council agreed that GEL would conclude the pay negotiations with the Amey workforce. Provision had been made in the GEL budget from July, although the Council had agreed to honour any agreement GEL made with the workforce from 1 April. There were also other pressures in relation to annual leave that needed to be contained.
- Financial Overview – following agreement, the Draft Business Plan 2020/21 would be presented to Ealing Council's Cabinet on 16th June 2020 for final sign off from the Council. The Plan had been considered by the senior council leadership team on 27th May and showed a small surplus. It was recognised that unforeseen financial pressures had emerged, due to delays to the delivery of the vehicle fleet and the need to introduce new safe ways of working and PPE, as a result of the Covid-19 situation. The Council's Cabinet would be asked to consider the use of the £500k contingency fund set aside for 2020/21 to be applied to these pressures. GA commented that the Senior Leader Team had endorsed the report and clarified that with regard to the contingency money, the expectation was that GEL would seek to avoid an overspend on the current allocated budget. However, if at the end of the year having done all things possible, then at that point an application could be made for that £500k.
- MB queried the application process should the contingency money be required, if at the end of the year all demands could not be met. GA commented that the situation had not arisen to date and suggested that the contingency money would either be provided as a further payment from the client in terms of the contract relationship or would be a further call for funds from the Council as the shareholder. GA further commented that it

was key that the current risks were outlined in the Committee report and work was undertaken to seek to mitigate those risks.

- CN commented that given some of the additional costs identified were related to Covid-19, these should be identified as Covid-19 related spend, rather than contingency spend. GA confirmed the Government was committed to covering additional expenditure in response to Covid-19. These costs should therefore be recovered from the Government and not the Council. AR commented that the Council was keeping a detailed record of any spend attributable to Covid-19 and GEL would also need to ensure any attributable Covid-19 costs were flagged to the Council so that these could be recouped.

Following further review and consideration the Board approved the Business Plan 2020/21.

MB sought clarification on the onward approval process for the Business Plan 2020/21. GA confirmed that the document would be reviewed by the majority group members for their views and the leader was due to provide feedback on Tuesday 2nd June and the document would then be made public a week later.

7. Greener Ealing Ltd – Mobilisation Plan Board Update

7.1. KOL presented the Mobilisation Plan Board Update together with the Vehicle Delivery Mitigation document (appended to the action log) and the following points were discussed:

- KOL thanked JA for resolving the vehicle hire arrangements, as a result of the significant delays to vehicle deliveries due to the Covid-19 situation. JA had mitigated this impact by putting in place short term hire agreements.
- Vehicle maintenance – The mobilisation of the Vehicle Maintenance with Go Plant as chosen supplier was going well. Regular meetings were taking place between the current Amey Transport Manager, Go Plant and GEL.
- O License – formal approval had not yet been granted; however, all requirements of the Traffic Commissioner had been satisfied and it was expected this would be signed by the end of the week.
- Procurement – good progress had been made on all procurements including PPE, Agency Staff and Fuel Supply.
- ICT – was currently in the testing phases and training on aggressor business world systems had taken place. A few risks had been identified and were being managed.
- HR – a key risk related to the onboarding of staff, as a result of the limited options for staff engagement in face to face meetings, due to the current Covid-19 social distancing guidelines. Consideration had been given to options such (1) holding a number of smaller induction sessions at Greenford depot over a number of days or (2) sourcing a large venue that would satisfy social distancing arrangements. The preferred option was to deliver the induction to many people in a venue that satisfied social distancing requirements, which had provisionally been booked for 20th June.

