

GREENER EALING LIMITED
THE NEXT MEETING OF THE BOARD OF DIRECTORS

**WILL BE HELD AT 15:00HRS ON MONDAY 3 FEBRUARY 2020, AT PERCEVAL HOUSE,
EALING, LONDON IN DIRECTORS ROOM 2, 4TH FLOOR**

AGENDA

Item No	Report Title	By	For
1.	Appointment of the Chair <ul style="list-style-type: none"> • The Board is asked to note that the Council has exercised its right to appoint Mike Boulton to the role of Chairman of the Board. • The Board is asked to note the following director appointments by the Council to the Board: <ul style="list-style-type: none"> - Alison Reynolds (03.01.2020) - Tim Smith (10.01.2020) - Mike Boulton (TBC) 	Board	Information
2.	Apologies for Absence	Chair	Information
3.	Declarations of Interest (in respect of items on the agenda)	Chair	Information
4.	Appointment of Company Secretary <ul style="list-style-type: none"> • The Board is asked to note that Bridgehouse Company Secretaries Ltd has been engaged as governance advisors for an initial period of 1 year to 8th January 2021; • The Board is invited to appoint Bridgehouse Company Secretaries Ltd's subsidiary <i>Waterstone Company Secretaries Ltd</i> as the named Company Secretary for the company as part of the governance arrangements 	Chair	Approval

5.	Change to Accounting Reference Date	Jo Steel	Approval
Governance			
6.	Board meeting dates 2020	Jo Steel	Information
7.	Governance Report and Plan	Jo Steel	Approval
8.	Directors' Code of Conduct	Jo Steel	Approval
9.	Directors' Interests Policy	Jo Steel	Approval
Strategy and Project			
10.	Mobilisation Plan Board Update	Kevin O'Leary	Information
Finance			
11.	Finance Update – current position	Chris Neale	Information
Board Forward Plan			
12.	Board Forward Plan	Jo Steel	Approval
13.	Any Other Business	Chair	Information
14.	Date of next meeting: 10 March 2020		Information

Report Title	Appointment of Company Secretary		
Meeting	Greener Ealing Board Meeting		
Date	3 February 2020	Agenda Number	4.
Type of Report	For approval		
Author	Jo Steel can be contacted on jo@bhcsecretaries.co.uk		
Background	<ul style="list-style-type: none"> • Note engagement of Bridgehouse Company Secretaries to provide governance advice and services. • Appoint <i>Waterstone Company Secretaries Ltd</i> as named Company Secretary as part of the services. 		

Background

To support the set up of governance arrangements and to provide ongoing Board meeting support, Kevin O’Leary sought appropriate professional services. Bridgehouse Company Secretaries provided a quote for such services including an initial 3-month governance project to set up the required governance arrangements for the new company and an on-going service for board meeting support for an initial period of 12 months.

It was decided to engage Bridgehouse as governance advisors for an initial period of 1 year to 8th January 2021, based on its experience with the set up and ongoing governance support of the Broadway Living group (two other wholly-owned subsidiaries owned by Ealing Council).

Recommendation

Included within the services is the provision of ‘named company secretary’ with annual filings and compliance. As this is a purely technical service, Bridgehouse Company Secretaries separates out this element of its service from the governance consulting and advice side of the business. We therefore use a wholly owned subsidiary to deliver this element.

The Board is therefore invited to **appoint** Bridgehouse Company Secretaries Ltd’s subsidiary *Waterstone Company Secretaries Ltd* as the named Company Secretary for this purpose and to deliver this part of the governance arrangements.

Following approval, Waterstones Company Secretaries Ltd will be formally appointed at Companies House.

Report Title	Change of Accounting Reference Date		
Meeting	Greener Ealing Board Meeting		
Date	3 February 2020	Agenda Number	5.
Type of Report	For approval		
Author	Jo Steel can be contacted on jo@bhcsecretaries.co.uk		
Background	Recommendation to change the Accounting Reference Date for the company.		

Background

As the Company was incorporated in August, the current accounting reference date (ARD) is 31 August, with the first period ending 31 August 2020 and accounts subsequently due by 2 May 2021.

As the Company is wholly owned by the Council it is recommended that the ARD be changed to 31 March to bring in line with the Council's financial year. Usually, we would suggest that the first accounting period be extended to the following year (in this case 31 March 2021) however, this is not possible as you cannot extend the initial accounting period to longer than 18 months.

Recommendation

It is therefore recommended that the Board agree to shorten the first (current) accounting period to end on 31 March 2020 (instead of 31 August). This will bring the dates in line with the Council. Once actioned, this will require a set of accounts to be provided for the period 2 August 2019 to 31 March 2020 (the filing date for which would be 31 December 2020). As the company has not yet started trading and the accounts would only include the initial capital investment/loan from the Council it is not envisaged that preparing the accounts would be complex or require an audit. The Council's finance team is supportive of this approach.

The Board is asked to **approve** the recommendation to change the accounting reference date to 31 March and to shorten the first accounting period to end on 31 March 2020.

Report Title	Board Meeting Dates 2020		
Meeting	Greener Ealing Board Meeting		
Date	3 February 2020	Agenda Number	6.
Type of Report	For information		
Author	Jo Steel can be contacted on jo@bhcsecretaries.co.uk		
Background	To note the proposed board meeting dates.		

Background

The Board will meet monthly at least until August 2020. Following the 'go live' date, the Board may decide to move to bi-monthly meeting dates. However, we will set monthly meeting dates until December 2020 which can be cancelled if no longer required.

The next Board meeting is confirmed as:

- Tuesday 10th March **10.00-11:30**

The rest of the meeting dates are proposed as follows:

- Thursday 23rd April **3.00-4:30**
- Thursday 21th May **2:30-4.00**
- Tuesday 16th June **2.00-3:30**
- Tuesday 14th July **2.00-3:30**
- Tuesday 11th August **2.00-3:30**
- Thursday 10th September **3.00-4:30**
- Thursday 8th October **2:00-3:30**
- Thursday 5th November **2.00-3:30**
- Thursday 3rd December **2.00-3:30**

Daniella Toma will follow up with meeting invites shortly.

Report Title	Governance Report and Plan		
Meeting	Greener Ealing Board Meeting		
Date	3 February 2020	Agenda Number	7.
Type of Report	For noting		
Author	Jo Steel can be contacted on jo@bhcsecretaries.co.uk		
Background	To note the attached governance report following initial meetings with Greener Ealing.		

Background

Jo Steel and Lizzie Purewall of Bridgehouse Company Secretaries met with Kevin O’Leary on 8th January 2020 to discuss the governance needs and requirements of the Company prior to its ‘go live’ date of 6th July 2020. We have prepared a governance report attached at Appendix A for the Board, highlighting the governance actions required between now and 6th July and beyond.

The Board is invited to note the report. Please let us know if you have any queries on the proposed action plan.

Item 7 Appendix A

Board Governance Report

We have written this report for the Board, outlining the governance plan for Greener Ealing following its incorporation last year. Jo Steel and Lizzie Purewal recently met with Kevin O’Leary and conducted an initial governance review, using our unique GAPP wheel¹. As a result of this mini audit, the Greener Ealing governance plan is split into two phases;

- Phase 1 – those essential governance requirements to ensure good governance and legal compliance which should be carried out on a priority basis over the next 12 to 15 months; and
- Phase 2 – additional governance suggestions which are required to achieve excellent governance leading to efficiency and success for the business.

