



GREENER EALING LIMITED

MEETING OF THE BOARD OF DIRECTORS

WILL BE HELD AT 14:30 ON THURSDAY 1ST JULY 2021, BY MS TEAMS

AGENDA

Item No.	Agenda Title	Lead	Action	Paper/Verbal
1.	Apologies for Absence	MB	Information	
2.	Declarations of Interest (in respect of items on the agenda)	MB	Information	
3.	Minutes of the meeting held on 15 th April 2021	MB	Approval	(3)
4.	Matters Arising			
4.1	Action Log	MB	Information	(4.1)
4.2	The following circular resolutions of the Board were made since the last meeting: <ul style="list-style-type: none">• Approval of a temporary credit card limit increase from £5,000 to £30,000 to allow GEL to pay for 2021-22 vehicle tax. The increase will be for a period of 4 months until the end of September 2021.• Approval to enter and delegate the signing and execution of the following Facility Agreements and Debenture with London Borough of Ealing (“LBE”):<ul style="list-style-type: none">- Facility Agreements:<ul style="list-style-type: none">○ Working Capital Loan Facility Agreement○ Fixed Capital Loan Facility Agreement○ Operator License Loan Facility Agreement with LBE- Debenture - in favour of LBE under which GEL will provide fixed and floating charges, as well as security by way of assignment, over its assets to secure obligations of GEL to LBE under the Facility Agreements.	AG	Ratification	
Governance				
5.	HR Update <ul style="list-style-type: none">• Data Breach Update	WG	Information	(5)



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| 6. | Matters Reserved and Scheme of Delegations | LP | Approval | (6) |
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Strategy, Project & Operations

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| 7. | Managing Directors Report | KOL | Information | (7) |
| 8. | Consolidated Performance Report including HSEQ and Transport | KOL | Information | (8) |
| 9. | Risk Management Report | KP | Information | (9) |
| 10. | Finance Update | KP | Information | (10) |
| 11. | CSR Policy – Small Projects and Delegated Authority | WG | Approval | (11) |

Board Forward Plan

- | | | | | |
|-----|---|--------|-------------|------|
| 12. | Board Forward Plan | KOL/LP | Approval | (12) |
| 13. | Any Other Business | MB | Information | |
| 14. | Date of next meeting: 16 September 2021 | | Information | |

Present:	Mike Boulton	MB	Chair and Director
	Alison Reynolds	AR	Director
	Kieran Read	KR	Director

Attendees:	Kevin O’Leary	KOL	Interim Managing Director, GEL
	Bill Gilmour	BG	Human Resources Manager, GEL
	Katarina Pohancenikova	KP	Head of Finance, GEL
	Helen Harris	HH	Director of Legal and Democratic Services, LBE
	Lucy Taylor	LT	Shareholder Representative, LBE
	Dipti Patel	DP	Director of Place Delivery, LBE
	Andrea Goldsmith	AG	Waterstone/Bridgehouse Company Secretaries (minutes)

Apologies:

**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	Human Resources Manager, GEL	WG
	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 WG, 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. WG 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. WG 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. WG 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 WG.

7.2 WG 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. WG 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. WG 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. WG 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. WG 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. WG 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. WG 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]**.

[WG]

- 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. WG 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. WG 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. WG 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]**.

[WG/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.

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.

Date

Signed

Chair of the Board

GREENER EALING LTD - ACTION LIST – 1 July 2021

Minute Ref	Action items arising from minutes	Officer	Due By	Comments	Status
Actions arising from 17th December 2020					
8.3.5	Finance update – To circulate the draft financial statement when available at the end of January 2021.	KP		Update awaited from auditor	OPEN
Actions arising from 25th February 2021					
6.10	Workforce Profile – equalities and monitoring report – To present workforce information by grade for the next review.	WG	Sept 21	Update to be provided at September meeting	OPEN
6.11	Workforce Profile – equalities and monitoring report – To consider offering driver training to work up to an HGV license.	WG	Sept 21	Update to be provided at September meeting	OPEN
Actions arising from 15th April 2021					
5.3.10	Data Protection Policy – To present a full report on the recent data breach, in relation to missing staff paperwork.	KOL	July 21	July agenda item	OPEN
7.7	HR Update – Flexible Working Policy – To update the policy to include reference to a career break, with a right to appeal the decision if the request is turned down.	WG		Policy updated accordingly	CLOSED
9.2	Formal Recognition Agreement – GEL and GMB union – Discussions to take place with the GMB regarding the inclusion of a matrix to reference staff representatives.	WG/KOL			OPEN
11.7	KPIs and Operational Performance Report – To provide a list of GEL’s achievements. KR to then follow up with the Communications Team, regarding celebrating success at GEL’s 1-year anniversary.	KOL/KR			OPEN
16.5	Fleet Provision and Transport Compliance – To provide a note to the Board on the issue of the stability of food waste vehicles.	KOL			OPEN

16.6	Fleet Provision and Transport Compliance – To provide a note to the Board on the status of the procurement of the 10 e-vehicles, with updates to be provided in the report going forward.	KOL			OPEN
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(KO) Kevin O’Leary

(MB) Mike Boulton

(AR) Alison Reynolds

(KR) Kieran Reid

(HH) Helen Harris

(KP) Katarina Pohancenikova

(BHC) Jo Steel / Lizzie Purewal

(WG) Bill Gilmour

Report Title	Data Breach Update – To present a full report on the recent data breach, in relation to missing staff paperwork.		
Meeting	Greener Ealing Board Meeting		
Date	July 2021	Agenda Number	5
Type of Report	For Noting		
Author	Bill Gilmour can be contacted on gilmourw@greenerrealing.co.uk		
Background	<p>At the April 2021 meeting, the Board was made aware of a potential data breach, in relation to missing staff paperwork. Following discussion at that time, it was agreed that a full report would be brought to the July meeting.</p> <p>This report provides that report, as requested. The Board is asked to note the report and the fact that the ICO has decided to take no further action on this occasion.</p>		

Introduction

On Friday 9th April 2021, Bill Gilmour and Katie Pohancenikova (working from home as per Covid guidelines) were made aware that photocopied ID and other paperwork relating to recently appointed staff had gone missing.

This possible data breach was discussed that evening with Kevin O’Leary, and again on the morning of Monday 12th April, where an initial assessment of the extent of the possible breach was made.

This showed that the missing information affected 19 members of staff in total - 15 staff members completing right to work information and 4 staff members completing new starter information. The new starters’ information was of particular concern because their banking information was included together with copies of their ID.

Actions taken

KOL instructed Masoud Inayat (Compliance Operations Manager) to investigate matters including interviews with eight members of staff. Following the interviews it was concluded that it was possible, though not conclusive, that files were left in the finance room, and if so, it is highly likely these were disposed as rubbish either when the metal cupboard was disposed of or during the clear out of archive files, as the room was prepared for decorating. There was no indication of malicious behaviour or unwarranted external persons having

access to GEL offices. Throughout lockdown GEL offices have been under strict COVID secure guidelines with no access to office space other than core staff.

