

**GREENER EALING LIMITED**
**MEETING OF THE BOARD OF DIRECTORS**
**WILL BE HELD AT 13:00 ON THURSDAY 15<sup>th</sup> SEPTEMBER 2022, 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.                             | Annual Report and Financial Statements (Year-ended 31/03/22)  |        |             | (3)              |
| 4.                             | Minutes of the meeting held on 6th July 2022  | MB     | Approval    | (4)              |
| 5.<br>5.1                      | Matters Arising<br>Action Log   | MB     | Information | (5)              |
| Governance                     |   |        |             |                  |
| 6.                             | Corporate Governance <ul style="list-style-type: none"> <li>Annual policy review: <ul style="list-style-type: none"> <li>Equality and Diversity Policy (update on objectives to be provided)</li> <li>Register of Directors' Interests – annual review</li> </ul> </li> </ul> | KOL/LP | Approval    | (6a)<br><br>(6b) |
| Strategy, Project & Operations |   |        |             |                  |
| 7.                             | MD Report & update on business objectives   | KOL    | Information | (7)              |
| 8.                             | Combined Performance Report including HSEQ and Transport  | KOL    | Information | (8)              |
| 9.                             | Risk Management Report  | KP     | Information | (9)              |
| 10.                            | Finance Update  | KP     | Information | (10)             |
| Board Forward Plan             |   |        |             |                  |

|     |  |        |             |      |
|-----|--|--------|-------------|------|
| 11. | Board Forward Plan                                   | KOL/LP | Approval    | (11) |
| 12. | Any Other Business                                   | MB     | Information |      |
| 13. | Date of next meeting: 24 <sup>th</sup> November 2022 |        | 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  | Head of HR and Comms, GEL                            |
|            | Katarina Pohancenikova | KP  | Head of Finance, GEL                                 |
|            | Earl McKenzie          | EM  | Assistant Director Street Scene, GEL                 |
|            | Helen Harris           | HH  | Director of Legal and Democratic Services, LBE       |
|            | Lucy Taylor            | LT  | Shareholder Representative, LBE                      |
|            | Darren Henaghan        | DH  | Interim Director of Housing, LBE                     |
|            | Lizzie Purewal         | LP  | Waterstone/Bridgehouse Company Secretaries (minutes) |

Apologies:

**GREENER EALING LTD**

**GREENER EALING LTD  
ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH 2022**

**COMPANY NUMBER 12136927**

# GREENER EALING LTD

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# GREENER EALING LTD

## COMPANY INFORMATION

### DIRECTORS:

Alison Reynolds  
Kieran Read  
Michael Gordon Boulton

### COMPANY SECRETARY:

Waterstone Company Secretaries Ltd  
Third Floor, 5 St. Bride Street  
London  
EC4A 4AS  
United Kingdom

### REGISTERED OFFICE:

Perceval House  
14-16 Uxbridge Road  
Ealing  
London  
W5 2HL  
United Kingdom

### AUDITOR:

Beever and Struthers  
Statutory Auditor  
Suite 9b  
The Beehive Lions Drive  
Shadsworth Business Park  
Blackburn  
BB1 2QS  
United Kingdom

# GREENER EALING LTD

## STRATEGIC REPORT

This is the Strategic Report for Greener Ealing Ltd (the "Company") for the year ended 31<sup>st</sup> March 2022.

### Business review

The Company's principal activity is to provide waste collection, street cleansing and other maintenance services on behalf of London Borough of Ealing Council under a five-year contract which commenced on 5<sup>th</sup> July 2020.

In addition during the year the Company commenced medium size contracts outside of the main Services Agreement with London Borough of Ealing Council.

The Company's aim is to provide a high-quality cost-effective client facing service whilst delivering positive financial returns to its shareholder.

We have continued to deliver frontline services to an improving standard and have been delighted with the progress that has been made. This was a difficult year with the ongoing issues associated with the pandemic combined with the national crisis of the HGV Driver shortage. This presented a unique set of circumstances that the growing and flourishing team had to contend with.

### Our strategy

Despite the challenging circumstances we continue to make good strategic progress through reviewing currently provided services, investing in better waste collection infrastructure, safer and more efficient waste collection rounds, clean streets and green spaces at the same time as controlling costs and emissions to achieve improved operating efficiency and reduced environmental impact.

Our strategy is structured around the Company values. These set out what we stand for and how we behave at work. These are the basis of how we deliver our vision of being one of the leading environmental service providers in West London.

For Greener Ealing Ltd our approach is:

**Customer Comes First** – remembering our purpose and doing our very best for the people we serve

**Collaborative** – with workmates and others – working together

**Caring** – about the health, safety, welfare and wellbeing of our employees

**Committed** – delivering services, to innovation, tackling problems and finding better ways of working.

### Key performance indicators

The company regularly monitors revenue and costs compared to budget and hence profit before tax is a key indicator for the business. As revenue is relatively fixed, the main relevant indicators are cost items. Management accounts are produced and reviewed by the Board on a regular basis. An operational performance report, including key financial information, is provided to the shareholder on a regular basis.

The Company has budget and target measures for all areas of its activity and actual performance is compared to these, with variances detailed and analysed. Where appropriate, budgets are profiled on a monthly basis to reflect seasonality of costs and volume.

Operational KPIs related to the services are also measured on a monthly basis, with targets agreed and performance discussed with London Borough of Ealing Council.

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## Health & Safety

The Company's Health & Safety performance has been and will remain a key priority. The procedures are fundamental to how the business operates and are always at the core of the company's activity. Training, guidance, and resources ensures that the business is not only compliant with regulatory bodies but is operating within the best practice. The Company has an in-house team of HSQE professionals with broad knowledge and experience of the field that provide the business with support on a day to day basis.

## Covid-19

We have operated throughout the various stages of the Covid pandemic and maintained all priority services. Following an agreed Business Continuity Plan we have managed to maintain essential services to residents. There has been a limited impact on the cost of providing services and therefore the impact on the company's financial statements has been limited in the year ending March 2022. In future years, the company assesses its risk to Covid-19 to also be low.

## Brexit

The Board and Directors continue to monitor closely the potential implications on our business, including in particular, any potential changes to supply changes and availability of cost of labour as well as any operational and legislative impacts.

There will be Brexit related challenges in the future, but we are confident that we are well positioned to managed through prospective challenges and work to take advantage of the opportunities that may arise.

## Climate change

The London Borough of Ealing Council, the Company parent company has declared a Climate Emergency and aims to make Ealing carbon neutral by 2030, taking into account both production and consumption emissions. Greener Ealing Ltd proposed a Carbon Reduction target for 2022 of 126 tonnes equivalent to 7% of our emissions for 2021.

The Company is conscious that all types and uses of energy, and the production/manufacture of materials, and especially with large items such as Heavy Goods Vehicles (HGV) have a significant "Well to Wheel" carbon footprint. Which may mean that although the local tail pipe emissions of a fully electric or alternative fuel HGV support local Net Carbon reduction targets in relation to air quality, there still will be a significant element of Carbon emissions to the work being carried out. Our approach to carbon reduction will reflect a broader approach to the overall reduction in emissions rather than a wholesale change of technology, especially in relation to alternative fuels where in some respects the end-of-life environmental legacy of some of the components and materials is unknown at present. As we progress our carbon reduction plan will also look at our direct and indirect supply chain as well as staff home to work travel arrangement.

## Principal risks

As part of overall governance, the Company has a number of risk management and internal control procedures to ensure that it manages its risk appropriately at every level within the business, from those specific to individual work tasks, to those for business units.

The Company's risk approach is overseen by the Board, who review the key principal risks and uncertainties, with sustainability and resilience at the heart of most categories.

## GREENER EALING LTD

The Company's key objective is to manage the services contract within the fixed fee budget agreed by the Council. The delivery of services relies on the provision of labour, vehicles and plant. The effective management of directly employed labour and agency staff is key to delivery. Management accounts are produced monthly and reviewed by the Board on a regular basis.