Phase 1 – Financial Year 2020/21

The following governance requirements will need to be carried out/achieved between now and the end of the next financial year, 31 March 2021, to help ensure Greener Ealing’s legal compliance and good governance in various areas. With some of these actions needing to be achieved before the trading ‘go-live’ date of 6 July 2020:

High Priorities to be achieved by 6 July 2020

By end Feb 2020 (to be presented at either Feb or Mar Board meetings)

- Board of Directors – to ensure that Board members are appointed as appropriate, including executive and non-executive directors; completion of necessary documents (Agreement; Declaration of Interests; Code of Conduct); appointments at Companies House; Ensure suitable insurance cover in place.
- Accounting Reference Date – arrange change of Accounting Reference Date from 31 August (Current) to 31 March, in line with the Council’s reference date;
- Compliance Calendar – to include key compliance dates (filing accounts; filing Confirmation Statement; Data Protection registration etc) and meeting dates (Board meetings; report deadlines etc).

¹ GAPP – Governance Assurance Process & Practice – a unique wheel split into 7 key governance strands which we use to measure an organisation’s governance practices

- Board Forward Plan – to set out items to be considered at Board meetings over the next 12 months.
- Board Packs – establish Board reporting templates and ensure timely information received by the Board prior to meetings.
- Statutory Registers – set up and maintain statutory registers (directors, secretaries, shareholders, Persons with Significant Control).
- Directors Interests – Establish register, policy and appropriate forms.
- Board Chair Role description – clarify/formalise the role and responsibilities of the office.
- Compliance with Shareholder Agreement – to ensure that the shareholder agreement (*upon completion – currently being drafted by Legal*) is compatible with the Articles of Association (and suggest changes to Articles if required); to ensure shareholder agreement requirements are reflected in policies going forward.
- Matters Reserved for the Board and Shareholder – formal schedule of matters to be drafted.
- Scheme of Delegation – from the Board to the executives.
- Risk Management Framework – Set up required policy, procedures, register.

By end March 2020

(Note, finance related policies will depend on the nature of the link between the in-house Council finance team and Greener Ealing's team and will require input from the Head of Finance when in situ)

- Induction – adequate arrangements for induction of new directors (training session to be arranged).
- Anti-Fraud – create appropriate policy and procedures.
- Whistleblowing – create appropriate policy and procedures.
- Anti-Bribery – create appropriate anti-bribery policy and gift & hospitality policy/procedures.
- Data Protection – create data protection framework to ensure compliance with GDPR (including data audit, policy, procedures, registration).
- Freedom of Information – create policy and procedures; advise on publication scheme.
- Health and Safety – appropriate framework, policies and procedures to be in place (*to be carried out by H&S consultant with input from Bridgehouse if required*);
- Equality and Diversity – create appropriate policy and procedures; consider application of public sector equality duty;

- Finance - Ensure that HMRC is informed as necessary regarding the company in respect of corporation tax, income tax (PAYE), National Insurance & VAT (*to be carried out by Head of Finance with input from Bridgehouse if required*)

By 6 July 2020

(Note that the initial governance project covers 35 hours to end of March 2020. Any additional governance work required thereafter, including the following recommendations, which cannot be delivered within the retained hours will be charged on a time-spent basis)

- Board Strategy Session – arrange and facilitate a half-day strategy session for the Board to cover the following:
 - Vision and Values – Board to consider how to implement the current ‘vision and values’ contained within the draft business plan across the business (and indeed if they want to make any changes or enhancements to the vision/values).
 - Key Performance Indicators – consider financial and non-financial KPIs to be agreed and established for monitoring by the Board (linked to the approved the business plan and contract specification).
- Brand protection – Consider whether any branding, names or logos should be protected via trademark registration or other.
- Website – ensure compliance with e-commerce and other regulations.
- Corporate Social Responsibility - policy to be agreed and placed on website. To include apprenticeships/training/education.
- Display of company name - Organise headed stationery for the company and arrange for its full name to be shown outside every place of its business (Companies Act requirement once trading).

Medium Priorities to be achieved by 31 March 2021

- Form and Frequency of Monitoring – Board to decide how frequently it requires KPI and financial information.
- Internal Controls - Board to ensure that the company's assets are protected, and the interests of shareholders and other stakeholders are not damaged, by making sure an effective system of internal control is in place, comprising

preventive, detective & corrective controls. This would include suitable Financial Regulations being adopted.

- Skills Audit – conduct a skills audit of the current Board members, the results of which can help shape the future recruitment of board directors.
- Induction/Director support – consider how directors could be further supported for example by drafting a Board handbook for new directors.
- Internal Audit - Board to consider the establishment of an Internal Audit Function or whether to submit to Council internal audit.

Phase 2 – Financial Year 2021/22

We strongly believe that achieving the highest levels of governance leads to more efficient, stable and successful businesses. The following governance requirements should be considered from 1 April 2021 (or earlier if there is sufficient capacity/resource) to help steer Greener Ealing towards optimum governance:

- Corporate Governance Code – Board to consider checking compliance against a recognised governance code to ensure best practice.
- Stakeholder Analysis - to identify stakeholders, their expectations and influence. Stakeholder analysis helps to assess whether levels of interest and power of stakeholders properly reflect the governance frameworks within which the organisation operates.
- Succession Planning- arrangements for succession planning to be formalised.
- Evaluation - arrangements for annual evaluation of board performance to be established including review of individual director performance.
- Remuneration - policy on executive remuneration to be developed, which could include the establishment of a remuneration committee.
- Committee Structure - Board to decide whether delegation to any Committees is desirable.
- Accreditation – Board to consider whether Greener Ealing should apply for any form of independent accreditation such as ISO standards for Waste Management; Fleet Operator Recognition Scheme; Health and Safety accreditation. *(The Board may want to consider working towards these accreditations during their initial strategy discussions (see above), with an aim of full targets for first full operating year.)*

Delivery





By working closely with Greener Ealing, we shall deliver the initial governance requirements and improvements by 31 March. Through our retained hours we will work with you to ensure that over the other recommended governance matters are considered and approved by the Board at appropriate meetings during the year. Of course, business and indeed governance are constantly moving vehicles and during this time some changes and additional actions may be required.

Governance Review against GAPP

As mentioned above, we carried out an initial desk-top governance review using our GAPP wheel, which has helped to develop the current action plan. At the end of phase 1 of our governance delivery programme, we will carry out a further review using GAPP to ensure that Greener Ealing remains on track to achieve a high level of good governance.

Jo Steel
Senior Governance Consultant
Bridgehouse Company Secretaries
January 2020



Uplifting governance

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Report Title	Directors Code of Conduct		
Meeting	Greener Ealing Board Meeting		
Date	3 February 2020	Agenda Number	8.
Type of Report	For Approval		
Author	Jo Steel can be contacted on jo@bhcsecretaries.co.uk		
Background	To review and adopt the attached Code of Conduct, which is based on good governance principles.		

The Board is asked to **approve** the attached Directors Code of Conduct (Appendix A)

Item 8 Appendix A

Board Members' Code of Conduct

Greener Ealing demands high standards of conduct and integrity from its Board Members and has drawn up a Code of Conduct to ensure the behaviour of all those serving on its Board is beyond reproach. It is important that the conduct of Board Members gives all Greener Ealing's stakeholders confidence that the Board acts with integrity, that the Board is transparent and carries out its duties with the utmost professionalism in order to avoid any suggestion of influence by improper motives. All Board Members are expected to uphold and respect Greener Ealing's values and are required to sign the Code to indicate their acceptance of the provisions.