BG, following consultation with Jo Steel:

- Wrote to all affected staff advising them of the possible breach and offering advice and support on how to change bank accounts, if they so wished;
- Arranged for refresher GDPR training for all managers/supervisors and admin;
- Arranged for a new lock on HR office door and new locking cabinets in HR and Finance;
- Improved processes to ensure that all official ID documents would be held electronically and that paper copies would be securely disposed of in a timely manner;
- Discussed the matters with the Police, who indicated that no follow up from them would be forthcoming;
- Notified our Insurers;
- Notified the Information commissioner's office on 14th April 2021.

Outcome

We were pleased to receive confirmation from the ICO on Friday 11th June 2021, which confirmed that no further action from the ICO would be necessary on this occasion. Reasons given were as follows:

- *This appears to be an isolated incident rather than a systemic issue;*
- *Whilst there's the potential for detriment to be caused as a result of this incident, we understand no detriment has been reported to you by any of the affected data subjects. Taking this into account, we consider the risk of detriment being caused to be limited at this time;*
- *Whilst back-up copies of the information were not held, we note you are taking steps to reconstitute some of this information directly from the affected data subjects;*
- *We understand you will now be holding electronic copies of official ID documents and that paper copies will be securely disposed of, and;*
- *We welcome the steps you have taken to ensure the physical security measures you have in place to keep records of this nature secure are more robust.*

Conclusion

The Board is asked to note this report and the action taken by management to prevent reoccurrence.

Report Title	Amendments to Scheme of Delegations		
Meeting	Greener Ealing Board Meeting		
Date	July 2021	Agenda Number	6.
Type of Report	For Discussion and Approval		
Author	Katarina Pohancenikova can be contacted on PohancenikovaK@greeneraling.co.uk		
Background	We are suggesting some changes to the Scheme of Delegation to allow for more transparent and smoother processes within the Finance function.		

Changes to Scheme of Delegation

Summary of changes:

- Clarification of wording on purchase orders and bank accounts;
- Splitting of the loan delegation into “Loans from outside of the Group” and “Loans from LBE”, as these require different levels of delegation.
- Adding delegation for CHAPs and Faster Payments. Limited to payments to: Government departments; LBE, employees where requested by payroll; and one-off suppliers without POs. There is no such delegation in the current scheme meaning that approval is required from Board members, which is inefficient and not in line with other finance delegations.
- Amendment to include Head of Finance **Or** Managing Director, where the current authorisation is from the Head of Finance only – this is to enable cover during absence of the HoF.
- Addition of “Head of Compliance” as an alternative authoriser in the absence of the Head of Finance or the Managing Director, where approval cannot wait or return of one or the other, to ensure that finance transactions are not delayed, to the detriment of the company.

Shareholder authorisations:

There are no changes to the level of authorisation required by the Shareholder and so it is not necessary to seek its approval to these changes. These changes reflect delegations from the Board down. For brand new delegations (e.g CHAPS payments) the shareholder authorisation is set at the same level of similar delegations (e.g. POs/Sales invoices).

Please note that there are no changes to the Reserved Matters section of the document.

The Board is asked to **approve** the changes to the Scheme of Delegation.



MATTERS RESERVED AND SCHEME OF DELEGATIONS

Introduction

This document draws together the reserved matters of the shareholder and board as are dictated by various documents including Cabinet reports, Articles Association and Service agreements as well as best practice (in relation to Board reserved matters).

The Matters Reserved to the Shareholder are listed in Schedule A.

The Matters Reserved to the Board are listed in Schedule B.

The Scheme of Delegation can be found at Schedule C.

URGENT MATTERS

In drawing up a schedule of matters reserved for the board it is important to establish procedures for dealing with matters which need to be dealt with urgently between regular board meetings.

Virtual Meetings

In these circumstances, it is recommended that a telephone or video conference meeting should be held in which as many directors as possible participate. This allows directors the opportunity to discuss the matter and ask questions.

- Such virtual meetings must be quorate as with a face to face meeting (any two directors).
- Any director who cannot attend should still be sent the relevant papers and have the opportunity to give their views to the chairman, another director or the company secretary before the meeting.

Written resolutions

If the matter is routine and discussion is not necessary or a virtual meeting cannot be convened in time, the approval of **all** the directors may be obtained by means of a written resolution, which can be sent and responded to via email.

In all cases, however, the procedures should balance the need for urgency with the overriding principle that each director should be given as much information as possible, the time to consider it properly and an opportunity to discuss the matter prior to the commitment of the company.

Date approved:

Next Review Date:

A Schedule of matters reserved for the shareholder

Matters Reserved to the Shareholder as per the Articles of Association

1. General		
1.1	The shareholder may, by special resolution direct any Director to take, or refrain from taking, specified action.	Art 2.1
1.2	The Council will exercise its sole shareholder vote through its representative (as determined by the Council from time to time) (Council Representative) or through its Cabinet and in accordance with the procedure set out in Article 19.2.	Art 2.3
1.3	Chairman - The Council shall have the sole and exclusive right to appoint any person (whether already a Director or not) as the Chairman of the Board.	Art 14
2. The following matters are reserved to the Council Representative acting on behalf of the Shareholder as per Cabinet Report "Environmental Services Company (Greener Ealing Limited) Governance Arrangements and Business Plan" Considered 15 October 2019)		
2.1	changing the nature of the Company's business;	Art 1.1 "Interpretation" Reserved Matters (a)
2.2	bidding for contracts in excess of £500,000 on any one contract (whether singly or as part of a series of contracts which might properly be viewed as part and parcel of the same matter);	Art 1.1 "Interpretation" Reserved Matters (f)
2.3	agreeing or amending the Company's business plan in force from time to time;	Art 1.1 "Interpretation" Reserved Matters (g)
2.4	acquiring or disposing of assets not included in the Company's business plan in force from time to time, or which exceed £100,000.00 in value	Art 1.1 "Interpretation" Reserved Matters (h)
2.5	the right to appoint or remove Directors by notice in writing;	Art 1.1 "Interpretation" Reserved Matters (j)
2.6	the right to appoint or request the removal of a Director	Art 1.1 "Interpretation" Reserved Matters (k)

Date approved:

Next Review Date:

2.7	Appointment of Chairman "by notice in writing addressed to the Company from a representative of the Council (being the Council Representative, unless the Council Representative is unavailable)."	Art 14
3. The following reserved matters will be subject to Cabinet approval (as per Cabinet Report "Environmental Services Company (Greener Ealing Limited) Governance Arrangements and Business Plan" Considered 15 October 2019)		
3.1	forming or participating in a joint venture (howsoever described);	Art 1.1 "Interpretation" Reserved Matters (b)
3.2	forming a subsidiary or acquiring shares in another corporate entity;	Art 1.1 "Interpretation" Reserved Matters (c)
3.3	declare a dividend or distribution (whether monetary or in specie);	Art 1.1 "Interpretation" Reserved Matters (d)
3.4	raising finance or incurring indebtedness, including (without limitation) by way of finance or operating lease, hire purchase, loan or deferred payment terms (other than standard trade credit on no more than thirty days terms);	Art 1.1 "Interpretation" Reserved Matters (e)
3.5	the ability to change the share capital or bring in private capital;	(i)
The above reserved matters <i>"together with any further matters which the Council may notify to the Company from time to time in writing (and "Reserved Matter" shall be construed accordingly)"</i>		

B Schedule of matters reserved for the board

Matters Reserved to the Board as per Companies Act, other legal requirements or best practice requirements.