Operational risks also include compliance with legislation such as vehicle operators licencing, environmental legislation, and Health and Safety legislation. A breach in any of these areas could have an adverse impact on the company.

Operational KPIs related to the services provided to the shareholder are also measured on a monthly basis, with targets agreed and performance discussed with the Council.

### **Directors' statement of compliance with duty to promote the success of the Company**

The Directors of the Company must act in accordance with section 172 of the UK Companies Act 2006. The Directors are of the opinion that they have acted fairly and in good faith to promote the success of the Company for the benefits of its members.

The Directors have carried out these duties and have made decisions and undertaken short and long term strategies to maintain its financial performance and position. The Directors continue to recognise the importance of the Company's partnership with all stakeholders, including employees, members, suppliers, customers and the community, as well as maintaining its high standards of business conduct and reputation.

### **Employees and Equalities**

GEL's Vision is to be recognised as one of the leading environmental service providers in west London and we know that we can only deliver this Vision through each of our employees pulling together.

The health, safety, welfare and wellbeing of our employees is a priority and we have a range of HR policies, approved by the GEL Board, that aim to promote dignity at work, equal opportunities and good working relations based on fairness, equality and inclusiveness. These are reviewed periodically.

We aim to "Nurture and build a diverse and representative workforce which, at all levels, broadly represents the community it serves, enabling it to better meet the service needs of our customers" (GEL Equality and Diversity Policy).

At the February 2021 Board meeting three specific measurable equality objectives were approved:

1. To get an accurate baseline of equalities information

This was considered essential in achieving objectives 2 and 3. We are satisfied that our baseline information on our workforce profile is accurate and up to date.

2. To increase the numbers of female HGV drivers employed on the contract

The shortage of HGV drivers in general has been a feature across industry during the past 18 months or so as a result of pandemic, Brexit and changing patterns of online shopping. Consequently, we have struggled to retain our existing HGV drivers in the face of financial rewards available elsewhere. Similarly, we have found it difficult to attract new HGV drivers (male or female). One of our strategies to deal with this has been to offer training to our existing workforce as HGV drivers. This has been a long process. We would gladly offered training to our existing female staff but none of our front line females have even a driving licence for a car, which is a prerequisite.

In addition, in partnership with Ealing Council colleagues, HGV driver training opportunities were made available to residents of the Borough with the understanding that successful



## GREENER EALING LTD

candidates would than be available to work for GEL as HGV drivers. We had specified that females were underrepresented in the waste and recycling industry and therefore applications from them would be particularly welcomed. To date we have not had any females come through this route.

### 3. To increase the numbers of females generally across the workforce

Our numbers of females across the workforce has remained low in percentage terms. We understand that this industry has traditionally been unattractive to females for various reasons and we have taken a number of measures to seek to address this. For instance, any adverts will include reference to females were underrepresented in the waste and recycling industry and therefore applications from them will be particularly welcomed. In addition, we have a focus group of frontline female staff where we seek to better understand what attracted them to work for GEL and what else, if anything, we could do to attract more females. We are in a process of adjusting hours/contracts to enable female candidates to work term-time, or weekend only, etc. We will keep this under review.

We review workforce profile information annually and report findings and proposed actions to our Board. We have a diverse workforce but a heavy concentration of males to females (95%:5%). We know that the waste/environmental services industry has not traditionally been seen as an attractive career choice for females, but we are trying to encourage more females to consider this, through targeted advertising, being prepared to adapt shift patterns, etc, where this would help.

HR also surveyed female front-line staff on what they believe to be the good and bad points of working for GEL. Generally, the company is viewed favourably and those surveyed confirmed they would be happy to recommend GEL to female associates as a good place to work. We will continue our efforts to enhance our gender balance. In terms of senior roles, females and BAME employees are well represented.

Our workforce profile data shows 1% indicating that they have a disability, although we accept that this is likely to be higher, as staff may choose, for whatever reason, to not disclose a disability reason. The company's Equalities and Diversity policy outlines that we will guarantee to interview any candidate with a disability who on the basis of their application appears to be able to meet the requirements of the job. We are aware, nevertheless, of our obligations under the Equality Act, and have taken steps to make "reasonable adjustments" to enable employees to continue to work. Training, career development and promotion opportunities are available to all staff. During the past year (2021/22) we have supported a number of LTS employees who may be classified as having a "disability" under the terms of the Equality Act, to return to work through phased returns, reduced hours and alternative duties. We are keen to continue this support wherever necessary even after the return.

The Company engages with employees throughout the year through multiple communication channels such as face-to-face meetings, calls, recorded vlogs, newsletters, toolbox talks and our employee app, Blink. We also conduct an annual staff engagement survey and report the outcome to the Board. We publish Vision and Values and invite employees to work with us to make the Company one of the Leading Environmental Services companies in west London and across the capital. This is promoted at Induction and throughout the employee lifecycle.

The Company has created its own Training Academy which via Training Facilitators deliver both internal bespoke and externally accredited training schemes and support continued staff development across the complete range of disciplines. Induction refresher training is currently being provided to all staff, which includes reiteration of the company Vision and Values, in terms of expected behaviours, etc. Manager and supervisor training is carried out in house by the HR team. Opportunities for further training, apprenticeships etc, are made available to all.

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## Section 172 statement

Each director of the company has taken steps to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of members as a whole, and in doing so have regard (amongst other matters) to the matters below:

- The likely consequences of any decision in the long term. The Board has made principal decisions impacting the future of the company in line with the long term strategic objectives agreed with the ultimate parent company, the Council.
- The interests of the company's employees. The directors recognise that our employees are fundamental in everything we do. The success of our business depends on retaining, attracting and motivating a skilled workforce. Safety, Health, Environment and Quality remains at the forefront, with the onset of the Covid pandemic, we ensured that where possible our employees were able to work from home. Where home working was not possible, we introduced a Covid compliant method of work.
- The need to foster the company's business relationships with suppliers, customers and others. The company works closely with the Council, its principal customer to continue to deliver a high quality service. The Board priority is to have good relationships with suppliers, customers, both commercial and residential. Supplier payments are made in a timely manner.
- The impact of the company's operations on the community and the environment. We continually engage with various communities within the Ealing Borough and seek to listen to residents' feedback.
- The desirability of the company maintaining a reputation for high standards of business conduct. Company is focussed on being economically, environmentally and socially responsible. The directors regularly review the risks facing the Company, including those relating to compliance, legal and reputational. The framework keeps the Board informed and helps ensure that all decisions taken promote high standard of business conduct.
- The need to act fairly as between members of the company. The Directors make decisions and recommendations after taking into consideration the impact on all stakeholders and the alignment with our strategic objectives.

This report was approved by the Board of directors on 27 September 2022 and is signed on its behalf by:

Michael Gordon Boulton  
Chair  
27 September 2022

## Registered address:

Perceval House  
14-16 Uxbridge Road  
Ealing  
London  
W5 2HL  
United Kingdom

# GREENER EALING LTD

## DIRECTORS' REPORT

The directors present their report and the audited financial statements of the Company for the year from 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022.

### Principal activities

The Company's principal activity is to provide waste collection, street cleansing and other maintenance services on behalf of London Borough of Ealing Council under a five-year contract which commenced on 5<sup>th</sup> July 2020.

### Results

Profit before taxation for financial year amounted to £460,821 (2021: Profit before taxation - £13,036).

No dividends were paid in the reporting year.

### Directors

The directors who served during the year and up to the date of signing the financial statements were:

Alison Reynolds – Non-executive Director

Kieran Read - Non-executive Director

Michael Gordon Boulton - Chair

### Directors indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

The Company holds directors' and officers' liability insurance cover for any claim brought against directors or officers for wrongful acts in connection with their positions.

### Credit risk

The Company received majority of its revenue from London Borough of Ealing Council and therefore is not exposed to significant credit risk.

### Market risk

The Company is exposed to inflationary cost pressures and the costs are monitored on a regular basis. The directors take appropriate action to mitigate the impact of any unexpected cost variances.

### Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing and future operations, the Company has entered into a loan agreement with London Borough of Ealing Council with available loan facility up to £2,500,000.

# **GREENER EALING LTD**

## **Disabled employees**

The statement describing the Company's policy in respect of the employment of disabled persons by the company has been included in the Strategic Report.

## **Engagement with employees**

The statement describing the action that has been taken during the financial year by the company with respect to its engagements with employees has been included in the Strategic Report.

## **Events since the balance sheet date**

There are no significant subsequent events to report until the date of these financial statements.

## **Disclosure of information to the auditors**

Each of the persons who are directors at the time when the Directors Report is approved has confirmed that:

- So far as each director is aware, there is no relevant audit information of which the Company's auditors is unaware; and
- Each director has taken all of the steps that they ought to have taken as a director in order to make themselves aware of any audit information and to establish that the company's auditor is aware of that information.

## **Going concern**

The company is reliant on the continued financial support of its shareholder, which is expected to continue for the foreseeable future. London Borough of Ealing Council has confirmed via a letter of support its intention to continue to make available funds as are needed by the company for at least 12 months from the date of approval of the financial statements. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

## **Auditor**

Beever and Struthers (registered office address: Beever and Struthers, 15 Bunhill Row, London, EC1Y 8LP, United Kingdom) were appointed as auditor during the year.

This report was approved by the Board on 27 September 2022 and signed on its behalf by:

Michael Gordon Boulton  
Chair  
27 September 2022

# GREENER EALING LTD

## DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole;
- the strategic report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's position, performance, business model and strategy.

This responsibility statement was approved by the Board of directors on 27 September 2022 and is signed on its behalf by:

Michael Gordon Boulton

Chair

27 September 2022

# GREENER EALING LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF GREENER EALING LTD

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Greener Ealing Ltd (the 'company') for the year ended 31 March 2022 which comprise the Profit and Loss Account, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies in note 2. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **GREENER EALING LTD**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a

## GREENER EALING LTD

guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006 and tax legislation.
- We enquired of the management and reviewed correspondence and for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that management have in place to prevent and detect fraud. We enquired of management about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of management about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.



# GREENER EALING LTD

## Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

## Mark Bradley BA FCA (Senior Statutory Auditor)

For and on behalf of

Beever and Struthers  
Chartered Accountants  
Statutory Auditor

Suite 9b  
The Beehive Lions Drive  
Shadsworth Business Park  
Blackburn  
BB1 2QS

**Date:**

# GREENER EALING LTD

## PROFIT AND LOSS ACCOUNT

For the year ended 31<sup>st</sup> March 2022

|  | Notes | 2022<br>£        | 2021<br>£        |
|--|-------|------------------|------------------|
| Turnover   | 3     | 22,402,446       | 16,190,741       |
| Cost of Sales  |       | (18,056,564)     | (12,639,054)     |
| <b>GROSS PROFIT</b>                                      |       | <b>4,345,882</b> | <b>3,551,687</b> |
| Other Operating Income                                   |       | 808,632          | 146,505          |
| Administrative Expenses                                  |       | (4,574,164)      | (3,536,935)      |
| <b>OPERATING PROFIT</b>                                  |       | <b>580,350</b>   | <b>161,257</b>   |
| Interest Receivable                                      | 8     | 289              | 437              |
| Finance Costs  | 7     | (119,818)        | (148,658)        |
| <b>PROFIT BEFORE TAXATION</b>                            |       | <b>460,821</b>   | <b>13,036</b>    |
| Taxation   | 6     | (88,743)         | (674)            |
| <b>PROFIT FOR THE YEAR</b>                               |       | <b>372,078</b>   | <b>12,362</b>    |
| Actuarial gain arising on defined benefit pension scheme |       | 9,193            | 24,310           |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>           |       | <b>381,271</b>   | <b>36,672</b>    |

The Company has no other comprehensive income during the current year and therefore no separate statement to present other comprehensive income has been prepared.

The notes on pages 19-30 form part of these financial statements.

# GREENER EALING LTD

## STATEMENT OF FINANCIAL POSITION

As at 31<sup>st</sup> March 2022

|   | Notes | 2022<br>£          | 2021<br>£          |
|---|-------|--------------------|--------------------|
| <b>FIXED ASSETS</b>   |       |                    |                    |
| Intangible assets   | 9     | 624,640            | 727,733            |
| Tangible assets   | 10    | 5,862,640          | 7,629,884          |
|   |       | <b>6,487,280</b>   | <b>8,357,617</b>   |
| <b>CURRENT ASSETS</b>   |       |                    |                    |
| Debtors   | 11    | 1,010,879          | 517,190            |
| Cash at bank and in hand  | 12    | 2,496,297          | 2,345,438          |
|   |       | <b>3,507,176</b>   | <b>2,862,628</b>   |
| <b>Creditors:</b> Amounts falling due within one year               | 13    | (5,349,014)        | (5,310,727)        |
| <b>Net current liabilities</b>                                      |       | <b>(1,841,838)</b> | <b>(2,448,099)</b> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                        |       | <b>4,645,442</b>   | <b>5,909,518</b>   |
| <b>Creditors:</b> Amounts falling due after more than one year      | 14    | (4,063,036)        | (5,811,380)        |
| <b>Provision for liabilities:</b> Defined benefit pension liability |       | (175,258)          | (72,261)           |
| <b>NET ASSETS</b>   |       | <b>407,148</b>     | <b>25,877</b>      |
| <b>CAPITAL AND RESERVES</b>   |       |                    |                    |
| Called up share capital   | 17    | 1                  | 1                  |
| Profit and loss account   |       | 407,147            | 25,876             |
| <b>SHAREHOLDER'S FUNDS</b>  |       | <b>407,148</b>     | <b>25,877</b>      |

The notes on pages 19-30 form part of these financial statements.

The financial statements of Greener Ealing Ltd (registered number 12136927) were approved by the Board of directors on 27 September 2022 and were signed on their behalf by:

Michael Gordon Boulton

Chair

27 September 2022

# GREENER EALING LTD

## STATEMENT OF CHANGES IN EQUITY

For the year ended 31<sup>st</sup> March 2022

|  | Called up<br>share capital<br>£ | Profit and<br>loss<br>account<br>£ | Total<br>capital and<br>reserves<br>£ |
|--|---------------------------------|------------------------------------|---------------------------------------|
| <b>Balance as at 1st July 2020 (Restated)</b>      | 1                               | (10,796)                           | (10,795)                              |
| Profit and total comprehensive income for the year | -                               | 36,672                             | 36,672                                |
| <b>Balance as at 31st March 2021</b>               | <b>1</b>                        | <b>25,876</b>                      | <b>25,877</b>                         |
| Profit and total comprehensive income for the year | -                               | 381,271                            | 381,271                               |
| <b>Balance as at 31st March 2022</b>               | <b>1</b>                        | <b>407,147</b>                     | <b>407,148</b>                        |

The notes on pages 19-30 form part of these financial statements.

# GREENER EALING LTD

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2022

### 1. GENERAL INFORMATION

Greener Ealing Ltd is a private limited company by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is shown on page 3.

The company main activities are to deliver waste, recycling, street cleaning, grounds maintenance and associated services to the residents of London Borough of Ealing.

### 2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Financial Reporting Standard 101 (FRS 101) and in accordance with applicable accounting standards.

The financial statements are presented in sterling, which is the functional currency of the Company.

The financial statements have been prepared under the historical cost convention. The principal policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- IFRS 2 Share-based payments paragraph 45(b), 46 - 52
- IFRS 7 Financial Instruments: disclosures
- IAS 1 Presentation of financial statements paragraph 10(d), 111, 134 - 136
- IAS 7 Statement of cash flows
- IAS 24 Related party disclosure paragraph 17
- IAS 36 Impairment of assets paragraph 134 and 135

#### 2.1. Critical accounting estimates and judgments

The presentation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for revenues and expenses during the year and the amounts reported for the assets and liabilities at the statement of financial position date. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The nature of estimation means that the actual outcomes could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The directors have determined that there are no critical accounting estimates or judgements that affect the amounts reported in these financial statements.