Areas covered by the Code include:

General

- All Board Members are expected to act within Greener Ealing's governing documents, the law and abide by Greener Ealing's approved policies and procedures. This includes having knowledge of the contents of the Articles of Association and any other relevant policies and procedures.
- All Board Members are expected to support Greener Ealing's objectives and vision, they must champion them and use any skills or knowledge to further the vision and seek expert advice where appropriate.
- All Board Members are expected to be active Directors. This means drawing on relevant skills, experience and knowledge when carrying out their duties.
- All Board Members are expected to respect organisational, Board and individual confidentiality where appropriate.
- Members should develop and maintain sound and up-to-date knowledge of Greener Ealing and its operating environment. This will include an understanding of how Greener Ealing works, the social, political and economic environment in which it operates and the nature and extent of its work.
- Members are expected to use Greener Ealing's resources responsibly and to claim expenses in line with the organisation's published procedures.
- Board Members should be accountable for their actions and be prepared to submit to whatever scrutiny is considered appropriate. This will include scrutiny by the sole shareholder (Ealing Council) at Greener Ealing's General Meetings (if so held) or through other various communication channels available to the Shareholder. Also, Board Members should expect to undergo an appraisal of their performance in accordance with governance and best practice.

- Individual Board Members should accept responsibility in ensuring the organisation is well run and to raise any concerns and question those concerns in an appropriate and sensitive way.

Managing Interests

- Board Members should not gain materially or financially from their involvement with the Greener Ealing Board unless specifically authorised to do so.
- Board Members should act in the best interests of the organisation as a whole and consider what is best for the Greener Ealing and its present and future beneficiaries and avoid bringing the organisation into disrepute.
- Unless authorised, Board Members should not put themselves in a position where personal interests conflict with their duty to act in the interests of the organisation. Where there is a conflict of interest members should ensure this is managed effectively in line with the Articles and any approved policy.
- Failure to declare a conflict of interest **in a timely manner** may be considered to be a breach of this Code.

Meetings

- Board Members are expected to attend all appropriate meetings and other appointments at Greener Ealing or give apologies. In the event a Member cannot regularly attend meetings, they should consider whether there are other ways they can contribute to the organisation's work instead of continuing to serve as a Board Member.
- Members should prepare fully for all meetings. This will include reading papers, querying anything that is not understood, thinking through issues before meetings and completing any assigned tasks in the agreed time.
- Members are required to actively engage in discussion, debate and voting in meetings; contribute in a considered and constructive way, listen carefully, challenge sensitively and avoid conflict.
- Board Members are expected to participate in collective decision-making, accept a majority decision of the Board and not act individually unless specifically authorised to do so.

Conduct of Meetings

- Most of the organisation's governance is conducted at Board meetings, therefore effective meetings are essential to good governance. All Board Members have a responsibility for ensuring that meetings are productive.
- The Greener Ealing office undertakes to send Board papers at least 7 days before meetings. Consequently, preparation for meetings (and in particular reading the papers in advance) is

essential. Queries or concerns about information provided should be raised with the Managing Director before the meeting. If a Member has a substantial concern that they wish to raise at the meeting, they should notify the Chair beforehand so that the meeting timetable can take account of this.

- Members are expected to either notify the Managing Director or Chair as soon as they are aware they will be unable to attend a meeting.
- All Members are expected to respect the views of others and their right to speak. All contributions should be constructive and avoid intemperate or provocative language. Members should keep their contributions brief and to the point. Individual Members should be praised 'in public' and criticised 'in private'.
- Members should not re-open old debates or decisions taken by other Committees or previous Board Meetings unless there has been a material change in the circumstances on the basis of which a decision was made.

Governance

Members are expected to:

- Actively contribute towards improving the governance of the Board.
- Participate in induction and training where provided and share ideas for improvement with the Board.

Relations with Others

- All Board Members are expected to work considerately and respectfully with all those they come into contact with at Greener Ealing, respecting diversity, different roles and boundaries and striving to avoid giving offence.
- Members are expected to recognise that the roles of Board Members, consultants and staff of the organisation are different and to respect the difference between these roles.
- Members should not make public comments about the organisation unless authorised to do so.

Leaving

- Any substantial breach of any part of this Code may result in procedures being put in motion that may result in a Member being asked to resign from the Board.
- Should this happen the Member will be given the opportunity to be heard but in the event that they are asked to resign from the Board they must accept the majority decision of the Board in this matter and resign at the earliest opportunity.

- Should a Member wish to stand down from the Greener Ealing Board at any time, they should inform the Chair (or in the case of the Chair, the Board) in advance in writing, giving at least 4 weeks' notice, stating their reasons for leaving.

Confidentiality

- Board Members are required to treat all commercially sensitive information concerning the organisation, its partners, contractors and suppliers in the strictest confidence.
- A breach of the Greener Ealing's confidentiality, either verbally or in writing, without the prior approval of the Managing Director or Chair, as appropriate, will result in disciplinary action or removal from the Board in accordance with the governing documents.

Equality and Diversity

Greener Ealing is committed to providing a service that is accessible to all members of the community, irrespective of their age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation and to treat everyone equally and fairly. Board Members are expected to uphold the organisation's diversity policy, promote equality by not discriminating against others and ensure that their actions are in accordance with the Equalities Act.

Relationships with Staff

- Board Members are expected to conduct themselves in a professional and business-like way with members of staff including contractors.
- Board Members and staff should treat one another with courtesy, thoughtfulness and respect.
- Any serious concerns regarding the conduct or capability of an employee or contractor should be reported to the Managing Director or if not appropriate to the Chair.

Breach of the Code of Conduct

Failure to follow this Code of Conduct may damage the organisation's reputation and its work. Any Board Member who discovers or has grounds for suspecting that a breach of this Code has occurred, must promptly report their concerns to the Chair (or in the case of the Chair, to the Board).

The Chair (or in the case of the Chair, the Board) will decide if the breach should be investigated by an external consultant. Alternatively, the Chair (or Board) can appoint a panel of two Board Members (or a board member and a representative of the shareholder) to investigate the breach and make recommendations for action to the Board.

Please sign below to confirm acceptance of Greener Ealing's Board Members' Code of Conduct and return a copy to the Managing Director or Company Secretary.

Full Name.....

Signed.....

Date.....

DRAFT

Report Title	Conflict of Interest Policy		
Meeting	Greener Ealing Board Meeting		
Date	3 February 2020	Agenda Number	.
Type of Report	For Approval		
Author	Jo Steel can be contacted on jo@bhcsecretaries.co.uk		
Background	To review and adopt the attached Conflict of Interest Policy and the Declaration of Director's Interests Form		

Background

The Conflict of Interest Policy has been drafted to assist directors with their obligation to avoid and declare conflicts of interest. It pulls together the requirements found in the Companies Act and the Company's Articles of Association.

Please note that the Company's Articles are due to be amended and agreed by the Council's Cabinet in March 2020. I am currently liaising with legal as to whether the conflict arising from a company director's employment with the Council should automatically be authorised as is the case with other wholly owned Council subsidiaries. Therefore, there may be minor changes to this Policy following changes to the articles, which will be brought back to the Board for approval.

In the meantime, the Board is asked to **approve** the attached Directors Code of Conduct (Appendix A) and Declaration of Director's Interests Form (Appendix B).

The Directors are then asked to complete the Declaration of Interests and send to Jo Steel – jo@bhcsecretaries.co.uk

Once completed, we will pull together the declared interests on a Register of Interests and ask the Board to authorise any conflicts, if required.