These matters may not be delegated to the Managing Director or other employees. They may not be delegated to Committees for decision, although may be delegated to Committees for consideration, with recommendations for final decisions referred back to the Board.

Date approved:

Next Review Date:

1. Strategy and management	
1.1	Responsibility for the overall leadership of the Company and setting the company's values and standards.
1.2	Approval of the group's strategic aims and objectives, in line with any Business Plans approved by the Shareholder.
1.3	Approvals of the annual operating and capital expenditure budgets and any material changes to them, within the overall Business Plans and budgets approved by the Shareholder.
1.4	Oversight of the group's operations ensuring: <ul style="list-style-type: none"> • competent and prudent management; • sound planning; • maintenance of sound management and internal control systems; • adequate accounting and other records; and compliance with statutory and regulatory obligations.
1.5	Review of performance in the light of the group's strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
1.6	Extension of the group's activities into new business or geographic areas (as long as the nature of the business remains unchanged – see Shareholder Reserved Matters 2.1 above)
2. Financial reporting and controls	
2.1	Approval of the annual report and accounts.
2.2	Approval of any significant changes in accounting policies or practices.
2.3	Approval of treasury policies.
3. Internal controls	
3.1	Ensuring maintenance of a sound system of internal control and risk management including: <ul style="list-style-type: none"> • Approving the company/group's risk appetite; • Receiving reports on, and reviewing the effectiveness of, the group's risk and control processes to support its strategy and objectives; • Approving procedures for the detection of fraud and the prevention of bribery; • Undertaking an annual assessment of these processes; and • Approving an appropriate statement for inclusion in the annual report.
4. Contracts	

Date approved:

Next Review Date:

4.1	Bidding for or entering into contracts between £250,000 and £499,000 on any one contract (whether singly or as part of a series of contracts which might properly be viewed as part and parcel of the same matter); contracts over £500,000 are reserved to the Shareholder (see above).
5. Communications	
5.1	Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives.
5.2	Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
5.3	Approval of press releases concerning matters decided by the board.

C Scheme of Delegation

The principal objective of the Scheme of Delegation is to reduce the risk of loss or irregularity in the Company and to ensure that the financial control system is not compromised. Accordingly, there needs to be proper segregation of duties and a sound internal check system in place whereby:

- No individual has sole responsibility for all stages of a process
- Partners, spouses or others with a close family relationship are not involved in processes together (e. g. as requisitioner and authorisers).
- Managers automatically have the same authorities as the staff they supervise and may therefore sign in the absence of their subordinates, providing such actions does not run contrary to any material segregation of duties.
- Only original signatures are acceptable as evidence of authorisation outside of a password protected approval system due to the risk of fraud.

All staff and members are expected to take steps to ensure compliance with this document. Any 'waiver' must be justified in writing to the Managing Director who shall consider whether or not to accept the waiver with or without conditional actions.

C1 Authorities and Authorisation Limits

The sole Shareholder of the Company is the London Borough of Ealing (LBE). There are certain matters which are reserved to the Shareholder and cannot be delegated. These are detailed in Schedule A.

Date approved:

Next Review Date:

The Board is the most senior authority in the Company and is responsible for setting the strategic direction of the Company. There are certain matters which are reserved for the Board and cannot be delegated. These are detailed at Schedule B.

The Managing Director is the most senior manager in the Company responsible for the implementation of the strategic direction of the Company.

Managers will be assigned an authorisation level. Finance concurrence is required to ensure matters in budget or agreed forecast.

C2 Authority limits are detailed as follows:

Category	Type of Authorisation	Limits	Authoriser	2 nd Authoriser
Financial	<u>Purchase Orders / Vendor and Non-Vendor Payments</u>	<u>Over £500,000</u>	Shareholder Rep	Head of Finance
		<u>Over £250,000 - £500,000 (inclusive)</u>	<u>One Board Director</u>	Head of Finance / <u>Managing Director</u>
		<u>Over £100,000 - £250,000 (inclusive)</u>	Managing Director	Head of Finance
		<u>£0 - £100,000 (inclusive)</u>	Operations Manager	Head of Finance / <u>Managing Director</u>
	<u>Sales Invoices/Credit Notes</u>	<u>Over £500,000</u>	Shareholder Rep	Head of Finance / <u>Managing Director</u>
		<u>Over £250,000 - £500,000 (inclusive)</u>	<u>One Board Director</u>	Head of Finance / <u>Managing Director</u>
		<u>Over £0 - £250,000 (inclusive)</u>	Managing Director	Head of Finance
	<u>Opening new Bank account</u>	No limit	<u>Two Board Directors (in accordance with Bank mandate)</u>	Head of Finance / <u>Managing Director</u>
	<u>CHAPs / Faster Payments for payments to: Government departments; LBE, employees where requested by payroll; and one-off suppliers without POs.</u>	<u>Over £500,000</u>	<u>Shareholder Rep</u>	<u>Head of Finance / Managing Director</u>
		<u>Over £250,000 - £500,000 (inclusive)</u>	<u>One Board Director</u>	<u>Head of Finance / Managing Director</u>
		<u>Over £0 - £250,000 (inclusive)</u>	<u>Managing Director</u>	<u>Head of Finance</u>
	<u>Loans from outside the Group</u>	<u>Standard trade credit on no more than thirty-day terms</u>	GEL Board	<u>Head of Finance / Managing Director</u>
<u>All other external loans</u>		<u>GEL Board</u>	<u>LBE Cabinet</u>	

Date approved:

Next Review Date:

	<u>Loans from LBE</u>	<u>Over £0 - £250,000 (inclusive)</u> <u>Over £250,000 - £500,000 (inclusive)</u> <u>Over £500,000</u>	<u>Managing Director</u> <u>GEL Board (if decision taken outside of a Board meeting, approval must be unanimous via email)</u> <u>Shareholder Rep</u> <u>GEL Board</u>	<u>Head of Finance</u> <u>Head of Finance / Managing Director</u> <u>Head of Finance / Managing Director</u>
	Write down of Asset Value		GEL Board	LBE
Budget/Business Plan		N/A	GEL Board	LB Cabinet
Statutory Accounts and Auditors	Approval of statutory accounts	N/A	GEL Board	Shareholder Rep
	Appointment of auditors	N/A	GEL Board (recommendation)	Shareholder Rep (Approval of auditors, as shareholder)
Winding Up	Passing any resolution for the company's winding up or presenting any petition for its administration		Approval and recommendation To LBE of a solvent winding up / entry into a voluntary arrangement; Approval and recommendation To LBE of voluntary entry into insolvency Proceedings.	LBE
Contractual relations	Giving notice of termination of any arrangements, contracts or transactions which are material in the nature of the company's Business, or materially varying any such arrangements, contracts or transactions.	N/A	GEL Board (to recommend to LBE)	LBE
Legal	Commencing any claim, proceedings or other litigation		Managing Director	GEL Board

Commented [J51]: As we have now split out the Loans section into "Loans from outside" which require Shareholder approval; and "Loans from LBE" – I have removed the need for shareholder approval for the latter as only the Board should be able to agree to GEL taking a loan from the shareholder. The shareholder would obviously have to approve to provide the loan from their end and so there is no need for them to approve the loan from GEL's end as well.

Date approved:

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	brought by or settling or defending any claim, proceedings or other litigation brought against the company, except in relation to debt collection in the ordinary course of the business			
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C3 APPROVALS/AUTHORISATIONS – EVIDENCE

Written evidence of approvals should be kept with the legal documentation. Such evidence may be in the form of minutes, signed resolutions, signed letters, or emails as appropriate.

C4 SIGNING CONTRACTS

Once appropriate approvals are received as per the above scheme of delegations, contracts may be signed by a Director of the Company or the Managing Director (as hereby authorised by the Board) on behalf of the Company.

Deeds

If a contract is to be entered into as a Deed, any two of the following may sign on behalf of the Company:

- Any Statutory Director of the Company;
- The Managing Director
- The Company Secretary

All signatures to such deeds must be made in the presence of a witness who attests the signature.

C5 Roles

Managing Director

Managing Director is responsible for:

- Proper financial administration and stewardship of the Company.
- Consult with the Directors and seek approval on any matter liable to affect the Council's finances materially for both income and expenditure.

Date approved:

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- Ensuring that the Council, the Cabinet Members and Directors are advised of the financial implications of all proposals as appropriate.
- Setting and monitoring compliance with financial management standards
- Advising on the Company's financial position and on the key financial controls necessary to secure sound financial management.

Head of Finance

Head of Finance is responsible for:

- Proper financial administration and preparation of the Annual Financial Statement in accordance with proper practices.
- Providing appropriate financial information to the Managing Director in a timely, accurate and appropriate form and level of detail.
- Actively seeking additional income or savings opportunities.
- Ensuring that the appropriate financial controls are in place.

Head of Compliance

Head of Compliance is responsible for:

- To provide authorisation in the absence of the Head of Finance or the Managing Director (such absence being as a result of being incapacitated or on holiday and unreachable), providing that the approval cannot be delayed until the return of the Head of Finance or Managing Director. Under no circumstances, shall the Head of Compliance be authorised to approve on behalf of both the Head of Finance and the Managing Director in relation to the same matter. If both the Head of Finance and the Managing Director are unable to provide approval, approval must be sought from one GEL Board Director.

Date approved:

Next Review Date:

Report Title	Managing Directors Report		
Meeting	Greener Ealing Board Meeting		
Date	1 st July 2021	Agenda Number	7.
Type of Report	For noting		
Author	Kevin O’Leary – olearyk@greenerEaling.co.uk		
Background	<p>This report updates the Board on overall progress on the contract over the last two months and discusses key issues.</p> <p>This has been a busy period with many work streams in progress and some challenging operational problems that the team has had to deal with.</p> <p>The Board is asked to note the report.</p>		

Overall summary of progress

A challenging period for the operational teams from April through to early June, with staffing issues and weather-related difficulties impacting on our previous good performance.

Progress has been slow in the finalisation of the 19/20 accounts with ongoing discussions between the Council and Deloitte. It is hoped that this matter will be concluded by the end of July.

The various Loan Agreements have now been signed and are available should we need to draw down on these. Our cash position is good at the moment and we do not anticipate any short-term requirements.

Our Training Academy is now up and running with the two Facilitators in post. A full review of our Induction process has been undertaken and will be launched shortly.

We expect good things from this team and I have been encouraged by their initial work.

HGV Drivers – market pressures

We have suffered from a shortage of HGV Drivers which peaked in May and led to considerable operational difficulties. Our current Business Model inherited from Amey relies on agency staff for cover and is a recruitment gateway into GEL. To be fair this has worked well but in challenging market conditions the model has come under stress. The combination of the points set out below has led to some churn, pressure on hourly rates, and a skill shortage:

- Brexit
- IR35 tax changes to the private sector impacting on pay rates
- The burgeoning home delivery market – increasing demand for Drivers
- A lack of newly qualified HGV Drivers due to no training during the pandemic

In response we have taken a direct approach, advertising and recruiting direct to GEL with 5 new appointments. We intend to let the advert run and over recruit as we consider a move away from total reliance on the agency model.

We have also advertised internally for those interested in training as HGV Drivers. We have 7 staff who will now undertake this training. This will take approximately 3 months and will depend on aptitude. New Drivers may not be ready to drive our 26t Refuse Vehicles on Ealing's narrow streets on day one after their training so this will be a medium to long term project.

The problem has abated for now but remains on a knife edge. Any new resignations and sickness all impact on our ability to keep things going. Obviously we will prioritise the collections service for cover internally, but this has a knock-on effect either with Supervisors used as frontline drivers, or impact on other parts of the business e.g. streets or grounds maintenance, as we use their drivers to deliver the core essential collection service.

We will keep the Board advised of developments – we may need to consider the overall package for HGV Drivers.

Pay Award 2021

We have had some initial discussions with the GMB on this and whilst there have been some local difficulties between us over representation, we hope to engage fully in the coming weeks.

Collection Route Optimisation Projects

As previously reported, we have sought to implement efficiencies in the collections teams.

Garden Waste – this has proved challenging as you will see from the KPI report elsewhere on this agenda. The combination of driver shortages, Supervisors not available because they were needed as frontline drivers, the annual subscription changes (Garden Waste is a paid-for service with an annual renewal charge) and associated IT problems have all conspired against us. Performance has been poor against the KPI of less than 100 missed collections per 100,000 but is still better than previous years for the same Spring period. We now have a dedicated Supervisor working with the teams, cleansing the subscription data and reporting on IT issues.

Communal/Flats Optimisation – we have 6 Flats teams servicing communal blocks. The previous rounds were badly scheduled with excessive travel times, teams crossing each other or working in close proximity to each other. A large amount of overtime was required to deliver rounds on scheduled days. Our objectives were to create sensible new routes and reduce or eradicate the overtime. We did not believe we could reduce the team numbers (although there is a question mark over the team size, currently at driver and two loaders). New rounds have been configured and recently implemented. Initial feedback is good although we have some communications issues to resolve with managing agents etc.

