

**GREENER EALING LIMITED (“GEL”)
MINUTES OF THE BOARD OF DIRECTORS MEETING
HELD AT 13:00 HOURS ON 15 APRIL 2021 BY MS TEAMS / CONFERENCE CALL**

Present:	Mike Boulton	Chair and Director	MB
	Alison Reynolds	Director	AR
	Kieran Read	Director	KR
In attendance:	Kevin O’Leary	Interim Managing Director, GEL	KOL
	Bill Gilmour	Head of HR and Comms, GEL	BG
	Gary Alderson	Shareholder Representative, LBE	GA
	Katarina Pohancenikova	Head of Finance, GEL	KP
	Jo Steel	Bridgehouse Company Secretaries	JS
	Lizzie Purewal	Bridgehouse Company Secretaries (minutes)	BCS

1. Apologies for Absence

1.1 MB welcomed those present. Apologies for absence had been received for Dipti Patel.

2. Declarations of Interest

2.1 There were no conflicts of interest regarding items on the agenda.

3. Minutes of the last meeting – 25 February 2021

3.1 The minutes of the last meeting were approved.

4. Matters arising from the previous Board meeting

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

Governance

5. Annual Policy Governance Review

5.1 Anti-Fraud Policy

5.1.1 JS provided an overview of the minor amendments made to the “Reporting and responding to fraud” section to reflect the changes to the Whistleblowing Policy made in December 2020. There had been no reports of suspected fraud in the last 12 months.

5.1.2 The Board **approved** the update to the Anti-Fraud Policy

5.2 Health and Safety Policy

5.2.1 JS commented that the Health and Safety Policy had been reviewed by KOL and the H&S team who were satisfied that the Policy was working well.

5.2.2 The Board **noted** that no updates were required to the Health and Safety Framework or Policy.

5.3 Data Protection Policy

5.3.1 JS provided an overview of the minor amendments made to reflect the end of the Brexit transition period. JS commented that the policy and procedure had been followed for the recent data protection breach and no changes were required to either document.

5.3.2 The Board **approved** the update to the Data Protection Policy

- 5.3.3** JS highlighted the GDPR training that had been rolled out to staff and the data sharing/data processing agreement that was due to be drafted between LBE and GEL.
- 5.3.4** JS commented that it was understood that the recent breach had been discussed at an LBE Chief Executive Meeting which had taken place that morning, where it had been mentioned that the directors could potentially be liable for the breach as a result of GEL not being registered with the ICO. JS reassured the Board that registering with the ICO was separate to the Breach. An assessment had concluded that GEL did not need to register with the ICO, because data was only processed for core business purposes, and there should therefore be no reason for concern about the registration status of GEL.
- 5.3.5** KOL provided an overview of the recent breach:
- KOL had been made aware that return to work paperwork relating to staff had gone missing at 18:30 on Friday 9th April. KOL took the decision to reconvene with BG, KP and KOL on the morning of Monday 12th April, to review the information and assess the extent of the possible breach.
 - The missing information affected 19 members of staff in total, 14 staff members completing right to work information and 4 staff members completing new starters information. The new starters information was of particular concern because their banking information was included together with copies of their ID.
 - The period that the paperwork could have been missing for covered early February to 9th April 2021. The office had been redecorated in that period and the officer processing the paperwork had arranged to store the sensitive information in a locked office. When the officer went to retrieve the paperwork, it was found to be missing. A thorough search of the building had been conducted.
 - Since the breach had been identified the data breach procedure has been followed. All directors had been notified, and the matter had been discussed with MB on 14th April. GEL insurers had been advised of the breach as per the contract obligations. The breach had been notified to the ICO and a response was awaited. The local police would be contacted to seek further advice that might help GEL support the affected staff.
 - There was no indication that anything untoward had happened with the missing information.
 - An internal investigation was underway regarding the breach.
 - A letter would be sent to the affected staff to advise them of the breach and HR staff would be on hand to talk staff through the possible risks and offer assistance and advice.
 - Updated copies of the documents would also be requested from the staff affected.
- 5.3.6** JS commented that the Data Protection Policy and Procedure had been followed since the breach and had been found to be useful and effective.
- 5.3.7** KR questioned whether the missing staff information included any original documents. BG confirmed that the missing information related to photocopies of the staff documents.
- 5.3.8** KR queried whether an assessment had been made of the types of risks staff could be facing as a result of this breach and the type of support and advice staff might require to protect themselves. BG commented that risks included in the ICO notification included identity fraud, loss of trust from staff, staff concern and stress.

5.3.9 AR suggested the process for staff bringing in documentation be reviewed so that no hard copies of documentation were held. BG confirmed that the intention was to only hold documentation electronically. MB commented that it was important to learn from this incident and ensure an appropriate response was in place to support the affected staff.