Item 9 Appendix A

Conflict of Interest Policy of Greener Ealing Ltd (“the Company”)

1. Preliminary

- 1.1 This policy is to be administered by the board of directors of the Company (the Board).
- 1.2 This policy applies to every person from time to time serving as a director of the Company whether or not that person has been correctly appointed in accordance with the requirements of the Companies Act 2006 (the Directors).
- 1.3 The purpose of this policy is to protect the integrity of the Company’s decision-making process, to enable outside parties to have confidence in the Company’s integrity, and to protect the integrity and reputation of the Directors and the Company from any appearance of impropriety.

2. Legal Obligations

- 2.1 Each Director has an obligation to act in the best interests of the Company, in accordance with the Company’s Articles of Association (its constitution) and in accordance with the Companies Act 2006.
- 2.2 All Directors must make every effort to avoid situations where there may be any conflict of interest or potential conflict of interest between the interests of the Company on the one hand and their own personal, professional, and business interests on the other. This includes avoiding the appearance of a conflict of interest as well as any actual conflict of interest.
- 2.3 Such conflicts or potential conflicts can create problems, they can:
 - inhibit free discussion;
 - result in decisions or actions that are not in the interests of the Company; and
 - risk the impression that the Directors have acted improperly by not fulfilling their duty to promote the success of the Company [for the benefit of its members as a whole], as required by section 172 of the Companies Act 2006.

3. Conflicts of Interest

- 3.1 A conflict of interests is any situation in which a Director’s business or personal interests (or those of a person “connected to” a Director), or loyalty that they owe to another organisation, business or person, may (or may appear to) influence or affect the Director’s decision making.
- 3.2 A person “connected to” a Director may include:
 - a family member (child, parent, grandchild, grandparent, brother, sister, spouse or civil partner of the Director or any person living with the Director as his/her partner);
 - a business partner;
 - trustees of a trust of which the Director or a family member, is a beneficiary; and

- corporate bodies to which a Director is connected.
- 3.3 Non-exhaustive examples of conflicts of interest include, a Director who:
- sits on more than one board of directors, where the nature of the other company's business, or the access to information of one company that the director might usefully provide to, or use for the benefit of, the other company, or the amount of time taken up in serving two companies, may amount to a conflict of interests;
 - holds shares in a competing or potentially competing business;
 - owns property adjacent to the Company's property, where the value of his/her property may be affected by the Company's activities; and
 - has an advisory relationship with the Company, or an interest in a firm that has an advisory relationship with the Company, such as providing accountancy, legal or HR services.

4. Declaring Conflicts of Interest

- 4.1 A Director has a personal responsibility to declare conflicts of interest if he/she is to fulfil his/her legal duty to act in the best interests of the Company. A Director should be meticulous about declaring any actual or potential conflict of interest affecting him/herself and connected parties, and should declare the nature and extent of any interest, whether direct or indirect.
- 4.2 Upon appointment, each Director must make a full, written disclosure of interests, such as business or personal relationships, posts held, or financial or property interests that could potentially result in a conflict of interest. This written disclosure shall be made on the declarations of interests form in Annex A and be kept on file and should be updated at least annually, and when any material changes occur.
- 4.3 Each Director must also declare any gifts or hospitality offered and received in connection with their role in the Company that could potentially result in a conflict of interest, in line with the Anti-Bribery (Gifts & Hospitality) Policy.
- 4.4 At the beginning and during the course of any meeting of Directors, a Director must declare any interests in a transaction or decision where there may be a conflict between the Company's best interests and the Director's best interests or a conflict between the best interests of the Company and another organisation that the Company is involved with. If in doubt the potential conflict must be declared anyway and clarification sought.
- 4.5 If a Director believes that he/she has a real conflict of interest or that it might appear that he/she has a conflict of interest, he/she should declare the interest at the earliest opportunity.
- 4.6 In any event, it is the statutory duty of a Director who is in any way, whether directly or indirectly, interested in a proposed transaction with the Company to declare the nature and extent of their interest to the other Directors, in accordance with section 177 of the Companies Act 2006.
- 4.7 This declaration must be made before the transaction or arrangement is entered into. It should be made by notice in writing in accordance with section 184 of the Companies Act 2006¹.

¹ There are other ways to make this declaration, e.g a general notice in accordance with section 185 of the Companies Act 2006. The company should choose the most appropriate method.

- 4.8 In addition, if a Director is in any way, whether directly or indirectly, interested in an existing transaction with the Company, he/she must declare the nature and extent of their interest to the other Directors, in accordance with section 182 of the Companies Act 2006.
- 4.9 This declaration must be made as soon as reasonably practicable. It should be made by notice in writing in accordance with section 184 of the Companies Act 2006².
- 4.10 If a Director has any uncertainty as to whether he/she has an interest which should be declared, he/she should refer it for a decision on that question to the Chairman of the Board or the Company Secretary.

5. Authorisation of a Conflict of Interest

The Company's Articles (Article 10) dictate how a conflict may be authorised as follows:

5.1 Directors' Conflicts of Interest (Article 10)

The Directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under section 175 of the Act (**Relevant Interest**) to avoid conflicts of interest (**Conflict**).

5.2 Any authorisation under this article 5.1 will be effective only if:

- 5.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
- 5.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other Interested Director; and
- 5.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other Interested Director's vote had not been counted.

5.3 Any authorisation of a Conflict under this article 5.1 may (whether at the time of giving the authorisation or subsequently):

- 5.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- 5.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
- 5.3.3 provide that the Interested Director shall or shall not be an eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;

² There are other ways to make this declaration, e.g a general notice in accordance with section 185 of the Companies Act 2006. The company should choose the most appropriate method.

- 5.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - 5.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 5.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 5.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 5.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 5.6 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

(the following clause does not form part of the Articles)

- 5.7 When the Board considers whether or not to authorise a conflict of interest, each Director must consider their duty to act in a way in which he/she considers, in good faith, will be most likely to be compatible with their duty to promote the success of the Company, as required by section 172 of the Companies Act 2006.

6. Benefits and Managing Contracts

It is essential that a Director does not derive any benefit from any transaction to which the Company is a party unless and until he/she has obtained beforehand explicit legal authority to do so. If a Director has a conflict or potential conflict of interest, the Director must not be involved in managing or monitoring that contract. Monitoring arrangements for such contracts will include provisions for an independent challenge of bills and invoices, and termination of the contract if the relationship is unsatisfactory.

7. Data Protection

The information provided in declarations of interests will be processed in accordance with the Data Protection Legislation. The "Data Protection Legislation" means the

General Data Protection Regulation (EU Regulation 2016/679) and the Data Protection Act 2018 as they are amended or superseded by other legislation of the United Kingdom from time to time. Data will be processed only to ensure that Directors act in the best interests of the Company. The information provided will not be used for any other purpose.

8. General

- 8.1 This policy is meant to supplement good judgment. Directors should respect its spirit as well as its wording.
- 8.2 The Directors will take steps to bring this policy to the attention of all proposed and newly appointed Directors.
- 8.3 The Board will, as appropriate, monitor and enforce this policy, and revise it from time to time.