Trade Waste – these rounds are currently being optimised by our consultants. We will need to engage with the Council over implementation and aspirations for Trade Recycling Services.

Food Waste Teams – we have 7 Food Teams. We have been advised that it is possible to reduce to 6. However, the Council's plans to encourage greater participation from residents in disposing of their food waste using the food service and not their residual bin has caused us to pause on a reduction to 6 at this stage whilst the changes detailed below are rolled out.

Support for LBE Food Waste Behaviour Change Projects

The Council is looking to encourage greater participation with the Food Waste service. Greener Ealing is assisting with survey work on the rounds that have been identified by LBE with the lowest participation rates. This will be followed up by the delivery of new containers and supporting literature to the non-participating households.

In addition to the above the Council also wants to extend the Food Waste service to communal blocks that do not currently receive this service. Approximately 400 new locations have been identified and are to be rolled out over the coming months. GEL will need to absorb these collections within the 7 substantive rounds as they are rolled out. Any reduction to 6 teams will be considered once the projects have been fully implemented.

Street Cleansing

Pilot – We have been running a pilot project in two wards. The objective has been to see if we can reduce the current 12-week deep cleansing regime to 8 weeks. We have been assessing the use of dedicated ward-based sweepers and adjusting

some of the sweeping frequencies in the ward to accommodate the reduction to the deep cleanse requirements. This has gone well and client-side overall feedback is positive.

Webaspx and Whitespace – in order to support longer term improvements and efficiencies in the Cleansing service we have worked closely with Webaspx, a waste management software company specialising in street cleansing scheduling. This project will come to a conclusion shortly and we will be able to model options for streets solutions. We will also be able to upload all streets schedules to Whitespace. We use this for the collections service and want to extend this to street cleansing to plan and schedule work and monitor work as it is done.

Grounds Maintenance

This has been a difficult time for the grass cutting teams. This is touched on in the operational report, but the combination of wet and warm weather has made things very difficult. Where we cannot cut in the wet, and the grass grows rapidly between cuts, it means that schedules cannot be kept to time. Combine this with the on-going pressure on Ealing's parks arising from the significantly increased use during the pandemic which has resulted in a litter volume problem, and there has been a consequent strain on resource levels. We are currently working overtime on a daily basis to catch up.

Blink Comms App

We implemented Blink in April – Blink is a communications app that allows us to communicate directly with the workforce to give and receive messages, video messages, Toolbox Talks etc. We have been encouraging staff to download the app onto their devices. The app gives them access to their HR information, their payslips, our website, plus they can report close calls etc. Other companies make use of such systems e.g. Biffa and Metroline are both advocates.

We currently have 132 staff using Blink and we continue to push the app.

We have seen lots of staff taking pride in their work and posting photos of completed work. One colleague asked if we would consider issuing shorts as an alternative to trousers in hot weather, something which had been previously denied. We considered the risks and have agreed to issue shorts, albeit on a trial basis.

This has been a positive innovation as we seek to both change the culture in the business and embrace new technology and new ways of working.

Other issues

As we approach the completion of our first year, we have yet to have any direct engagement with the Council on their planned Efficiency and Cost Containment Review as requested by the Ealing Cabinet back in February. We expect that this will happen soon.



I have asked that we consider changes to the Service Agreement to run in parallel with this review. Although not directly linked, GEL still needs to have some certainty over its income, on which the current agreement is opaque.

Conclusions

This has been a very busy period with new activities starting and a difficult operating environment. We have managed to get through with the majority of services continuing to deliver as expected. This period suggests that our resilience is not as robust as we should expect. We need to consider the option of our own pool of HGV staff and not rely on third party support for whom there are no consequences for service disruption.

We have made reasonable progress on the various optimisation projects, but the backdrop of the wider operational pressures has made this very difficult.

Kevin O'Leary
Interim Managing Director
23rd June 2021

Report Title	Combined Performance Report including HSEQ & Transport		
Meeting	Greener Ealing Board Meeting		
Date	1 st July 2021	Agenda Number	8.
Type of Report	For noting		
Author	Kevin O’Leary – olearyk@greenerealing.co.uk		
Background	<p>This report updates the Board on performance against internal and external KPIs over the last two months and provides commentary.</p> <p>The revised format incorporates information across a broad range of indicators giving a more comprehensive view of the whole business. We will need to establish targets for 21/22 and beyond based on our first year’s performance. We will populate the tables and seek Board approval for these at a future meeting.</p> <p>It is hoped that the single page format will be easier to follow than the previous array of tables. We will continue to develop the presentation of the data in order to highlight exceptions or particular issues.</p> <p><u>New inclusions in the table:</u></p> <ul style="list-style-type: none"> • Close Calls • Vehicle Incidents • VOR (vehicles off road) • Fuel (DERV & Red) • CO₂ • Vehicle Idling Time <p>As noted elsewhere, this has been a busy period with many work streams in progress and some challenging operational problems that the team has had to deal with.</p> <p>The Board is asked to note the report.</p>		

GEL Combined Monthly Performance Report May 2021

May Performance - Operations

This report covers data from January to May, and commentary on the overall May performance of GEL including the HWRC sites at Greenford and Acton.

GEL continue to follow government guidelines as Covid-19 restrictions have been relaxed.

Overall performance dipped on Collections and Parks in May, with some specific issues. Details are addressed in individual service commentaries.

The underlying issues causing the performance dips are likely to continue into June, possibly longer. On the Collections front, the national HGV driver shortage (see details in the Collections commentary) will not abate for the foreseeable future; GEL measures to deal with this will take time to have effect. In the Parks, where grass cutting has been significantly affected (again see GM Commentary for details) it is anticipated that it will be early July before it is back within specification.

Collections – Commentary

- The backdrop to the recent performance is a national shortage of HGV Drivers and consequent service pressures. This has meant that the supervisory and management team have had to fill front line positions rather than supervise. There has been a knock-on impact across the service, particularly in areas that require focused supervision. GEL are actively recruiting with some success but not in a position to compete with some of the premium rates being offered to attract drivers in a scarce market. GEL are also now training staff internally to increase the number of drivers on the contract – this had not been possible for much of the lockdown period. The overall impact has caused ripples across the entire contract as we make every effort to cover the priority collection services. This brings problems with unfamiliarity with the work for those that are redeployed with corresponding service issues.
- Good news on the majority of collection services where missed collections across refuse, recycling and food collections were stable and in line with the preceding 4 months.
- Not the same can be said of Garden Waste performance which has worsened over the last 3 months. The combination of renewal subscription season, new rounds introduced by GEL and the unforeseen IT issues have all conspired against efficient service delivery. On the operational front a dedicated supervisor has now been tasked with focusing on Garden Waste to improve the service quality to the required level.
- Missed Assisted and Bulky Waste collections are also disappointing and receiving focus from the operational team. These two areas have been significantly affected by the driver shortage (see above). It has meant that supervisors have had to be used as front-line drivers with the resulting lack of regular supervision leading to increases in numbers of Missed Assisted. Collection services as a whole require a high level of continual supervision to function optimally. It has also been necessary on occasion to redeploy driver resource from the bulky service to ensure that the main Refuse & Recycling service was not affected.
- We are disappointed that the collection performance standards are not at the level expected by GEL and do not reflect the preceding months every effort is being made to return to previous service levels although we do expect June figures to remain challenging.