#### Tangible fixed assets

Other than investment properties, tangible fixed assets are depreciated over the length of the lease taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes

# GREENER EALING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> March 2022

are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

### **Pension and other post-employment benefits.**

The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific sector. Future salary increases and pension increases are based on expected future inflation rates for the respective sector. Further details are given in note 17.

### **2.2. Going concern**

The directors have prepared cash flow forecasts for a period of eighteen months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from the London of Borough of Ealing, to meet its liabilities as they fall due for that period.

London Borough of Ealing Council has confirmed via a letter of support its intention to continue to make available funds as are needed by the company for at least 12 months from the date of approval of the financial statements.

### **2.3. Revenue recognition**

Revenue in respect of goods and services provided is recognised when performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Company accrues income relating to performance obligations satisfied in that year. Where the Company entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future year, the income is deferred and recognised as a contract liability.

### **2.4. Trade and other receivables**

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade receivables are measured initially at fair value and subsequently measured using the expected credit loss model at amortised cost less provision for impairment.

### **2.5. Cash and cash equivalents**

Cash is represented by cash on hand and demand deposit. Cash equivalents are highly liquid investment that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. The definition is also used for the statement of cash flows.

## GREENER EALING LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> March 2022

#### 2.6. Financial instruments

Financial assets and liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instruments.

##### Financial Assets

Amounts owned by group undertakings and other trade receivables are initially recognised at fair value and subsequently carried at amortised cost, reduced by any appropriate allowances for unrecoverable amounts. Cash comprises of cash held in the bank.

##### Financial Liabilities

The Company's financial liabilities consist of shareholder borrowing and trade and other payables. All of which are initially recognised at fair value and subsequently carried at amortised cost.

#### 2.7. Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are measured at fair value, and subsequently at amortised costs. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### 2.8. Intangible assets – computer software

Intangible assets represent investment in Company's information software. Amortisation is provided on a straight – line basis and is charged to Cost of Sales.

|                   |         |
|-------------------|---------|
| Computer Software | 5 years |
|-------------------|---------|

#### 2.9. Tangible fixed assets

Tangible fixed assets are stated at cost, less accumulated depreciation.

Depreciation is charged on tangible fixed assets on a straight- line basis over the expected economic useful lives which are as follows:

|                        |           |
|------------------------|-----------|
| Leased Motor Vehicles  | 5 years   |
| Leased Plants          | 5 years   |
| Motor Vehicles         | 5 years   |
| Plants                 | 3-5 years |
| Computer Hardware      | 5 years   |
| Property Refurbishment | 5 years   |

#### 2.10. Leases

The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. The lease liability is

## GREENER EALING LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> March 2022

subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term of the assets. The depreciation starts at the commencement date of the lease.

#### **2.11. Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

#### **2.12. Pension accounting policy**

The Company participates in a group defined benefit schemes for qualifying employees, the Local Government Pension Scheme.

The scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the statement of financial position. This has been recognised within the defined benefit pension liability on the face of the statement of financial position.

The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting year within the income and expenditure account. Interest is calculated on the net defined benefit liability. Remeasurements are reported in other comprehensive income. Refer to Note 17 for more details.

#### **2.13. Taxation**

The tax expense represents the sum of the tax currently payable.

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income and directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting or a business combination, the tax effect is included in accounting for the business combination.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other year and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable



# GREENER EALING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> March 2022

profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

### 3. Turnover

Turnover arises from the provision of waste collection, street cleansing and related services within the UK.

The following categories of revenue were recognised in the year:

|                            | 2022<br>£         | 2021<br>£         |
|----------------------------|-------------------|-------------------|
| Contractual Service Income | 21,616,187        | 15,609,849        |
| Additional Service Income  | 786,259           | 580,892           |
|                            | <b>22,402,446</b> | <b>16,190,741</b> |

All revenue has arisen in the United Kingdom.

### 4. Auditor's remuneration

Fees payable to the company's auditor for the audit of the company's financial statements for 2022 are £30,500 (2021: £34,300 paid by the parent company).

### 5. Employees

The average number of staff employed by the group during the financial year amounted to:

|                               | 2022<br>Number | 2021<br>Number |
|-------------------------------|----------------|----------------|
| Operational                   | 318            | 295            |
| Management and administration | 18             | 14             |
|                               | <b>336</b>     | <b>309</b>     |

# GREENER EALING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> March 2022

The aggregate payroll costs of the above for the year were:

|                       | 2022<br>£         | 2021<br>£        |
|-----------------------|-------------------|------------------|
| Wages and salaries    | 10,299,070        | 7,240,278        |
| Social security costs | 999,229           | 687,601          |
| Other pension costs   | 700,011           | 483,875          |
|                       | <b>11,998,310</b> | <b>8,411,754</b> |

### 6. Taxation

|   | 2022<br>£       | 2021<br>£  |
|---|-----------------|------------|
| <b>The tax charge for the year is:</b>            |                 |            |
| <b>Current tax Result</b>                         |                 |            |
| Current tax on profit/(loss) for the year         | 106,162         | -          |
| Current tax - prior year adjustment               | 962             | -          |
| <b>Total Current Tax Result</b>                   | <b>107,124</b>  | <b>-</b>   |
| <br>  |                 |            |
| Origination and reversal of temporary differences | (17,076)        | 674        |
| Deferred Tax - prior year adjustment              | 1,059           | -          |
| Impact of tax rate change                         | (2,364)         | -          |
| <b>Total Deferred Tax Result</b>                  | <b>(18,381)</b> | <b>674</b> |
| <br>  |                 |            |
| <b>Total Tax Result</b>                           | <b>88,743</b>   | <b>674</b> |

The reason for the difference between the actual tax charge for the year and the standard rate of corporation tax in the UK of 19% applied to profits for the year are as follows:

|   | 2022<br>£     | 2021<br>£  |
|---|---------------|------------|
| Profit/(Loss) before tax  | 460,820       | 13,036     |
| Expected tax charge/(credit) based on the standard rate of United Kingdom corporation tax at the domestic rate of 19% | 87,556        | 2,477      |
| Effects of unused tax losses and attributes not recognised as deferred tax assets                                     | -             | (1,803)    |
| Items not tax deductible  | 1,531         | -          |
| Prior Year adjustment   | 2,020         | -          |
| Impact of tax rate change   | (2,364)       | -          |
| <b>Total Tax Result</b>   | <b>88,743</b> | <b>674</b> |

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. At the balance sheet date, the proposal to increase the rate to 25% had been substantively enacted, and therefore its effects are included in these financial statements.

# GREENER EALING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> March 2022

### 7. Interest payable and financing costs

Interest payable and financing costs in the year were:

|                                       | 2022<br>£      | 2021<br>£      |
|---------------------------------------|----------------|----------------|
| Interest payable on loans             | -              | 51,578         |
| Interest payable on lease liabilities | 118,363        | 96,365         |
| Other finance costs                   | 1,455          | 715            |
|                                       | <b>119,818</b> | <b>148,658</b> |

### 8. Interest receivable

Interest receivable in the year was:

|                                      | 2022<br>£    | 2021<br>£    |
|--------------------------------------|--------------|--------------|
| Interest receivable on bank deposits | (289)        | (437)        |
|                                      | <b>(289)</b> | <b>(437)</b> |

### 9. Intangible assets

|  | Computer<br>Software<br>£ | TOTAL<br>£     |
|--|---------------------------|----------------|
| <b>Cost</b>                              |                           |                |
| At 1st April 2021                        | 845,162                   | 845,162        |
| Additions                                | 78,000                    | 78,000         |
| <b>At 31st March 2022</b>                | <b>923,162</b>            | <b>923,162</b> |
| <b>Amortisation</b>                      |                           |                |
| At 1st April 2021                        | 117,429                   | 117,429        |
| Charge for the year                      | 181,093                   | 181,093        |
| <b>At 31st March 2022</b>                | <b>298,522</b>            | <b>298,522</b> |
| <b>Net book value at 31st March 2021</b> | <b>727,733</b>            | <b>727,733</b> |
| <b>Net book value at 31st March 2022</b> | <b>624,640</b>            | <b>624,640</b> |

The intangible fixed assets are secured by loan facilities of £2,500,000 which are secured by debenture, in place from 23 July 2021. The facilities and debenture agreement are with the company's parent the London Borough of Ealing Council.