[Adopted][Revised] on [<<Date>>]

**Item 9 - Appendix B
GREENER EALING LIMITED
("the Company")**

DECLARATION OF DIRECTORS' INTERESTS FORM

NAME OF DIRECTOR:

I declare the following interests under the Articles of Association of the Company and pursuant to the Companies Act 2006 (For each question please either give details of the interest held or tick the "not applicable" box)

	Interest	Tick if Not Applicable
1.	I am an employee of (please list all employments including part time):-	N/A <input type="checkbox"/>
2.	I am a director or officer of the following companies(please list):-	N/A <input type="checkbox"/>
3.	I am a partner in the following firm (please give details):-	N/A <input type="checkbox"/>
4.	I am currently or have been in the past four years, a councillor or elected member of the following public body/bodies: Local Authorities or Health Authorities (please state whether you are/were a councillor, board or other elected member; the name of the public body; and the dates served):-	N/A <input type="checkbox"/>
5.	I am currently or have been in the past four years, employed by the following public body/bodies: Local Authorities or Health Authorities (please state your position; the name of the public body; and the dates served):-	N/A <input type="checkbox"/>
6.	I am a director, manager, secretary or officer of a company controlled by a local authority or of a Joint Venture to which a local authority is a party (please state what your position is, what company or Joint Venture you work in and which local authority controls the company/is part of the Joint Venture):-	N/A <input type="checkbox"/>

	
7.	I am the owner or controller of more than 2% of the shares of the following company(ies) which is(are) quoted on the stock exchange (please list all companies to which this applies):-	N/A <input type="checkbox"/>
8.	I am the owner or controller of more than 10% of the shares of the following company(ies) which is(are) not quoted in the stock exchange:-	N/A <input type="checkbox"/>
9.	I have the following other interests which are significant or material (for example you are a property owner within the Borough and as a result receive a service either directly or indirectly from the Company) (please list - if in doubt include the interest):-	N/A <input type="checkbox"/>
10.	A member of my immediate family (including a spouse/partner, children of your immediate family and siblings) has the following significant or material interests (please give details in the table below):-	N/A <input type="checkbox"/>

Declaration of Interests of Immediate Family		Details of interests, company directorships and trusteeships of immediate family (to include spouse / partner, siblings, children and parents):	
<i>Name</i>	<i>Relationship to me</i>	<i>Organisation Name</i>	<i>Nature of interest</i>

DECLARATION

I confirm that the above is a full declaration of all of my financial and non-financial interests and those of my immediate family which need to be declared under the Company’s Articles of Association. I undertake to inform the Company Secretary of the Company as soon as possible if any of the interests I have declared change at any time whilst I am a Director of the Company.

SIGNED _____ DATE:- _____

Report Title	Mobilisation Plan Board Update		
Meeting	Greener Ealing Board Meeting		
Date	3 February 2020	Agenda Number	10.
Type of Report	For noting		
Author	Kevin O’Leary – contact olearyk@ealing.gov.uk		
Background	<p>This report updates the Board on Greener Ealing’s overall progress towards mobilization of the new company with effect from from the 6th July 2020.</p> <p>The paper gives a high-level overview of the key workstreams and identifies the main risks and mitigation that has been put in place.</p> <p>Recommendations:</p> <p>The Board is asked to note the report.</p>		

Introduction

This report updates the Board on overall progress towards mobilisation of the new company from 6th July 2020.

In March 2018 Ealing Council decided that a Local Authority Trading Company or LATCO was the preferred option for the future delivery of its frontline environmental services. A work programme was established supported by cross Council resources and a high-level Delivery Board. The work was broken down into key workstreams. These have recently been reviewed and the current workstreams as we move towards the start date are as follows:

- **Procurement**
- **Information and Communications Technology (ICT)**
- **Human Resources (HR)**
- **Depots**
- **Communications**
- **Legal**
- **Finance**
- **Health and Safety**
- **Greener Ealing tasks**

The paper gives an overview of each workstream and highlights key risks or areas of concern and proposed mitigations. Our main and overriding concern is achieving access to Amey staff and information as soon as we possibly can. This will give us more time to understand the operational and service issues that we need to address and to understand the organisation.

The latest version of the programme timeline is attached for information and this sets out the full range of tasks. See Appendix A and our top 5 risks are included in Appendix B.

Procurement

There is an extensive procurement programme including everything from Heavy Goods Vehicles to Safety Boots. The programme has been overseen by Ealing's procurement team and at this stage we are confident that excellent progress is being made on all fronts.

In terms of our main risks or concerns, the main risk is the **delivery schedule for Refuse Collection Vehicles (RCVs)**. Our supplier has indicated that a number of the RCVs may not be delivered until July/August with deliveries scheduled throughout this period. See the table below. This is clearly not ideal and will lead to considerable problems with the possible need to novate Amey vehicles into GEL and/or short-term vehicle hire and accompanying storage and logistical issues. We will have a clearer picture on this when we meet our vehicle supplier on the 29th January – early indications are that they will be able to bring deliveries forward, but this is not certain. A verbal update will be given at the meeting.

Current delivery date				
<u>Supplier</u>	<u>Vehicle type</u>	<u>Vehicle description</u>	<u>Volume</u>	<u>Current Delivery Month</u>
S&B Commercials	26T RCV	Merc Econic 26T 6X2 (Faun Zoeller)	6	Apr-20
S&B Commercials	26T RCV	Merc Econic 26T 6X2 (Faun Zoeller)	1	May-20
S&B Commercials	26T RCV	Merc Econic 26T 6X2 (Faun Zoeller)	17	Jul-20
S&B Commercials	26T RCV	Merc Econic 26T 6X2 (Faun Zoeller)	4	Aug-20
DAF	15T RCV	DAF 15T Compact RCV (Faun Zoeller)	7	Jul-20
Dennis Eagle	26T RCV	ELITE 6 6X2 RS N	6	Jun-20
Faun Zoeller	26T RCV	Merc Econic 70/30 split bodied	3	TBC

Potential hire duration 23.01.2020				
<u>Supplier</u>	<u>Vehicle type</u>	<u>Vehicle description</u>	<u>Volume</u>	<u>Potential Length of Hire/Novation</u>
S&B Commercials	26T RCV	Merc Econic 26T 6X2 (Faun Zoeller)	21	06.07.20 - 11.07.20

S&B Commercials	26T RCV	Merc Econic 26T 6X2 (Faun Zoeller)	11	13.07.20 - 17.07.20
S&B Commercials	26T RCV	Merc Econic 26T 6X2 (Faun Zoeller)	5	17.07.20 - 17.08.20
DAF	15T RCV	DAF 15T Compact RCV (Faun Zoeller)	7	06.07.20 - 17.07.20
DAF	15T RCV	DAF 15T Compact RCV (Faun Zoeller)	3	17.07.20 - 23.07.20
Faun Zoeller	26T RCV	Merc Econic 70/30 split bodied	3	06.07.20 - 17.08.20

Ironically there are some vehicles that will be delivered much earlier than planned for and we will have issues with storage unless we can arrange with Amey for these vehicles to be leased to them on a short-term basis and then put to work. This will help us with training and induction and will also allow Amey to off hire vehicles. If this is not possible we will need temporary parking and are currently searching for suitable storage space in and around the borough including discussions with neighbouring boroughs who may have depot space available.

The final vehicle related risk is around our search for a **Vehicle Maintenance** provider – we are in the middle of a tender process now. There is a risk that we may not get any bids. At the moment there is interest from two firms, both have engaged positively with the process, but we need to plan for the possibility of a nil response. A depot wide survey has been carried out and a timeline of rectification is in place to make sure the areas occupied by GEL are safe. Works are currently being carried out on the workshop asbestos roof with a target completion date of 28.02.20. Our initial fall-back position will be based on the current Amey arrangements, utilising the existing team and the current set of support arrangements that Amey use. The fact that the fleet will be new takes off the immediate pressure in terms of the volume of breakdowns that Amey are experiencing. In order to gain our Operators licence we will have to demonstrate that we have adequate maintenance support for the fleet. The tender return date is the 17th February.