- Employers Liability Information (“ELI”) – the final ELI information from Amey in relation to the transferring staff, was expected in early June. A Measures Letter had been drafted to set out any initial changes to be made and highlight other areas to be considered for change.
- The Service Agreement was yet to be finalised. A short list of outstanding actions would be collated, and the agreement would need to be finalised before the go-live 5 July.
- H&S – good progress had been made. Plan B has nearly completed all Risk Assessments and Safe Systems of Work for Grounds Maintenance and Street Cleansing. Plan B were on track to complete requirements by the Go Live date. A final report on H&S would be provided at the June Board meeting.
- The H&S Policy would be updated to make the welfare and wellbeing responsibilities more explicit as requested by the Board on 10 March.
- KR queried whether communicating the values of GEL had also been prioritised for communication to the incoming workforce, in line with the key induction information. KOL commented that communication with the incoming workforce was key a challenge. An initial newsletter had been circulated to incoming staff as an introduction and a second newsletter was planned. KOL confirmed directors would receive the newsletter going forward. KOL recognised that the newsletters could not replace the need for face to face meetings, where a number of managers could express GEL values. Once the Covid-19 social distancing measures were eased face to face meetings would need to be arranged to demonstrate the importance of these values to staff. Literature would be in place in the depot to support these values. It was regrettable that these meetings were not possible at this time, however they would be undertaken when possible.
- AR queried whether any communication was planned or had been circulated to notify residents of the change in service provider and investment in new vehicles. KOL confirmed that a low-key article notifying residents would be included in the resident’s newsletter: ‘Around Ealing’. Once the changeover had taken place and was running well further communication would be made to residents. AR requested site of any communication prior to circulation.
- MB sought clarification on whether the required support was in place for the weekend before the Go Live date and offered his support if needed. KOL confirmed the required support was in place and noted that GA had offered to make Council staff available that could offer relevant skills and experience. Discussions were also taking place with Amey staff that were transferring to GEL, to ensure they would be available. KOL was also working closely with Amey to plan their exit from the depot, so that GEL vehicles could be put in place.
- MB sought clarification on ICT costs, highlighting that KOL’s report stated that price increases for some equipment were not significant, which differed from the Finance report. KOL commented that tracking the ICT costs from 2018 to 2020, and through to 2021 has been a challenge. The position reached with the cabinet report and overall business plan was a required start-up loan of just over £2m. This included one off costs which had not

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previously been a requirement, such as £370k for the purchase of electric vehicles, which were originally in the wider leasing deal. KOL would provide a note to the Board to provide a breakdown of the £600k increase to the original budget, noting that a lot of this was ICT related spend. KOL confirmed the start-up loan had been agreed with the Council's Finance Director and the repayment of this had been included back into GEL's P&L in the business plan.

[KOL]

- MB thanked KOL and the project team for all their hard work in progressing the Mobilisation Plan.

The Board noted the Mobilisation Plan Board Update.

8. Workforce strategy

8.1. WG presented the Workforce Strategy and the following points were discussed:

- It was recognised that the desired improvements in the quality of services could only be delivered through the workforce. In order to achieve the improvements consideration was required as to how the workforce were organised, developed, managed, motivated and rewarded.
- The GEL vision was aspirational and written in a way that was easily understandable. The values: the 4 C's, tied in with the vision and were simple messages that could easily be remembered.
- The incoming Amey workforce would be reviewed to ensure they were being deployed appropriately. On receipt of ELI information (or post-transfer) the workforce profile would be examined to assist in succession planning, career development, learning and development needs.
- Work would be undertaken to define the culture of GEL. Feedback from the unions was that staff were very unhappy with the Amey working environment and GEL therefore had an opportunity to create the type of environment where employees felt valued, with fair pay, good working conditions and development opportunities. It was believed that this approach would foster a more collaborative, flexible mindset and would help GEL achieve its objectives.
- A skills gap analysis would be undertaken. It was recognised that developing a Learning and Development culture would be crucial to the success of GEL. An apprenticeship programme would be introduced, to utilise the Apprenticeship Levy, which would be available for all employees and cover aspects such as NVQ (level 2) in Support Services and Grounds Maintenance as well as an apprenticeship for LGV driving which would deal with anticipated shortfalls on required driver numbers. It was believed that the various apprenticeships would provide a career pathway and encourage employees to identify more closely with GEL.
- Training matrices would be introduced to ensure all managers and supervisors had core competencies in human relationship management, consistent with GEL's aim to define and maintain a positive culture.