Street Cleansing - Commentary

- First time A+B performance for May was c.93%
- Fly-tip removal performance at 98% for the month.

HWRC - Commentary

- 400 fewer visitors in the month.
- May recycling rate 54%, up from 50% in April reflected in the increase of material recovered.
- Procurement of site plant/machinery for the next period is in the final stages.

GM & Cemeteries - Commentary

- Joint inspection of parks – a low score at 57% reflecting a combination of the difficulty of grass cutting during May. The combination of wet and warm weather has meant we have not been able to cut, and the grass has grown at great speed.
- The combination of No Mow May, the challenging weather, and the heightened demands from pandemic related park usage have all contributed to the May score. It should be noted

that this score is intended to reflect the facts on the ground but should not be interpreted as indicating poor performance in this instance. It is anticipated that the grass cutting program will be back on track by July. The current hot weather and park usage are driving significant volumes of litter which will continue to present operational challenges and be reflected in outcome scores.

- A regular monthly resource planning meeting has been set up with Chris Walsh, Paul Johnson and Doug Teesdale to review and allocate resources to the appropriate areas in a way which meets the varying demands on the parks service.

Complaints

- The complaints for May are higher at 102 for the month, but it should be noted that 51 relate to the issues on the Garden Waste collection service.

May Internal KPIs

- Internal KPIs continue to be consistent and within set parameters, apart from sickness which is reducing but at 4.09% it is still higher than the target of 3%

May Performance – HSEQ & Transport Support Services

- HSEQ provision has been good during the period, with minimal impact from Covid19. GEL are aligned with Government and WISH guidance relating to planned full resumption of normal business activities in accordance with the road map out of lockdown.
- After the present lockdown is fully rescinded, it is envisaged that staff will still be encouraged to spend part of the week working from home.
- Successfully recruited two training facilitators' roles, progressing internal training provision with planned refresh of training induction for all staff as first priority.
- Blink is widely used by the team as an additional/alternative method of communication for HSEQ briefings/updates, both generally and to focused groups (drivers) within the workforce.
- Development of Alcumus HSEQ system is progressing. Information from the BSI Gap Analysis of ISO accreditation program carried out on 19th April being used to focus next stage of development including proactive auditing of operational delivery from HSEQ perspective and use of Alcumus system by operational teams.
- GEL have now agreed with LBE landlord and FM management to fit additional safety barrier system to bin loading bays on the HWRC site, preventing access to bays when bins are being moved or material consolidated. Work planned to start 28th June.
- Transport Provision for vehicle and maintenance services relatively consistent and in-line with operation requirement during the last period.
- Briefing note sent to the Chair of Board outlining issues and steps to resolve issue with stability of vehicles used for food waste collections, now operating satisfactorily and within vehicle weight and design limits.
- Accident and incident management is now supported by the recent recruitment of a new Business Incident Coordinator who is working with the Transport Manager to develop a carbon reduction plan and driver behaviour analysis.

- A full review of all accidents from start of contract has been undertaken and the information used to focus training requirements with the HSEQ team.
- Retention and recruitment of HGV drivers is both a local and national issue within the Waste Industry. Significant work has taken place in the last period with the combined GEL compliance (HSEQ and Transport) function and HR teams to establish additional suppliers for driver recruitment and training, including upskilling existing staff to train as HGV drivers.
- Vehicle maintenance provision from GPLFS has been good in the period with a reduction in average VOR days, and no reported workshop `Bid Back` hours requiring payment for the April and May periods. Mick Hill has now taken over as the Harrow and Ealing regional Manager for GPLFS bringing a wealth of industry knowledge and experience.
- GEL have engaged again with LBE on provision of electric vehicle charging points in the depot and are still awaiting a response. We plan to procure an initial 6 Vauxhall Vivaro Electric vehicles in a joint procurement exercise with the Council and this will proceed as soon as the provision of the electrical charging points is resolved.
- GEL have recently concluded the HWRC plant tender process and are advocating contract hire of 3 large plant items, one of which will be a fully electric materials handler and two other large yard loaders which can be switched to fully electric items as these become available.

GEL - Overall Dashboard

Indicator	Target	Jan-21	Feb-21	Mar-21	Apr-21	May-21
Missed Rectification %	100% within 24 Hours	100%	100%	100%	100%	100%
Right First Time %	-	99.99%	99.97%	99.96%	99.97%	99.95%
Assisted Missed Collections	Zero	6	7	2	6	10
Missed per 100k by Service						
<i>Refuse</i>	< 100	47	45	56	24	48
<i>Recycling</i>	< 100	47	37	44	32	40
<i>Food</i>	< 100	29	29	28	29	34
<i>Garden</i>	< 100	37	40	150	184	580
Streets A&B Inspection %	85%	82.27%	90.48%	87.92%	90.70%	92.92%
Flytip Clearance	95%	100%	98%	99%	99%	98%
Flytips Reported	-	833	832	959	995	937
Bulky Waste Service	100%	100%	99%	99%	99%	94%
No of Container Requests	-	890	890	2021	1557	1380
Container Delivery %	100%	100%	100%	100%	98%	99%
Parks Quality	95%	93.17%	94.33%	94.40%	84.36%	57.28%
Cemeteries Inspections	95%	-	87.50%	87.50%	87.50%	87.50%
HWRC Materials Recovered	-	297t	319t	475t	308t	327t
HWRC Visit Numbers	-	7798	7533	8956	8635	8213
HWRC Recycling Rate %	-	58.32%	54.21%	58.14%	50.57%	54.76%
Customer Complaints	-	55	54	78	52	102
RIDDORS	-	1	0	0	0	0
No Lost Time Incidents	-	0	1	3	1	1
Lost Time Incidents	-	0	0	0	1	0
Close Calls		6	9	21	6	2
Vehicle incidents		9	3	9	4	9
VOR (daily average)		4.86	5.5	5.2	4.75	4.25
Fuel – DERV (litres)		45,394	39,956	47,240	44,677	42,078
Fuel - Gas Oil ('red' litres)		2317	2023	4447	4898	4267
CO ₂ - kg		118,918	104,681	123,768	117,052	110,244
Total Vehicle Idling Time (hrs)		732	654	709	653	516
Vehicle Availability	95%	100%	100%	100%	100%	100%
MOT Pass Rate	98%	100%	100%	100%	100%	100%
Average Sickness %	3%	7.49%	7.87%	7.78%	5.60%	4.09%
ER Cases	-	0	0	0	3	1
Staff Turnover	-	1	1	1	2	2
YTD Actual	-	£453,733	£395,413	£285,635	£(26,515)	£34,377
FY Forecast	-	£445,721	£447,994	£447,994	£(84,081)	£(84,081)
Additional Revenue	-	£86,118	£20,076	£165,225	£32,031	£62,127