Personal Protective Equipment (PPE)

This is a lower risk. The PPE tender is currently being created with a target date of 31.01.20 to have the tender out to suppliers. The tender process is likely to take the whole of February and we should be able to award mid-March. The risk is the supplier cannot deliver the required volumes of PPE by mid-June. We have two options we could ask Amey to buy non-branded PPE from their supplier and pay them via the Councils payment mechanism. Our second option is to send the volume list to Greenham's who supply PPE to Ealing council and buy it as Ealing – GEL would pay Ealing.

Agency Staff

We will be using the ESPO MSTAR Framework to directly award a contract to Pertemps for agency staff supply to LBE; with the contract to then be novated to Greener Ealing Ltd. We are currently reviewing the contract and pricing schedule.

Information and Communications Technology (ICT)

Again, considerable work has been undertaken in this workstream. Decisions on new systems for GEL have been taken over the months and we are now at the build stage of the main systems. These include:

- **Business World** – finance and accounting system currently used by the Council. A Separate system is being developed for GEL.
- **Whitespace** – waste management software/ in cab devices/route optimisation etc
- **Itrent** – HR system including payroll
- **FleetCheck** – Fleet Management system
- **Alchemis** – Health and Safety System
- **Tom Tom Webfleet** – Fleet management system/ vehicle telematics etc.
- **Triscan** – fuel withdrawal system (Novation of contract)
- **Weightron** - Weighbridge software (Novation of Contract)

We are reasonably confident at this stage that good progress is being made. We have some concerns over user acceptance testing (UAT) and training – again the need for early access to Amey staff is critical as we implement these new systems. We have some concerns that there has been an escalation of costs from the early developmental stages mainly as a result of greater clarity around GEL requirements - we are discussing this with Ealing officers.

Human Resources (HR)

Most of the work in this workstream is planned towards the end of the programme as we gain access to Amey and their staffing information to help with the transfer. We have asked for earlier access to data to help de-risk this process, and we await Amey's response to this. Key tasks include establishing payroll, registering with HMRC, setting up a new pension scheme and establishing an understanding of the various terms and conditions of the workforce. We believe there are at least six sets.

We will be reviewing all terms and conditions and are minded to recommend to a future meeting of the Board the adoption of standard ACAS terms and conditions for all new staff. We have held early discussions with the Trade Unions which were at a very high level and we will need to re-engage with them including local shop stewards in the near future and on a regular basis once we are into the TUPE phase of the project.

We have recently advertised for a Head of Finance and HR Manager with interviews scheduled for the 6th and 7th February. If we are unsuccessful with this there is a risk, we will need to turn to the interim market for support.

Greenford Road Depot

The space required for GEL to operate is currently being reviewed. As it stands now there is not enough space to park all required fleet and plant. We understand that Amey allow approximately 50 non-O Licence vehicles to be used by staff travelling to and from work. This solution leads to an increase in fuel consumption as well as added wear and tear to the fleet. The ideal solution would be to have all vehicles apart from those Drivers with vehicles in their T&C's to keep the vehicles at the depot overnight. In the short term this does not look possible given the other tenants that the Council has at the Depot. We will have to adopt a pragmatic position given the complexity of the issues with limited space at the depot and the impact on staff terms and conditions.

A depot wide condition survey has been carried out by Ealing and a timeline of rectification is in place to make sure the areas occupied by GEL are safe and fit for purpose. Works are currently being carried out on the workshop asbestos roof with a target completion date of the end of February. A general site clearance is in progress, a new parking lay-out will be introduced and a new traffic management plan is being worked out.

Communications

We have developed an outline communications plan to be implemented from February/March 2020 until the end of July. The plan is being developed further with the Ealing Communications Team. The plan includes creating a dialogue with the workforce, team meetings, induction etc as well as media opportunities around the company launch. This is a relatively new workstream and is at an early stage.

Legal

GEL expects to receive the Service Contract from the Council by the end of January. The expectation is that the contract will be broadly the same as the services that are in the current contract and that KPIs etc will be broadly similar.

The services included are Residual Waste and Re-cycling Collections, Street Cleansing, Grounds Maintenance and Burial Services.

The legal workstream is core to most activities including procurement, service level agreements, leases, governance etc.

Finance

There is a separate report on this agenda dealing with the current financial position and forecast budget for July 2020 to March 2021.

Health and Safety



We are in the process of engaging a consultant to help review Amey documentation and advise us on a Health and Safety Policy and Management responsibilities and organisational arrangements. This will be a comprehensive review as we see safety to be one of GEL's priorities. The Board will receive a report on Health and Safety at a future meeting.

Tasks for GEL

There are a range of miscellaneous tasks not previously identified that have emerged as GEL has formed and moves towards taking over the service from Amey these include applying for various licences e.g. Operators license, and Waste carriers license. Establishing new Governance arrangements (like this Board) and crucially fully reviewing Operations over the coming months.

Conclusions

There is a wide range of work taking place with time at a premium to fully deliver. At this stage we feel that we have a good understanding of the key issues and risks and have put in place plans that will allow us to deliver the services that Ealing requires from the 6th July 2020. The Ealing processes have enabled the programme to reach the current position. GEL will now start to emerge as an entity and will begin to establish a greater level of control as we reach the implementation phase.

The attached programme plan at Appendix A gives the full picture of the of the activity that is in hand and we are of course happy to give more information on any item or give separate briefings to Directors as required.

KEVIN O'LEARY
INTERIM MANAGING DIRECTOR GREENER EALING LTD
21st January 2020

GEL Top 5 Risks

WORKSTREAM	Officer responsible for mitigating action(s)	Risk link	Risk Description*	Effect	Category (source of risk)	Status	Probability	Impact	Rating (RYG)	Potential Mitigation	Date By	Management Actions Taken	Date Updated	Probability	Impact	Rating (RYG)
GEL HR	Sharon Brown (recruitment process underway)	1	Amey providing TUPE data only 28 days before go live (creates pressure as little time to resolve data issues)	Outstanding pressure on service resulting in poor start to contract	Reputation	Active	5	5	25	Request earlier information from Amey, have Agency supplier ready for day one to reduce/ fill any gaps. GEL have already begun to recruit senior team for key positions such as HR manager and Finance manager for GEL	31.01.20	TUPE information request sent to Amey WC 16.12.2019	19.12.2019	3	3	9
Procurement	Sarah Hadland/ John Arnold	2	Vehicles/Plant/equipment	Not all ready to go live on day one	Technical	Active	3	5	15	The project team will continue to push suppliers to deliver on time. There are a few ways Ealing can mitigate this by doing the following A) Novate some of Amey fleet across for short term B) Short term hire and charge back to the suppliers (term in vehicle tender contract) C) use the suppliers demo fleet where possible to plug gaps	04.04.2020 - 06.7.2020	The three choices have been discussed by the programme board, the project team are in constant dialog with the suppliers and meetings have been arranged for 29.01.2020	19.12.2019	3	3	9
LBE Street Services	Earl McKenzie	3	Amey relationship breakdown making mobilisation problematic and service inherited very poor.	LAC inherit significant service issues	Technical	Active	3	5	15	LBE team continue engagement with Amey and monitor contract performance	on going	LBE senior team keeping dialog open with Amey to ensure this does not happen	20.12.2019	3	3	9
LBE Street Services/ GEL	Earl McKenzie/ Kevin O'Leary/ John Arnold	4	Fleet delivered all at once, i.e. weekend before go live (impacts on all services as vehicle familiarisation training required may not be finished impacts service throughout the rest of the week)	LAC inherit significant service issues for day one as mobilisation of 145 vehicles will be difficult	Technical	Active	3	5	15	Discussion with Amey to use fleet and plant as they are delivered for a short period before go live i.e. Apr-Jul Amey will need to insure the fleet and plant etc. for use	on going	Agree in writing Amey will use fleet as delivered based on our delivery timeline they will need to insure	20.12.2019	3	3	9
LBE Street Services/ GEL	Earl McKenzie/ Kevin O'Leary	5	storage	No storage for fleet and plant if no agreement for Amey to use before GO LIVE	Financial	Active	3	5	15	Speak to Suppliers to hold fleet/plant until just before Go live/ use any other space to store the fleet and equipment which will cost us more money as need security etc.	28.02.20	Discussion with Amey to use fleet and plant as they are delivered for a short period before go live i.e. Apr-Jul Amey will need to insure the fleet and plant etc. for use	20.12.2019	3	3	9