# GREENER EALING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> March 2022

### 10. Tangible fixed assets

|  | <b>Right-of-use assets</b> |                |                       |                |                          |                 |                  |
|--|----------------------------|----------------|-----------------------|----------------|--------------------------|-----------------|------------------|
|  | <b>Motor Vehicles</b>      | <b>Plant</b>   | <b>Motor Vehicles</b> | <b>Plant</b>   | <b>Computer Hardware</b> | <b>Property</b> | <b>TOTAL</b>     |
|  | <b>£</b>                   | <b>£</b>       |                       | <b>£</b>       | <b>£</b>                 | <b>£</b>        | <b>£</b>         |
| <b>Cost</b>                              |                            |                |                       |                |                          |                 |                  |
| At 1st April                             | 8,145,164                  | 688,211        | 26,800                | 91,617         | 17,747                   | 13,902          | 8,983,441        |
| Additions                                | 9,849                      | -              | -                     | 11,435         | 28,946                   | -               | 50,229           |
| Write off                                | (20,089)                   |                |                       |                |                          |                 | (20,089)         |
| <b>At 31st March 2022</b>                | <b>8,134,924</b>           | <b>688,211</b> | <b>26,800</b>         | <b>103,052</b> | <b>46,693</b>            | <b>13,902</b>   | <b>9,013,582</b> |
| <b>Depreciation</b>                      |                            |                |                       |                |                          |                 |                  |
| At 1st April                             | 1,231,194                  | 103,232        | 2,821                 | 12,996         | 2,303                    | 1,011           | 1,353,557        |
| Charge for the year                      | 1,628,308                  | 137,642        | 5,642                 | 18,875         | 7,903                    | 3,033           | 1,801,403        |
| Write off                                | (4,018)                    |                |                       |                |                          |                 | (4,018)          |
| <b>At 31st March 2022</b>                | <b>2,855,484</b>           | <b>240,874</b> | <b>8,463</b>          | <b>31,871</b>  | <b>10,206</b>            | <b>4,044</b>    | <b>3,150,942</b> |
| <b>Net book value at 31st March 2021</b> | <b>6,913,970</b>           | <b>584,979</b> | <b>23,979</b>         | <b>78,621</b>  | <b>15,444</b>            | <b>12,891</b>   | <b>7,629,884</b> |
| <b>Net book value at 31st March 2022</b> | <b>5,279,440</b>           | <b>447,337</b> | <b>18,337</b>         | <b>71,182</b>  | <b>36,486</b>            | <b>9,858</b>    | <b>5,862,640</b> |

The Company has taken motor vehicles and plant on lease from London Borough of Ealing Council. The lease term is 5 years of which 4 years of lease is remaining. As at 31st March 2022 the net book value of right-of-use assets was £5,726,777.

The tangible fixed assets are secured by loan facilities of £2,500,000 which are secured by debenture, in place from 23 July 2021. The facilities and debenture agreement are with the company's parent the London Borough of Ealing Council.

### 11. Debtors

|                                  | <b>2022</b>      | <b>2021</b>    |
|----------------------------------|------------------|----------------|
|                                  | <b>£</b>         | <b>£</b>       |
| Trade debtors                    | 16,460           | 16,328         |
| Amounts owed from parent company | 89,067           | 53,483         |
| Prepayments                      | 315,187          | 273,583        |
| Accrued Income                   | 580,316          | 173,796        |
|                                  | <b>1,001,030</b> | <b>517,190</b> |
| Deferred tax asset (note 16)     | 9,849            | -              |
|                                  | <b>1,010,879</b> | <b>517,190</b> |

The amounts owed from parent company are unsecured, interest free and have no fixed date of repayment.

# GREENER EALING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> March 2022

### 12. Cash at bank and in hand

|                    | 2022<br>£        | 2021<br>£        |
|--------------------|------------------|------------------|
| Cash at Bank       | 196,081          | 1,995,438        |
| Short Term Deposit | 2,300,216        | 350,000          |
|                    | <b>2,496,297</b> | <b>2,345,438</b> |

### 13. Creditors: amounts falling due within one year

|  | 2022<br>£        | 2021<br>£        |
|--|------------------|------------------|
| Trade creditors                            | 763,240          | 921,071          |
| Accruals                                   | 1,323,921        | 946,630          |
| Other Creditors                            | 56,194           | 75,280           |
| Amount owed to parent company              | 1,091,203        | 1,368,712        |
| Corporation tax (note 6)                   | 106,162          | -                |
| Deferred taxation (note 6)                 | -                | 674              |
| Other taxation and social security payable | 254,036          | 272,821          |
| Lease liabilities (note 15)                | 1,754,258        | 1,725,539        |
|  | <b>5,349,014</b> | <b>5,310,727</b> |

The amount owed to parent company is a result of start-up costs incurred by the parent company. These costs are chargeable to the Company.

Amount owed to parent company are unsecured, interest free and have no fixed date of repayment.

### 14. Creditors: amounts falling due after more than one year

|                             | 2022<br>£        | 2021<br>£        |
|-----------------------------|------------------|------------------|
| Lease liabilities (note 15) | 4,063,036        | 5,811,380        |
|                             | <b>4,063,036</b> | <b>5,811,380</b> |

# GREENER EALING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> March 2022

### 15. Lease liabilities

|                                    | Minimum lease payments |                  | Present value of minimum lease payments |                  |
|------------------------------------|------------------------|------------------|---|------------------|
|                                    | 2022                   | 2021             | 2022                                    | 2021             |
|                                    | £                      | £                | £                                       | £                |
| <b>Minimum lease payments</b>      |                        |                  |   |                  |
| Within one year                    | 1,842,187              | 1,843,938        | 1,754,258                               | 1,725,539        |
| 1-2 years                          | 1,842,187              | 1,843,938        | 1,785,183                               | 1,756,011        |
| 2-3 years                          | 1,842,187              | 1,843,938        | 1,816,878                               | 1,786,924        |
| 3-4 years                          | 462,288                | 1,843,938        | 460,975                                 | 1,818,636        |
| 4-5 years                          |                        | 451,120          |   | 449,809          |
|                                    | 5,988,849              | 7,826,872        | 5,817,295                               | 7,536,919        |
| Less: future finance charges       | (171,554)              | (289,953)        | -                                       | -                |
| Present value of lease obligations | <b>5,817,295</b>       | <b>7,536,919</b> | <b>5,817,295</b>                        | <b>7,536,919</b> |

The total cash outflow for leases amount to £1,843,217 (2021: £1,382,954)

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date.

The lease liability balances are attributed to London Borough of Ealing Council.

### 16. Deferred taxation

|   | 2022           | 2021         |
|---|----------------|--------------|
|   | £              | £            |
| Fixed asset related temporary differences | 33,966         | 23,820       |
| Other temporary differences               | (43,815)       | (17,444)     |
| <b>Deferred tax (asset)/liability</b>     | <b>(9,849)</b> | <b>6,376</b> |

### 17. Retirement benefit schemes

#### Defined contribution scheme

The Company operates defined contribution retirement benefit schemes for all qualifying employees. During the year the Company paid contribution of £419k to defined contribution scheme.

#### Defined benefit scheme

The Company participates in a group defined benefit scheme for qualifying employees. The employer contribution rate is 23.9%. The calculation for the disclosures is based on an actuarial valuation of the scheme as at 31<sup>st</sup> March 2022 by a qualified independent actuary.