- Employee engagement – understanding employee satisfaction levels would be a key component in developing an engaged workforce. Employee Surveys and other communications had been planned and would be carried out as far as possible within the current Covid-19 restrictions.
- The workplace facilities at the Greenford Depot had been found to be unacceptable on earlier inspection and these would be upgraded as a matter of priority.
- A number of policies and procedures were being implemented to provide a positive working environment, such as the Whistleblowing Policy and Grievance Procedure and Health and Wellbeing Policy.
- Health Safety and Wellbeing – WG and JA were working on an induction plan for the Amey transferees. In addition to the Health and Safety practices, a sympathetic approach would be adopted with employees reporting mental health issues.
- GEL Commitments and Expectations would be communicated to employees, setting out the expectations of employees in or to deliver the GEL Vision and the what they could expect in return.
- It was recognised that due to the Covid-19 situation staffing levels might be reduced due to illness. Given the Covid-19 Pandemic was starting to abate, it was hoped that the UK was over the worst of it. However, relationships were in place should temporary staff be required.
- AR queried whether plans were in place should Covid-19 peak again when the lockdown eases. WG confirmed that JA had reviewed the plan put in place by Amey in terms of social distancing and this would be built upon to control movement in and around the depot as well as allocating work.
- AR stressed how important it was that meetings and staff engagement, originally in the communication plan, took place once the Covid-19 restrictions eased. WG commented that training was due to take place for the first 3 months following Go Live on 5th July and confirmed that face to face contact was a key priority. KR commented that if necessary and if it could be achieved within social distancing guidelines, he was happy to visit Greenford depot as part of the mobilisation process.
- KR requested, that once the Amey data had been received and digested, metrics should be included under item 7: Measuring Progress, in future iterations of the Workforce Strategy. WG confirmed that once the performance measures had been determined these would be signed up to.

Following further review and consideration the Board approved the Workforce Strategy.

[WG]

9. Finance update

9.1. KP presented the Finance Update, as included in the meeting pack and the following points were discussed:

- A revised forecast against the original provision provided by the council had been provided up to 30 June. Costs had been included that weren't originally anticipated when the budget was prepared. The costs had now

been included as a precautionary measure, based on the latest knowledge and quotations. The majority of the spend related to ICT software and hardware and as per the action agreed under minutes 7.1 a breakdown of these costs would be provided.

- The Lease Finance Tender was reported by the advisors LINK as completed on Wednesday 5th May and it was agreed in principle to propose the lowest cost bidders for the decision to the Council. The lease cost over 5 years would be approximately £10.8m, approximately £245k less than the original budgeted proposal. The proposal had gone to the Council for agreement. The next steps were for GEL to finalise the sub-lease agreement between the Council and GEL. Discussions were also underway with LINK in regard to sub lease costs, whether any additional interest or other commercial rates needed to be applied.
- CN commented that the clarification on the state aid rules in relation to the state loan was being progressed. KP commented that dependant on the outcome, an additional charge might need to be reflected.
- Deloitte had been appointed as auditors, with the first audit date being 30th June and it was hoped the audit would start at the end of September.
- The Company had been registered for VAT. The process for PAYE registration was due to start on 5 June.
- GEL had been enrolled on Commercial banking online. The application process for HSM with Lloyds had been submitted.
- In response to AR's query regarding banking arrangements, KP confirmed that 3 signatories were in place and the actual transaction process would be undertaken by the person nominated.

10. Board Forward Plan

- 10.1** KOL commented that the Board agenda for June would be reviewed and if required additional items would be added to ensure any outstanding approvals were in place before Go Live on 5th July.

The Board reviewed and approved the Forward Plan, included in the meeting pack.

11. Any Other Business

- 11.1** There was none.

- 11.2** There being no other business the meeting closed at 16.00.

Signed

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Date 09-Sep-2020 | 09:27 BST

Chair of the Board

Mike Boult