Report Title	Finance Update – January 2020		
Meeting	Greener Ealing Board Meeting		
Date	3 February 2020	Agenda Number	11.
Type of Report	For noting/Approval/Information		
Author	Chris Neale		
Background	<p>Executive Summary</p> <p>This report notes:</p> <ol style="list-style-type: none"> 1. The budget for the company has been noted to the Council's 15th October 2019 Cabinet per the company's draft business plan. <ul style="list-style-type: none"> Key points for the board to be aware are: <ul style="list-style-type: none"> • The current estimates included are not significantly changed (the increase on the budget noted in 2020/21 is £0.026m on pay that on a full year increases to £0.033m in 2021/22 onwards) • The forecast is for related costs to 31st March 2020 in relation to the start up expenditure of £0.376m as per latest estimate, and for IT capital expenditure then of up to £0.587m, and it is being confirmed the degree this will be formally charged by the Council later than at this time. • £0.505m of Capital on small plant has now been slipped to 2020/21 since reported in the October 2019 Cabinet report. The forecast shows the £0.505m capital expenditure and £0.549m estimated revenue start up spend, relating to April 2020 to 5 July 2020, also funded by a loan from the Council. • This budget is likely to be adjusted for some finer points that are currently being calculated at the request of the Council, where the council is providing the further information on changes to be included. (Many of these changes are for regulatory reasons for the council and have no net immediate impact on the company) • The lease finance for the vehicles is in the process of being procured as planned, and the capital expenditure aspect is not included in the projections however the lease finance charge is. 2. The current forecast to end March 2020 is compared to the budget in the October 2019 report the Cabinet of the Council. <p>The key point for the board to be aware is:</p> <ul style="list-style-type: none"> • The expenditure forecast re the company is currently £0.376m to 31st March 2020, which is as per the October 2019 Cabinet Report to the Council. 		

1. Recommendations

The Board and company management:

- i. Note Greener Ealing is working to the budget put to the Council in October 2019
- ii. Note the management accounts projections for the start up period, first to the end of the Council's accounting year 31st March 2020, and then in the 2020/21 accounting period from April 2020 to start of operations to 5th July 2020,
- iii. Note the start up costs are being funded by loan from the Council at a commercial rate
- iv. Note that the company's accounting reference date for preparation of its financial accounts is currently to 31st August 2020, and it is being considered whether it is best to change that for the first period to just before starting operations, so June 2020, and then to 31st March, so to 31st March 2021 for the period of operations.

2. Risks

There are currently no major risks to this outturn forecast for 2019/20.

3. Summary re Business Plan Forecast and Budget (for periods to 31st March)

GE (LATCO) Cost estimate currently	£m					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		YR 1 (incl.9m service)	YR 2	YR 3	YR 4	YR 5
Staffing	0.183	10.133	13.316	13.659	14.010	14.371
Asset Cost		3.567	4.823	4.892	4.962	5.034
Other Overheads	0.193	2.167	2.548	2.604	2.737	2.722
Total GE costs	0.376	15.867	20.686	21.155	21.710	22.127
Total GE costs per October 2019 Cabinet report re Budget contract with GEL	0.376	15.841	20.653	21.121	21.675	22.091
Change currently (re Staff costs)	0.000	0.026	0.033	0.034	0.035	0.036
Council working capital loan to GEL	£m					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Revenue Start up costs 2019/20	0.376					
Capital - IT software and hardware 2019/20 (if all were to be in 2019/20)	0.587					
Capital - Plant and equipment 2019/20 (not leased)		0.505				
Revenue Start up costs 1st 3m costs 2020/21 pre contract start July 2020		0.549				
Council working capital loan in each period to GEL up to contract start July 2020	0.963	1.054	0.000	0.000	0.000	0.000

The revenue cost above shows a small increase of £0.026m in the period 1st April 2020 to 31st March 2021 and during full years of operations c£0.033m pa thereafter, compared to the budget shown to the Council's Cabinet in the [budget update](#) and [business plan](#) for the company at the Council's meeting in [October 2019](#), due to changes on Staffing pay rates (to include further particular overtime).

The £0.549m 3 months start up expenditure over April-June 2020 is currently shown as included in the amount to be funded by the Council by the contract in its accounting year 2020/21. To the extent this is the case in the final contract for 2020/21, this £0.549m start up element of the £1.054m further working capital loan in that year could be repaid during 2020/21.

The above figures are before any further changes that remain to be agreed and incorporated including:

1. the necessary uplift for margin for the lease finance between the Council and the company being at the cost to the company (rather than the Council) and awaited from the tendering,
2. if any change from 3.5% in the interest rate required to be charged for state aid on any loans provided,
3. a 20p increase for those affected by London Living Wage from what previously assumed,
4. any further agreed change in costs, such as if more space rented than previously assumed, and
5. the timing of the company charging the £0.376m current estimated revenue accrued start up costs accrued to 31st March 2020, that awaits further accounting confirmations being obtained.

4. Summary re Start up costs

Revenue Start up Costs	<i>2019/20 start up costs to 31st March 2020</i>	<i>2020/21 start up costs April 2020 to end June 2020</i>
Staffing	183,330	101,500
Other overheads	193,167	447,870
Insurance		
Directors Liability insurance	8,167	10,500
Employers Insurance		82,391
Public Liabilities		29,400
Buildings Insurance (paid in advance)		22,650
Insurance	8,167	144,941
Pre implementation training		111,720
Consumables		10,000
Tools & equipment		97,500
Set up costs		
Transport consultancy	40,000	20,000
Project Management consultancy	40,000	20,000
HR consultancy	30,000	15,000
Health & Safety Consultancy	20,000	10,000
Set up costs	130,000	65,000
Legal	55,000	13,708
Audit/tax advisory costs		5,000
Total	376,497	549,370

The revenue cost projection remains unchanged and will result in a loss of this amount whilst there is no income assumed on this in the period and on the basis these revenue start up costs cannot directly be capitalised.