The Local Government Pension Scheme has been estimated by Mercer Limited, an independent firm of actuaries. The main assumptions used by the actuary to calculate scheme liabilities of the Company were;

# GREENER EALING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> March 2022

|   | 2022<br>% p.a | 2021<br>% p.a |
|---|---------------|---------------|
| CPI Inflation                           | 3.40%         | 2.70%         |
| Rate of increase in salaries            | 4.65%         | 3.95%         |
| Rate of increase in pensions in payment | 3.50%         | 2.80%         |
| Discount rate                           | 2.80%         | 2.10%         |

The average future life expectancies at age 65 are as follows:

|                            | 2022 | 2021 |
|----------------------------|------|------|
| Current pensioners (years) | 22.9 | 23.0 |
| Future pensioners (years)  | 24.4 | 24.7 |

The estimation of the defined benefit obligation is sensitive to the actuarial assumptions. These assumptions have led to the amounts determined as the Company's defined benefit obligations for the reporting year. However, the actual outcome may vary. Changes in market conditions that result in changes in the net discount rate can have a significant impact on the value of the liabilities reported. There is also uncertainty around life expectancy of the UK population. The value of current and future pension benefits will depend on how long they are assumed to be in payment.

The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method.

The objectives of the scheme are to keep employers' contributions at as constant rate as possible. The agreed strategy is to achieve a funding level of 100% over the next 14 years. Funding levels are monitored on an annual basis.

The Company anticipates paying £169k to the scheme in financial year 2022/23.

An analysis of the defined benefit cost follows:

### Analysis of the amount charged to profit and loss

|   | 2022<br>£      | 2021<br>£      |
|---|----------------|----------------|
| Administrative expenses                                   | 5,000          | 4,000          |
| Current service cost                                      | 277,000        | 231,000        |
| Net interest cost   | -              | (1,000)        |
| Remeasurements (liabilities & assets)                     | (11,350)       | (30,000)       |
| Pension expense recognised in the profit and loss account | <b>270,650</b> | <b>204,000</b> |

### Analysis of changes in plan assets during the year

|  | 2022<br>£      | 2021<br>£      |
|--|----------------|----------------|
| Fair value of plan assets at the beginning of the year | 173,905        | -              |
| Interest on planned assets                             | 5,900          | 1,000          |
| Administrative expenses                                | (5,000)        | (4,000)        |
| Remeasurements (assets)                                | 9,156          | 10,000         |
| Contributions by employers                             | 167,653        | 131,739        |
| Contributions by members                               | 46,487         | 35,166         |
| Fair value of the plan assets at the end of the year   | <b>398,101</b> | <b>173,905</b> |

# GREENER EALING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> March 2022

### Analysis of changes in benefit liabilities during the year

|   | 2022<br>£      | 2021<br>£      |
|---|----------------|----------------|
| Benefit obligation at beginning of year   | 246,166        | -              |
| Current service costs                     | 277,000        | 231,000        |
| Interest on pension liability             | 6,000          | -              |
| Remeasurements (liabilities)              | (2,294)        | (20,000)       |
| Contributions by members                  | 46,487         | 35,166         |
| Benefit obligation at the end of the year | <b>573,359</b> | <b>246,166</b> |

### 18. Share capital

|   | 2022<br>£ | 2021<br>£ |
|---|-----------|-----------|
| <u>Allotted, called up and fully paid</u> |           |           |
| 1 Ordinary share of £1 (2021: £1 each)    | 1         | 1         |
|   | <b>1</b>  | <b>1</b>  |

The shares do not have a right to any dividend or distribution in a winding-up and are not redeemable. Each share has full voting rights. All shares are fully paid.

### 19. Related party transactions

Related party transactions comprise of Chair fees of £12,600 (2021: £8,750).

### 20. Controlling party

The immediate and ultimate parent undertaking is the London Borough of Ealing Council.

The only group and therefore the largest and smallest undertaking in which the company's results are consolidated is that headed by London Borough of Ealing Council. Copies of the consolidated Statement of Accounts of London Borough of Ealing Council can be obtained from the registered office at 4th Floor, Perceval House, 14 – 16 Uxbridge Road, London, W5 2HL which is also the registered office of the London Borough of Ealing Council.

### 21. Subsequent events

There are no significant subsequent events to report until the date of these financial statements.





Audit Key Issues

Greener Ealing Ltd

Year Ending 31 March 2022

9 September 2022



## Contents

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## Introduction

Our audit of the financial statements of Greener Ealing Ltd is substantially complete. The purpose of this document is to bring to your attention the findings from our audit.

In order to comply with the provisions of the International Standard on Auditing (ISA) 260 – ‘Communication of Audit Matters with those Charged with Governance’ we are required to report to management on the findings of our audit, with particular reference to:-

- views about the qualitative aspects of the Company’s accounting practices and financial reporting;
- the letters of representation;
- unadjusted misstatements;
- matters specifically required by other Auditing Standards to be communicated to those charged with governance (such as fraud and error);
- expected modifications to the auditor’s report;
- material weaknesses in the accounting and internal control systems; and
- any other relevant and material matters relating to the audit.

We also take this opportunity to comment on the Company’s performance for the year and to confirm our professional integrity, objectivity and independence.

We see effective communication as being a key part of our audit, and it is important that there is effective two way communication. We therefore welcome any feedback or questions regarding the conduct of the audit process.

This report is not intended to cover every matter which came to our attention during the audit. We do not accept any responsibility for any reliance placed on it by third parties. Our procedures are designed to support our audit opinion and cannot be relied upon to identify all weaknesses in systems or controls which may exist.

**Beever and Struthers**

**Date**

## Key Audit Issues

The following table summarises the key audit issues we identified as requiring specific consideration and the audit procedures we undertook in relation to them.

| Audit issues   | Audit procedure   | Conclusion   |
|--|---|--|
| <p><b>Macroeconomic Conditions</b></p> <p>The wider economic environment is providing several challenges which are both directly and indirectly impacting the Company.</p> <p>The coronavirus (COVID-19) pandemic is continuing to have an impact, with increased cleaning costs and processes put in place for ensuring safety of residents.</p> <p>There has been a 7.0% increase in Consumer Prices Index (CPI) in the 12 months to March 2022, primarily driven by the increase cost of energy. This was increased further in April 2022 when the energy price cap is raised and National Insurance contributions are increased for both employees and employers. This will have an effect on the Company's costs.</p> <p>Further changes may occur in the upcoming months due to unsettled financial markets arising from the Ukraine crisis, and peaks and troughs in supply of materials and labour.</p> <p>This introduces additional audit risks in us arriving at our audit opinion. These include:</p> <ul style="list-style-type: none"> <li>• Going concern including reduced future cash flows;</li> <li>• Fall in values in assets as part of the net pension liability recognised as well as potential increases in cash flow demands from pension providers.</li> </ul> | <p>Our work included a review of key estimates, judgements and assumptions in the financial statements and business plan, including going concern. We reviewed whether judgements and estimates have been made on an appropriate basis and adequately disclosed in the financial statements.</p> <p>In line with Auditing Standards, we will review judgements and estimates up to the point of signing the financial statements.</p> | <p>The audit was carried out mainly remotely. We were provided with a trial balance, draft accounts and file of supporting documentation at the start of the audit. There were no issues regarding obtaining sufficient appropriate audit evidence. Staff were available during our visit.</p> <p>We will continue to review the management accounts. The forecast to date does not indicate any going concern issues.</p> <p>We have reviewed the latest business plan and cashflow forecasts. This shows performance in line with the short to medium term objectives agreed with the Council for 2022/23.</p> |