Report Title	Finance Update – July 2021		
Meeting	Greener Ealing Board Meeting		
Date	1 July 2021	Agenda Number	10.
Type of Report	For Approval		
Author	Katarina Pohancenikova		
Background	<p>Executive Summary This report notes:</p> <ol style="list-style-type: none"> 1. Month End Greener Ealing draft net surplus shows a positive variance of (£136k). 2. Outstanding Finance Issues The unresolved finance issues with the Council are: Start-up costs treatment, Financial Accounts for year ending 30th June 2020, premises lease agreement. 3. Loan Finance Loan facility agreements have been signed. Debenture agreement being finalised. 4. Bank Update Company credit card spend. 5. HWRC Plant Tender Greener Ealing needs to hire three items of plant to support the HWRC. These include a “Grab Type” material handling machine for manoeuvring large containers/skips at the HWRC and two large loading shovels one for the HWRC and the other for the Transfer station. These vehicles meet the specifications for each site and come with fully inclusive maintenance support and replacement machine support at the contract price £559k for initial 48 month term and £577k for 48 month extension. <p>Recommendations:</p> <p>To note the overall draft financial position to 31st May 2021. To approve the long-term hire of three large items of plant for the HWRC and Transfer Station.</p>		

1. Month End

Greener Ealing Ltd

Statement of Comprehensive Income (£'k)

	May YTD			Full Year		
	Actual	Budget	Var	Forecast	Budget	Var
Turnover	(3,712)	(3,686)	(26)	(22,059)	(22,059)	-
Staffing costs	2,068	2,209	(141)	12,471	12,471	-
Agency Costs	355	261	94	1,437	1,437	-
Other staffing costs	32	40	(9)	242	242	-
Total staffing costs	2,455	2,510	(55)	14,150	14,150	-
Other Direct Costs	84	48	36	547	547	-
Depreciation & Amortisation	40	40	(0)	238	238	-
Vehicle Costs	701	780	(80)	4,684	4,684	-
Plant Costs	63	65	(2)	403	403	-
Property Costs	196	197	(0)	1,187	1,187	-
Communications	1	-	1	-	-	-
ICT Costs	46	31	15	188	188	-
Service Recharges	8	34	(26)	224	224	-
Professional Fees	83	46	37	324	324	-
Operating costs	1,223	1,241	(19)	7,797	7,797	-
OPERATING DEFICIT/(SURPLUS)	(35)	65	(100)	(112)	(112)	-
Interest receivable	(0)	-	(0)	-	-	-
Interest payable & other financing costs	0	37	(36)	197	197	-
Net funding costs	0	37	(36)	197	197	-
NET DEFICIT/(SURPLUS) BEFORE TAX	(34)	102	(136)	84	84	-
Corporation Tax	-	-	-	-	-	-
NET DEFICIT/(SURPLUS) AFTER TAX	(34)	102	(136)	84	84	-

The overall draft financial position to 31st May 2021 is a surplus of (£34k) against a budgeted loss of £102k. Key variances relate to:

- Turnover favourable variance of (£26k) as a result of non-contractual work provided: (£14k) streets cleansing; (£8k) trade waste; (£4k) salary recharge; (£2k) pass through bags; £2k grounds maintenance
- Staffing costs favourable variance of (£55k) due to (£46k) staffing costs rebase; (£16k) re-allocating subcontractor costs; (£5k) life insurance; (£3k) other; £15k additional work
- Operating costs positive variance of (£19k)
 - (£82k) Vehicle and plant saving on insurance; fuel; repairs & maintenance and hire costs
 - (£26k) Service recharges & business rates not required
 - £16k ICT and Communications due to additional H&S software reporting requirements and licences; in cab device repairs
 - £36k Other Direct Costs for grounds subcontractors; streets survey; bags and bin repairs
 - £37k Professional fees include additional consultancy fees; publications; subscription

- Funding costs positive variance of (£36k) as a result of no loan being drawn down since the beginning of 2021-22 financial year

2. Outstanding issues

GEL management is in a discussion with the Council representatives to resolve the outstanding issues and agree on costs recoverability. The below summarises outstanding areas with the potential impact on GEL financial results:

- Start-up costs treatment
 - Revenue start-up costs – submitted claim of £716k being reviewed by the Council and waiting auditor's decision on accounting treatment of these costs.
 - Capital start-up costs – submitted capital spend of £1,053k being reviewed by the Council. The Council has decided to charge capital start-up costs to GEL with GEL using fixed capital loan facility to finance these costs.
- Company financial results for year ending 30th June 2020

Deloitte reviewed the revenue start-up costs and concluded that the majority £396k of originally assumed revenue start-up costs appear to be in a relation to the company set up costs or non-contract specific costs that are not revenue in nature. Because these amounts are receivable from the Council (parent entity), these should be treated as a capital contribution rather than revenue. The remaining £94k of the amount directly relate to the contract delivery and preparation for the contract delivery and can be considered as revenue in nature. However, as the contract had not yet started at the year end, these amounts would be recorded as deferred income.

There is a risk that a capital contribution from the Council to GEL in the amount of £396k could result in a breach of state aid rules and a remedy for that might be the required repayment of the amount from GEL to the Council. Deloitte has asked GEL to determine the probability that the amount (or any other penalties that may be incurred) may need to be repaid to the Council and depending on the outcome, GEL would record a provision (if the repayment is probable), disclosure (if repayment is considered possible but not probable) or neither a provision nor contingent liability would be recorded (repayment is considered to be remote).

GEL has instructed Anthony Collins to assist in determining whether the treatment of the amount as a capital contribution in the accounts of GEL can be considered to be a breach of state aid rules; what the implications are for the company if it is considered to be a breach and what the probability of repayment or penalty could be.

This means that GEL will miss its accounts filing deadline and apart from incurring late filing fees, there is also a credibility impact of having a late filing show up on the public record.
- The rent and service charges for 2021-22 have been estimated at £1.2m with no further update received on premises lease agreement.

3. Loan Finance

GEL has entered into the facility loan agreements with the Council up to £2.5m consisting of a Working capital loan facility agreement up to £1.1m, a Fixed capital loan facility agreement for up to £1.1m and an Operator licence loan agreement for up to £0.3m.