Capital start up costs			Capital 2019/20	Capital 2020/21 up to June
ICT				
Resource and Agresso	ICT Ealing Resource		104,724	
	Hardware set-up and Support		40,707	
	Software costs Agresso		37,500	
	External Resource		89,690	
ICT Software Costs – Non Agresso	Whitespace software		141,575	
	Whitespace Hardware		45,672	
	Alcumus (H&S software)		23,980	
	Fleet Managment (TomTom) (figure indicative)		93,499	
ICT Triscan fuel managem ent	150 replacement tags with new site code, software reconfiguration for new tags and on-site software training		1,408	
	Upgrade to latest web based software		495	
	Upgrade to latest hardware with real- time data transfers		2,065	
iTrent	One off set up/implementation cost for software configuration		3,500	
	One off estimated actuary's cost for Admission Agreement		2,000	
	Total		586,815	
Plant PPE and tools				300,000
				205,000
Total			586,815	505,000

The capital expenditure projection remains unchanged and in respect of the:

- IT, for which the draft Project Initiation Document for the IT capital spend via the Council is in its final stages of approval and there may be some changes between the categories however none is expected to be major. Some IT items may not occur till 2020/21 however for now they have been projected in 2019/20. The related works on them are fully underway.
- Small plant, for which it is expected the cost (such as on strimmers) included may be lower, partly due to using electric tools, which is being checked currently.

5. Income

There is no income forecast for the period to 31st March 2020. Income is currently expected only on the contract with the Council starting in July 2020, in the financial year 2020/21.

6. Balance Sheet

Currently all the revenue and capital expenditure costs relating to Greener Ealing are being entered within the accounts of the Council. The Council has agreed to fund these relating to the company by way of a loan, at a market interest rate, to avoid being liable re State Aid, until repaid.

The accounting treatment for these costs is being confirmed, however on an accrued basis if they were treated as costs without related income to 31st March 2020 the expected end of March 2020 balance sheet position would as below:

Balance Sheet forecast for 31st March 2020	£m
Non-Current Assets	
Fixed Assets	0.587
Total Non-current Assets	0.587
Total Assets Less Current Liabilities	0.587
Non-Current Liabilities	
Parent company Loan > 1year	(0.963)
Total Assets Less Liabilities (net negative assets)	(0.376)
Capital & Reserves	
General reserves – accumulated (deficit) on start up	(0.376)
Deficit on shareholder funds	(0.376)

The categorisation of the IT capital expenditure above as all being fixed assets might also vary and the figure spent on this at 31st March 2020 as noted earlier may be less.

The revenue start up costs have been categorised above as a cost without any income in that period until any further confirmation whether to be treated.

If the above or something like this were to be the statutory balance sheet, the Council may need provide a letter of support.

7. Cashflow

A cash flow is not included as the company is not making payments currently, with start up expenditure that has been noted being incurred by the company's 100% owner the Council. A bank account is also in the process of being set up with Lloyds, the bank of the Council.

8. Lease finance for vehicles

Orders have been placed by the Council for c£11.147m of vehicles and plant to be financed by private sector lease finance. The capital aspects of this have not been shown in the projections above.

The Council's lease finance advisors Link Market Services will be going to the market closer to the time of their delivery to secure lease finance for them. The market will be offered the opportunity to fund Greener Ealing directly in order to help establish the cost of the lease finance needing to be charged to Greener Ealing at a market rate, that will be charged to it.

9. Professional Advisors

The Council's auditor Deloitte has been contacted regarding what audit may be needed for the company's financial accounts to the accounting reference date and the implications of bringing that date forward to end June before the start of operations in July 2020 rather than being end of August 2020 as currently, and thereafter again brought forward to 31st March, for 2021. This might simplify accounting, and audit (in the latter case for the Council), at the Council's year end of 31st March 2020, and then for its period of operations in 2020/21 to 31st March 2021. They have also been contacted regarding the accounting treatment of the start up costs, including re State Aid and VAT.

The Council's tax advisors PwC has been contacted with a view to their providing assurance that agreements re the affairs of the company (and of the Council with it) are structured tax efficiently.

10. Accounting and Contract Payment terms

The senior finance management of the Council will shortly review the accounting treatment and also the payment terms for the company's contract to ensure optimised.

Greener Ealing Ltd - Board Forward Plan 2020

Date of Meeting	Standing Items	Governance		Strategic	Finance	Performance Management/ Specific Project Updates
10 March 2020	<ul style="list-style-type: none"> • Apologies • Declarations of Interest • Minutes of Meeting • Matters Arising • Circular Resolutions • Managing Director's Report • Forward Plan 	<ul style="list-style-type: none"> • Appointment of Bankers & adoption of mandate resolutions • Appointment of Auditors • Chair role description • Risk Management Framework • Matters Reserved for Shareholder/ Board • Scheme of Delegation • Health & Safety Framework 	<ul style="list-style-type: none"> • Data Protection Policy • Freedom of information • Anti-Fraud Policy • Anti-Bribery Policy • Whistle-blowing • Modern Slavery Act 	<ul style="list-style-type: none"> • Workforce Strategy • Service Specification/ Legal Agreement 	<ul style="list-style-type: none"> • Finance Report 	<ul style="list-style-type: none"> • HR/TUPE Project update • H&S Project Update

Greener Ealing Ltd - Board Forward Plan 2020

Date of Meeting	Standing Items	Governance	Strategic	Finance	Performance Management/ Specific Project Updates
April 2020	<ul style="list-style-type: none"> • Apologies • Declarations of Interest • Minutes of Meeting • Matters Arising • Circular Resolutions • Managing Director's Report • Forward Plan 	<ul style="list-style-type: none"> • Equality and Diversity Policy 	<ul style="list-style-type: none"> • Business Plan 	<ul style="list-style-type: none"> • Finance Report 	<ul style="list-style-type: none"> • HR/TUPE Project update • H&S Project Update
May 2020	<ul style="list-style-type: none"> • Apologies • Declarations of Interest • Minutes of Meeting • Matters Arising • Circular Resolutions • Managing Director's Report • Forward Plan 	<ul style="list-style-type: none"> • Corporate Social Responsibility Policy • Employment Policies 	<ul style="list-style-type: none"> • Agree KPIs 	<ul style="list-style-type: none"> • Finance Report 	<ul style="list-style-type: none"> • HR/TUPE Project update • H&S Project Update

Greener Ealing Ltd - Board Forward Plan 2020

Date of Meeting	Standing Items	Governance	Strategic	Finance	Performance Management/ Specific Project Updates
June 2020	<ul style="list-style-type: none"> • Apologies • Declarations of Interest • Minutes of Meeting • Matters Arising • Circular Resolutions • Managing Director's Report • Forward Plan 	<ul style="list-style-type: none"> • Risk Register 	<ul style="list-style-type: none"> • Business Plan • KPIs • Communications and Marketing Plan 	<ul style="list-style-type: none"> • Finance Report 	<ul style="list-style-type: none"> • HR/TUPE Project update • H&S Project Update
July 2020	<ul style="list-style-type: none"> • Apologies • Declarations of Interest • Minutes of Meeting • Matters Arising • Circular Resolutions • Managing Director's Report • Forward Plan 	<ul style="list-style-type: none"> • Risk Register 		<ul style="list-style-type: none"> • Finance Report 	<ul style="list-style-type: none"> • HR/TUPE Project update • H&S Project Update

Greener Ealing Ltd - Board Forward Plan 2020

Date of Meeting	Standing Items	Governance	Strategic	Finance	Performance Management/ Specific Project Updates
August 2020	<ul style="list-style-type: none"> • Apologies • Declarations of Interest • Minutes of Meeting • Matters Arising • Circular Resolutions • Managing Director's Report • Forward Plan 	<ul style="list-style-type: none"> • Risk Register • Health & Safety • HR • Agree reporting requirements going forward (i.e. what the Board would like to see at each meeting) • Agree frequency of Board meetings going forward 	<ul style="list-style-type: none"> • Environmental (carbon reduction) Policy • Annual Community Plan 	Finance Report	Performance report (KPIs)