## Key Audit Issues

| Audit issues  | Audit procedure  | Conclusion   |
|---|--|--|
| <p><b>Finance Leases</b></p> <p>The Company has motor vehicles and plant equipment on lease from London Borough of Ealing Council. As at 31 March 2021 the net book value of these assets was £7,498,949 and the associated lease liability was £7,536,919.</p>   | <p>Our audit work in this area included:</p> <ul style="list-style-type: none"> <li>• Reviewing the lease agreements in place to ensure they are correctly treated;</li> <li>• Review the classification of leases as finance leases to determine whether they are classified correctly;</li> <li>• Reviewing the accounting treatment for the assets, liabilities and lease finance costs to ensure they are treated correctly;</li> <li>• Review the disclosures and the notes to the accounts at the final audit to ensure they comply with IFRS 16.</li> </ul>   | <p>The assets, liabilities and finance costs were correctly accounted for and disclosed in the financial statements, and the disclosures in comply with IFRS 16.</p> <p>We tested a sample of amounts against the lease documentation and reviewed the workings for the liability. We also tested a sample of right of use assets to ensure that lease liabilities were complete.</p> <p>We identified no issues.</p>  |
| <p><b>Defined Benefit Pension Scheme</b></p> <p>The Company participates in a Local Government Pension Scheme, the London Borough of Ealing Pension Fund, which is a multi-employer, defined benefit scheme.</p> <p>The total provision as at 31 March 2021 was £72,261 and the impact on the actuarial gains and losses for the year was a gain of £30,000.</p> <p>The actuaries of the schemes will value the pension assets and liabilities for reporting purposes, and these will be included in the financial statements at 31 March 2022.</p> | <p>Our audit work in this area included:</p> <ul style="list-style-type: none"> <li>• Discussing the process and arrangements for obtaining valuations from the schemes' actuaries, including the instructions given to the actuaries;</li> <li>• Reviewing the information provided by the actuaries to the Company;</li> <li>• Reviewing the actuarial valuations and the assumptions made by the actuaries to ensure assumptions are consistent with those used in 2020/21, or that any changes are understood and are reasonable;</li> <li>• Agreeing the pension disclosures to information provided by the actuaries;</li> <li>• Reviewing the accuracy of the journals processed at the year end; and</li> <li>• Reviewing the disclosures and the notes to the accounts at the final audit to ensure they comply with reporting requirements.</li> </ul> | <p>Mercer has provided the figures to be accounted for.</p> <p>There was an actuarial gain of £11k which has been disclosed as a movement in the current financial year in Other Comprehensive Income.</p> <p>We reviewed the key assumptions used around discount rates, pension increase rates and salary increase rates. We have compared the discount rate to a corporate bond yield curve, and compared the pension and salary increase rates to measures of inflation.</p> <p>We have compared the asset split for the Company's share of the scheme assets against the total asset split of the pension schemes and found no significant variances. We have also reviewed the pension scheme audit findings report for the year ended 31 March 2021 which is the latest one available, to gain assurance over the asset values.</p> <p>The financial statements show balances and disclosures in line with the actuarial reports.</p> |

## Key Audit Issues

| Audit issues   | Audit procedure  | Conclusion   |
|--|--|--|
| <p><b>Assessment of Fraud Risk</b><br/>ISA 240 "The Auditor's responsibility to consider fraud" requires us to consider the risk of fraud and the impact that this has on our audit approach. There is a presumed significant risk of fraud in two areas:</p> <p><b>Revenue Recognition</b><br/>Material misstatements due to fraudulent reporting often result from an overstatement of revenues, for example through premature revenue recognition or recording fictitious revenues. The auditor therefore presumes that there are risks of fraud in revenue recognition and considers which types of revenue may give rise to fraud risks.</p> <p><b>Management Override</b><br/>Under ISA 240 there is a presumed risk of management override of the system of internal controls.</p> <p>Material misstatements can arise from management overriding the controls which are in place or by manipulating the results to achieve targets and the expectations of the stakeholders.</p> | <p>Our audit work in this area included:</p> <ul style="list-style-type: none"> <li>• Meeting management to discuss fraud related risks and the risk of material misstatement in the financial statements;</li> <li>• Reviewing the Group's anti-fraud policies;</li> <li>• Reviewing any relevant internal audit work; and</li> <li>• Reviewing the fraud register.</li> <li>• Assessing and testing the controls over income;</li> <li>• Assessing and testing the controls over cash and debtors and the segregation of duties in place;</li> <li>• Assessing the controls over the maintenance of supplier details and changes to bank account details;</li> <li>• Assessing the controls over the raising and approval of manual journals and accounting estimates.</li> <li>• Reviewing any journals raised after the management accounts for the year ended 31 March 2022 were produced; and</li> <li>• Considering the manipulation of the financial results through the use of journals and management estimates, such as provisions and accruals.</li> </ul> | <p>We have reviewed year end journals and their validity as part of our consideration of the completeness of the accounting records and no issues were identified.</p> <p>We have reviewed the process and controls over each income stream and conducted walk through reviews of the system. No issues were identified.</p> <p>We have reviewed the accounting estimates and the basis of their assessment and calculation.</p> <p>We have reviewed the authorisation of invoices in line with delegated authorities.</p> <p>We reviewed key control account reconciliations which were completed in a timely manner.</p> <p>We reviewed whether variances in year end figures could be adequately explained in relation to budget or prior year figures. No issues were identified with regard to management override.</p> |

## Ethics, Independence and Fees

We have reviewed our independence and confirm that, in our professional judgement, this firm is independent within the meaning of regulatory and professional requirements and the objectivity of the audit engagement partner, Mark Bradley, and the audit staff is not impaired.

The review included consideration of whether:

- the firm is dependent on the Company as a client due to the significance of the audit fee to the firm;
- the firm is owed significant overdue fees;
- there is any actual or threatened litigation between the firm and the Company;
- any benefits have been received by the audit team which are not modest;
- the firm has any mutual business interest with the Company;
- any members of the audit team have any personal or family connections with the Company or officers; or
- independence is impaired through the provision of services other than the statutory audit.

### **Non Audit Services**

In addition to our work as the Company's external auditors, we have provided no other services to the Company.

### **Independence Declaration**

We confirm that:

- We are not aware of any personal relationships between Beever and Struthers and the Company.
- Appropriate safeguards have been established for the provision of any non-audit services.
- We comply with the FRC's Revised Ethical Standard 2019 and in our opinion the firm is independent within the meaning of regulatory and professional requirements and the objectivity of the engagement partner and the audit staff is not impaired.

## Qualitative aspects of Accounting Practices & Financial Reporting

### **Accounting Policies**

FRS 101 requires entities to review their accounting policies regularly to ensure that they are appropriate to its particular circumstances for the purposes of giving a true and fair view. The Board of Directors play a key role in this process.

We have reviewed the Company's accounting policies as stated in the financial statements in detail and confirm that we judge them to be appropriate to provide relevant, reliable, comparable and understandable information.

### **Accounting Estimates**

Key accounting estimates in the financial statements concern depreciation and the valuation of assets on conversion. We confirm that estimates have been made appropriately in line with our knowledge of the Company and the sector, and are disclosed satisfactorily in the financial statements.

### **Timing of Transactions**

Our audit work confirmed that material transactions were recorded in the correct accounting periods. Accruals and prepayments were made for material items.

### **Going Concern**

The financial statements have been prepared on a going concern basis. We have evaluated your assessment of the Company's ability to continue as a going concern and the disclosure made in the Report of the Board of Directors and we confirm that this assumption is appropriate.

### **Report of the Board of Directors**

We reviewed other information in the document containing the financial statements. We confirmed that there is no material inconsistency between it and the financial statements.



## Management Representation Letter

### **Statutory Audit**

In accordance with ISA 580, we obtain written representation from management that they acknowledge their responsibility for preparing the accounts and have made all information available to us.

We will present our management representation letter for signing at the same time as the financial statements.

## Audit Opinion

### **Statutory Audit Opinion**

Our audit opinion on the financial statements for the Company for the year ended 31 March 2022 is unmodified.

We also require a signed letter of representation to be provided with the approved accounts.

## Audit Adjustments

Our audit work is based upon an assessment of materiality to ensure there is no material misstatement contained in the financial statements. In assessing materiality we take into account both the materiality of the class to which the balance belongs and the overall impact of the balance on the income and expenditure account and balance sheet.