5.3.10 KOL confirmed that a full report would be presented to the Board at the next meeting: 1st July and the Board and Council would be kept up to date as the matter developed [**ACTION**].

[KOL]

6. New Policy Statements: Environmental Policy and Quality Policy

6.1 KOL commented that steady progress was being made to achieve various accreditations to support GEL's HSEQ's aspirations. The BSI would undertake a gap analysis and review GEL's emerging Integrated Management System (IMS) on 19th April, in advance of the full ISO applications and assessment. The Environmental Policy and Quality Policy provided the policy position for GEL on these topics.

6.2 The Board **approved** the Environmental Policy and the Quality Policy.

7. HR Update

7.1 MB commented that due to the volume of HR leave documents to be considered these policies had been circulated to the Board in advance of the meeting, with comments provided by directors and responded to by BG.

7.2 BG provided an overview of the queries and his responses and the following points were noted:

7.3

- Parental leave – KR questioned whether 4 weeks parental leave was an absolute limit in any period or if an employee with 3 children could apply for 12 weeks leave. BG commented that the leave would be unpaid, and it was therefore thought unlikely that more than 4 weeks would be requested and if so, GEL would not have to accept the request. However, all requests would be considered.

7.4

- Maternity leave – KR queried whether the policy had been adapted from the previous Amey policy and questioned whether the average weekly earnings calculation period was fair if they were doing less overtime or fewer shifts than normal, at this stage in their pregnancy. BG confirmed that this was an Amey policy that had been adapted and following checks with HSQE a pregnant woman had previously been given slightly lighter duties in her existing job. Legal advice had been sought that confirmed overtime was voluntary and therefore should not be included. BG confirmed that future cases would be reviewed to ensure pregnant employees were not unfairly penalised.

7.5

- Compassionate leave – KR questioned if there were any limits on the amount of unpaid leave that could be taken for this purpose in a year. BG commented that up to 5 paid days was thought to be sufficient for the loss of a close relative. If an employee was unfortunate to lose another close relative it might be reasonable to offer another up to 5 days and consideration would be given as to whether this would be paid. All cases would be taken on merit and if required unpaid leave or holidays could be taken.

7.6

- Annual leave – KR questioned whether it was a concern that GEL would have peak leave periods because of staff using up unused leave ahead of the year end and questioned whether a staggered arrangement could work well where the leave year runs from the employee start date. BG commented that the leave year was adopted from Amey for ease of transition and was thought to be working well.

- 7.7
- Flexible Working – KR and AR had sought clarification on the provision to consider these requests. BG commented that the Council had a provision in place for between 6 months and 3 years. It was not thought that this would be practical for front line staff. AR requested that reference to a career break should be covered under the flexible working policy, with a right to appeal the decision if the request is turned down **[ACTION]**.

[BG]

- 7.8 Subject to the requested amendment to the Flexible Working Policy, the Board **approved** the following policies:

- Annual Leave
- Attending Medical Appointments
- Flexible Working
- Adoption Leave
- Family Friendly
- Compassionate Leave
- Maternity Leave
- Paternity Leave
- Parental Leave
- Shared Parental Leave

8. Staff Engagement Survey

- 8.1 GA observed that the Street cleaning team had a high response rate at 44.9%, whereas the Household waste recycling centre team was much lower at 5.8%. GA questioned how response rates could be improved on in future. BG commented that this was the first snapshot that had been completed and this would be fed back in the staff newsletter, with encouragement for staff to come forward with any concerns. Encouragement for further engagement would continue.

- 8.2 KR commented that a baseline of improvements to be made had been identified regarding equipment. KR questioned whether it was a concern that 10% of staff strongly disagreed that they had appropriate access to PPE equipment. KOL commented that when staff transferred from Amey there had been some concerns about shirts and boots. GEL had been clear that minor adjustments could be made as long as they met the H&S requirements, no other feedback had been received from staff. KOL conducted a weekly walk about with supervisors and nothing had been raised on those visits. KOL also met with the GMB convener on a regular basis, and nothing had been flagged. The matter would continue to be monitored.

- 8.3 MB referenced his experience of previous organisations which had a consistent trend of around 15% of staff being unhappy about wearing visible PPE and it was recognised that wet weather gear could also be uncomfortable. MB commented that it was helpful to start with individual anonymous surveys and then move to group sessions over time to encourage more dialogue around issues to reduce negative feedback.

- 8.4 AR commented that 50% was a good response rate to the survey, demonstrating that the workforce was engaged and questioned whether there was an opportunity for staff to include comments as part of the survey. BG confirmed that comments had been captured from all responses.