The security for facility agreements is provided by a debenture in favour of the Council under which GEL will provide fixed and floating charges, as well as security by way of assignment over its assets to secure the obligations of GEL to the Council. The Debenture agreement is being finalised by the Council legal team.

GEL current cash position is stable and we have not drawn down on any of the loan facilities.

4. Bank Update

GEL Company credit card spend for April and May 2021:

Expense Type	£	Comments
Transport for London	90	Street Operatives Oyster cards + top up
European Metal Recycling Ltd	180	Commercial fridges removal
Other Expense	193	Stationery, postage, materials, vouchers
The Cartridge People Ltd	322	Cartridges
PCN Fines	1,021	Fines
Paperstone Ltd	2,077	Office furniture
	3,884	

5. HWRC Plant Tender

Prior to contract start GEL had engaged and agreed a one-year interim hire arrangement with the existing contract hire supplier of 3 large mobile plant items used on the Greenford HWRC and Transfer Station operations.

A subsequent full review of the long-term requirement for these equipment types, based on an initial remaining 48 month contract period and potential additional 48 month extension, has been carried out jointly by the GEL Transport team and the Council, which has encompassed both the provision of specialist maintenance for the items and options on alternative fuels linked to carbon reduction and improved local air quality and noise emissions.

The tender process has been managed by the Council Procurement team using the YPO vehicle and plant framework.

The outcome of the tender responses has provided options from the preferred provider which have been considered by the GEL Transport and HWRC team with a recommendation that the following option to be confirmed:

- Provision of fully maintained electric powered HWRC Materials Handler
- Provision of fully maintained Transfer Station diesel powered loading shovel with extended arm reach
- Provision of fully maintained HWRC site loading shovel
- Future consideration and improvements within the contract period will enable the introduction of alternative fuel power and exchange within the current terms with manufacturers forecasting electric loading shovel of GEL's performance dimension being available 2022 -23 which we would plan a switch as soon as practical.

The Council have indicated that suitable 3 phase electrical supply can be installed adjacent to the HWRC site to facilitate the introduction of the electric variants of the plant items.

Based on the annualised spend over the initial 48 month with possible 48 month extension period the total hire values are summarised below:

Procurement Option	Transfer Station Loading Shovel	HWRC Materials Handler	HWRC Loading Shovel	48 + 48 Month Total Hire Cost	Estimated Fuel Saving	Estimated Carbon Reduction
New Diesel	Diesel	Diesel	Diesel	£1,003,068	-	0
Electric 2050	Diesel/Electric*	Electric	Diesel/Electric*	£1,135,943	£(48,000)	291108kg

*Swap out of diesel-powered machines for 2022-23.

We would like to advise the Board to approve **Electric 2050** option. This option includes electric material handler available now and the subsequent change to electric for the two yard loaders as these items become available under the agreed terms.

Report Title	CSR Policy – Small Projects and Delegated Authority		
Meeting	Greener Ealing Board Meeting		
Date	July 2021	Agenda Number	11.
Type of Report	For Discussion and Approval		
Author	Bill Gilmour can be contacted on gilmourw@greenerrealing.co.uk		
Background	<p>GEL’s Corporate Social Responsibility (CSR) policy, adopted by the Board at the August 2020 meeting, set out our intention to be “a good corporate citizen” by adopting initiatives that will have a significant and positive impact both on the business itself and the communities in which GEL operates.</p> <p>This report updates the Board on small CSR projects undertaken during our first year; asks the Shareholder Representative and the Board to endorse the general approach adopted thus far; and seeks delegated authority, for the Interim Managing Director, in liaison with the Chair, to approve financial donations towards projects in future, within a budget of up to £5,000, per annum, and in accordance with the criteria.</p>		

Background

GEL’s Corporate Social Responsibility (**CSR**) policy, adopted by the Board at the August 2020 meeting, set out our intention to be “a good corporate citizen” by adopting initiatives that will have a significant and positive impact both on the business itself and the communities in which GEL operates.

As a starting point, we asked staff to suggest organisations or projects that may be suitable for GEL help. Our criteria in judging suitability was that:

- The organisation/project should be based in the local area – within the confines of the borough;
- There should be a public good, with either a benefit to the local community or have a “green/environmental” focus;
- It should offer us the opportunity to promote GEL positively, as an integral partner to the local community.

During the past year, we have supported/committed to support the following:

1. Trees for Cities: in December 2020, a team led by GM carried out a tree planting programme on one of our biggest housing sites Northolt Park housing (Race Course).

2. Springhallows post -16 college: In June 2021, a team from GM gave a makeover to a piece of overgrown land transforming it into a glorious garden area for staff and students.
3. Mindfood - a small local charity set up to help people tackle common mental health difficulties by teaching food growing, as well as sharing tips and techniques to improve wellbeing, like mindfulness. On 3/4th July 2021, we aim to help them out by wood-chipping paths at Clevely Crescent allotments.

These projects are inexpensive, especially in terms of the positive PR generated. Whilst welcome, we are proud in any case to support these local initiatives as part of our long-term strategy to embed the GEL brand in the hearts and minds of the local community and to help us in our aim of being one of the leading environmental service providers in West London and across the capital.

In addition, to taking part in community-based projects such as those outlined above, we have also been asked to make small financial donations to other local community-based projects or charities, which we have so far had to decline as we have not had a policy in place for such charitable donations.

Recommendation:

Going forward, we anticipate that requests for both our direct involvement in projects and small financial donations will continue/increase, through word of mouth, and through the positive publicity/comms generated by our completed works.

In view of this and to give structure and ease of administration to the process, the **Shareholder Representative is asked to approve** the below approach to charitable donations in principle.

If the Shareholder Representative approves the approach, the Board is asked to:

1. **delegate** authority to the Interim Managing Director, in liaison with the Chair, to consider all future CSR project funding requests;
2. **note** that all such applications will be considered on their merits, in line with the criteria above;
3. **approve** a small (total) budget of up to £5,000 per annum for monetary CSR project funding requests;
4. **approve** the principle that there will be an upper limit of £2,000 for any approved applications;

If approved, the criteria and process will be added to the CSR Policy as an Appendix. The process will also include a simple recording mechanism of all successful applications under the scheme for audit purposes.

Greener Ealing Ltd - Board Forward Plan 2021

Date of Meeting	Standing Items	Governance	Strategic	Finance	Performance Management/ Operations/Specific Project Updates
Sept 2021	<ul style="list-style-type: none"> • Apologies • Declarations of Interest • Minutes of Meeting • Matters Arising <ul style="list-style-type: none"> - Circular Resolutions • KPIs • Risk Management <ul style="list-style-type: none"> - Risk Register • Performance Report <ul style="list-style-type: none"> - H&S Update - incidents / accidents • Operations Report • Transport Report • Forward Plan 	<ul style="list-style-type: none"> • Equality and Diversity Policy • Whistleblowing Policy (<i>approved 12/17/20</i>) 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Finance Update • 	<ul style="list-style-type: none"> •