8.5 The Board **noted** that a full staff Engagement Survey would be undertaken in September 2021.

8.6 *JS left the meeting at 1.24 p.m.*

Strategy, Project, and Operations

9. Formal Recognition Agreement – GEL and GMB union

9.1 KOL commented that GEL had a good working relationship with GMB, demonstrated by the pay deal agreed in 2020. The possibility of agreeing a formal Recognition Agreement had been explored and it had been concluded that this would demonstrate GEL's commitment to using the process of consultation to achieve results beneficial to the Company and the employees.

9.2 MB requested that a framework be included to reference the number of staff representatives. BG commented that GEL only had four different sections and a limited number of representatives. KOL commented that inclusion of a matrix to reference the staff representatives would be discussed with GMB **[ACTION]**.

[BG/KOL]

9.3 Subject to including reference to the staff representatives, the Board **ratified** the Formal Recognition Agreement between GEL management and the GMB Union; and **approved** that this was the process by which collective bargaining and consultation would be conducted at GEL.

10. Overtime Working Update

10.1 KOL commented that following the transfer from Amey, heavy reliance on overtime working to deliver GEL's services continued. KOL talked through the measures taken to reduce overtime levels, current levels, costs, factors which drive the need for overtime and future steps to further reduce the use of overtime to deliver the service.

10.2 Steps taken so far had resulted in a full year cost benefit of circa £264,000. Key areas for further review included:

- Flats collections being analysed and rescheduled to avoid overtime.
- Part-time working being considered to enable flexible staffing requirements at weekends, which would possibly be more attractive to women.
- Options for 4-day working, as a future opportunity.

10.3 The Board **noted** the progress made to date on reducing overtime.

11. Key Performance Indicators (KPIs) and Operational Performance Report

11.1 KOL commented that going forward routine operational reports would be consolidated into an overall report with a dashboard.

11.2 KOL commented that good progress continued across the KPIs, recognising that improvements were still required in respect of missed garden waste collections, with 50 missed out of a monthly total of 39,250 collections. Changes were due to be made to the teams undertaking this work, which would be monitored carefully.

11.3 Following a steady reduction in complaints across the collection services, there had been an increase in March, which had reduced again in April.

- 11.4** The volume of container deliveries had increased in March, which might be a function of the garden waste subscription, this would be monitored. AR commented that the process for requesting container deliveries had changed.
- 11.5** AR commented that the two main areas for complaints related to garden waste and bulky collections. Actions had been put in place as result of these complaints and the services continued to be monitored. GA commented that complaints were a key indicator for the contract, and it would therefore be beneficial to investigate all complaints and reduce these where possible.
- 11.6** KOL commented that good progress had been made on assisted collections and the intention was to reduce incidents to zero.
- 11.7** KR commented that discussions had taken place with Ealing members regarding GEL's 1-year anniversary. It was recognised that due to Covid-19 the initial launch had been low-key. It was suggested that, given GEL had made a positive impact over the past year, GEL and the Council should celebrate that success by raising GEL's profile. KOL would provide a list of GEL's achievements and KR would follow up with Communications Team **[ACTION]**. **[KOL/KR]**

12 Risk Management Report

- 12.1.** The Board **noted** the report.

13. Finance Update

- 13.1** KP presented the finance update, and the following points were discussed:

- 13.2**
- An error had been included in the month end financial result, which should show an overall positive variance of £201k. The draft financial position up to 31st March was a surplus of £286k against a budget of £85k.
- 13.3**
- Extra core income of £231k, relating to the period 1st July to 4th July 2020, had been returned to the Council.
- 13.4**
- There was an operating costs positive variance of (£513k), which included (£190k) for rephased depreciation and amortisation of start-up costs.
- 13.5**
- There had been an additional premises lease charge of £90k for 2020-21, including the Go plant lease recharge.
- 13.6**
- Funding costs had an adverse variance of £47k, following receipt of the £902k money market loans in April 2020 and July 2020. The initial interest rate charged on the loans was between 0.25% and 1.25%. Following legal advice, the Council increased the interest chargeable to 850 basis points above 1 year Inter Bank Operating Rate (IBOR) to comply with the state aid subsidy control rules. This additional interest increase had not been budgeted and would be funded by the Council.
- 13.7**
- Discussions were underway with the Council to agree costs recoverability and outstanding issues in relation to (1) the start-up costs treatment, this cost could not be finalised until the auditors approved the accounting treatment; and (2) the loan facility funding.
- 13.8**
- KP thanked the directors for agreeing the following resolutions, since the last meeting, in relation to the loan facility funding:
- 13.9**
- Approval of Loan Facility Agreements, authorising GEL to enter into the Facility Agreements and Debenture; and delegate the agreement, signing and execution of any documents to be entered into by GEL pursuant to or in connection with the Facility Agreements and Debenture.

- 13.10** ○ Approval of a Supplementary Agreement for the £0.902m money market loans in April 2020 and July 2020 provided to Greener Ealing Ltd by the London Borough of Ealing, following the increase in interest rate charged, to comply with state aid and subsidy control rules.
- 13.11** ○ Approval of a £0.550m working capital loan facility drawdown for more than 12 months to ensure funding in place for commitments of the company.
- 13.12** ● KP commented that GEL had worked closely with the external legal advisor and the Council finance and legal teams to finalise the loan facility agreements. However, following the Board's approval the Council's Chief Finance Officer had requested more time to review the loan facility agreements, to ensure they were consistent with the other agreements they had in place. Depending on the response from the Chief Finance Officer the loan agreements might need to be amended and if so, the Board would be asked to reapprove the updated agreements.
- 13.13** ● On 31st March 2021 GEL repaid the £0.902m money market loans provided by LBE with the additional interest of £63k to comply with the state aid and subsidy control rules. The Supplemental Agreement (referenced above) between GEL and the Council allowed GEL to recover the increased interest costs that were not originally budgeted.
- 13.14** ● The company's financial results for year ending 30th June 2020 were being audited by Deloitte. There had been a delay in finalising the accounts due to difference in opinion on the revenue start-up costs accounting treatment between the Council, GEL, and Deloitte. Following further review of the details Deloitte still believed most of the reimbursement should be accounted as a capital contribution. The Council's response to this was awaited.
- 13.15** ● The head lease document still needed to be finalised.
- 13.16** ● In the financial year 2020-21 GEL would absorb: £211k Covid-19 costs; £68k additional LGPS costs; £130k additional costs of AMEY holiday balance; £90k 2% salary increase; and £132k additional 4 days leave for staff agreed by AMEY.
- 13.17** ● All lease vehicles had now been delivered and sub-lease contracts signed.
- 13.18** ● Loan finance – due to the repayment of the money market loan and the loan facility agreements not being signed, the Board was asked to approve a drawdown of £0.550m on the money market loan from the Council for the period of three months to ensure sufficient funding until the loan agreements are approved. MB queried whether there were any major concerns the Board needed to be aware of due to the Council's delay in agreeing the loan facility agreements. KP commented that the Council had been made aware of the cash flow risk GEL would be facing and it was expected that the matter would be resolved in the next few weeks.
- 13.19** The Board **noted** the overall draft financial position to 31st March 2021.
- 13.20** The Board **approved** the money market loan of £0.550m until the loan facility agreements were signed.
- 14. GEL Contract Procedure Rules**
- 14.1** KP provided an overview of the GEL Contract Procedure Rules, which had been drafted with the assistance of the Council's procurement team.

Company number: 12136927

Greener Ealing Minutes

14.2 KR sought clarification on the level of change these rules represented and whether additional management was required to ensure compliance. KOL commented that it was more a case of formalising the process than any real change to the process.

14.3 The Board **approved** the GEL Contract Procedure Rules.

15. HSEQ Matters

15.1 KOL provided an overview on HSEQ matters, commenting that shielding employees had returned to work following the lifting of Covid-19 restrictions. Some office-based staff had been permitted to return to the office and risk assessments would be completed for further requests to return to the office.

15.2 An BSI gap inspection would commence on 19th April.

15.3 A training framework was being developed and ongoing training would routinely take place at the depot.

16. Fleet Provision and Transport Compliance

16.1 KOL provided an overview of Fleet Provision and Transport Compliance, noting the following points:

- 16.2** • Go Plant was performing well.
- 16.3** • The Operator's licence compliance status was positive.
- 16.4** • Incident reporting had increased slightly in March although overall was on a downward trend.

16.5 MB requested an update on the issue raised on the stability of the food waste vehicles. KOL commented that the manufacturer had been heavily involved with the issue. KOL would provide a note to the Board on the status of the issue (**ACTION**). [KOL]

16.6 GA requested an update on the 10 e-vehicles that were due to be procured through the LBE team. KOL agreed to provide a note to the Board on the status of the procurement and confirmed updates would be included in the report going forward (**ACTION**). [KOL]

17. Board Forward Plan

17.1 The Board **noted** the plan, which had no changes.

18. Any Other Business

18.1 GA commented that recruitment was underway for his replacement and he therefore might not be available to attend the next meeting. GA thanked the GEL Board for their support and wished GEL well for the future.

19. Date of next meeting: 1 July 2021

19.1 There being no other business, MB thanked those present and closed the meeting at 14:09.

Signed

DocuSigned by:

 Chair of the Board

Date 06-Jul-2021 | 11:52 BST