ISA 260 requires us to report to management on all uncorrected misstatements identified during the audit, and to include in this report how we have calculated materiality, and any misstatements identified during the audit which have been corrected.

We are not required to report on corrected or uncorrected misstatements we believe are clearly trivial.

### ***Materiality***

Our assessment of materiality was based on the first draft accounts received prior to the audit and calculated using a proportion of income, result for the period, net assets and liabilities and gross assets.

Our audit procedures have been designed to provide reasonable assurance that the financial statements are free of material misstatements. For the purpose of this audit, materiality has been calculated at £448,049. This has been calculated by reference to the turnover of the Company.

### **Profit Reconciliation**

There were no adjustments made to profit.

### **Unadjusted Misstatements**

There were no unadjusted misstatements identified during the audit.

## Accounting & Internal Control Framework

ISA 260 requires that we report to those charged with governance any material weaknesses in internal control that we identify in the course of our audit work. A material weakness is one that could adversely affect the Company's ability to record, process, summarise, and report financial or other data so as to result in a material misstatement in the financial statements.

We have no recommendations to make from the work we performed on internal controls.

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\* Please refer to our website [www.beeverstruthers.co.uk](http://www.beeverstruthers.co.uk) for our latest terms and conditions of business.  
A copy can be provided upon request.

**INVESTORS IN PEOPLE**  
We invest in people Standard



**Pareto**  
ALL MATTERS FINANCIAL

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BB1 2QS



**Greener Ealing Limited**  
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Greenford  
Middlesex UB6 9AP  
T 020 8825 5000

## **REPRESENTATIONS REGARDING LIABILITIES AND CERTAIN MATTERS**

**Date: 27 September 2022**

Dear Beever and Struthers

This representation letter is provided in connection with your audit of the financial statements of Greener Ealing Ltd for the year ending 31 March 2022 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the results and financial position of Greener Ealing Ltd in accordance with the Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

### **Financial Statements**

1. We have fulfilled our responsibilities as Board members, as set out in the terms of your engagement dated [Date] for preparing financial statements in accordance with the Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice) which give a true and fair view of the financial position of Greener Ealing Ltd as of 31 March 2022 and of the results of its operations for the year then ended and for making accurate representations to you.
2. We have reviewed our accounting policies for compliance with FRS 101. We are satisfied that the financial statements have been prepared in accordance with FRS 101.
3. We have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and these have been disclosed in accordance with the requirements of accounting standards.
4. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of FRS 101 related party disclosures.



5. All events since the Statement of Financial Position date which require disclosure or which would materially affect the amounts in the financial statements have been adjusted or disclosed in the financial statements.
6. We confirm the financial statements are free of material misstatements, including omissions. No uncorrected misstatements were identified during the audit.
7. We confirm that, having considered our expectations and intentions for the next twelve months, including the impact of COVID-19 and wider macroeconomic conditions, Greener Ealing Ltd is a going concern. We confirm that the disclosures in the accounting policies are an accurate reflection of the reasons for our consideration that the financial statements should be drawn up on a going concern basis.
8. All accounting records and relevant information have been made available to you for the purpose of your audit of the financial statements. We have provided to you all other information requested and given unrestricted access to persons within the entity from whom you have deemed it necessary to obtain audit evidence. All other records and related information including minutes of all management and shareholders meetings have been made available to you.
9. We confirm that we have considered whether the value of any of the assets held on the Statement of Financial Position have been impaired, and where this is the case the asset carrying value has been written down to the recoverable amount as at 31 March 2022.

#### **Information Provided**

10. All transactions undertaken by the Company have been properly reflected in the accounting records and are reflected in the financial statements.
11. We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
12. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves, management, employees who have significant roles in internal control, or others, where fraud could have a material effect on the financial statements.
13. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
14. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the Company conduct its business and which could affect the financial statements. The Company have complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.



15. We confirm that we have disclosed to you the identity of the entity's related parties and all related party relationships and transactions relevant to the Company that we are aware of.
16. The Company have satisfactory title to all assets, and there are no liens or encumbrances on the assets except for those disclosed in the financial statements.
17. There are no liabilities, contingent liabilities or guarantees to third parties other than those disclosed in the financial statements.
18. The Company have at no time during the year entered into any arrangement, transaction or agreement to provide credit facilities (including loans, quasi loans or credit transactions) for directors, nor to guarantee or provide security for such matters, except as disclosed in the financial statements.

The above representations are made to the best of our knowledge and belief and on the basis of enquiries of management and staff with relevant knowledge and experience.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. The Board members have taken all the steps that they ought to have taken as Board members in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

---

**Signature**

---

**Name & Title**

---

**Date**

---

**Signature**

---

**Name & Title**

---

**Date**

*Note: this document should be on the letter head of the organisation. It should be dated the same day as the approved and signed annual financial statements.*



**GREENER EALING LIMITED ("GEL")**  
**MINUTES OF THE BOARD OF DIRECTORS' MEETING**  
**HELD AT 13:00 HOURS ON WEDNESDAY 7<sup>th</sup> JULY 2022 BY MS TEAMS**

|                       |                        |   |             |
|-----------------------|------------------------|---|-------------|
| <b>Present:</b>       | Mike Boulton           | Chair and Director  | <b>MB</b>   |
|                       | Alison Reynolds        | Director  | <b>AR</b>   |
|                       | Kieran Read            | Director  | <b>KR</b>   |
| <b>In attendance:</b> | Kevin O'Leary          | Interim Managing Director, GEL  | <b>KOL</b>  |
|                       | Earl McKenzie          | Assistant Director Street Services, LBE                                 | <b>EMc</b>  |
|                       | Katarina Pohancenikova | Head of Finance, GEL  | <b>KP</b>   |
|                       | Helen Harris           | Director of Legal and Democratic Services, LBE (attended up to item 12) | <b>HH</b>   |
|                       | Mark Bradley           | Beever and Struthers (External Audit) (attended for item 5)             | <b>MB</b>   |
|                       | George Shillam         | Beever and Struthers (External Audit) (attended for item 5)             | <b>GS</b>   |
|                       | Lizzie Purewal         | Bridgehouse Company Secretaries (minutes)                               | <b>BHCS</b> |

**1. Apologies for Absence**

- 1.1** MB welcomed those present, apologies for absence had been received from Bill Gilmour, Darren Henaghan, and Lucy Taylor.

**2. Declarations of Interest**

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

**3. Minutes of the Board – 7<sup>th</sup> April 2022**

- 3.1** The minutes of the Board meeting on 7<sup>th</sup> April 2022 were **approved** with no changes.

**4. Matters arising and Actions from the previous Board meeting**

- 4.1** The Board approved the revised version of the lease refinancing option: 'RCVs to 7 years now, continuing with the current arrangement for the non RCV vehicles and plant until year 5 with a potential extension for a further 2 years for non RCV vehicles and entering a new lease arrangement for the plant after year 5. The actual saving over the remaining 3 years would be £664k.'

- 4.2** The Board discussed and **noted** the summary update of matters arising from the previous Board meeting.

- 4.3 13.2 (3.02.22) – Outstanding legal advice to ensure state aid rules were followed in relation to the start-up costs treatment** – KOL commented that a proposal had been put forward that had reached an agreement in principle. HH commented that with regard to state aid/subsidy control, TLT had advised the Council to seek advice. It had been decided that the Council did not need or require further advice on the basis that the risk of challenge of a possible state aid breach was low. The intention was for the Council to write-off the set of costs the Council incurred on behalf of GEL in accordance with its financial regulations and usual practice. However, further advice would be required from the Council's auditors on the element that the auditors required to be treated as capital investment in GEL. The Council was willing to write off the set-up costs if advice supported that position. KOL commented that GEL had received advice from Antony Collins supporting that position. It was agreed that KOL would coordinate the parties to confirm their final agreement **[ACTION]**.

**[KOL]**

- 4.4 KR questioned whether there was an absolute time frame within which start-up costs treatment needed to be resolved, given the matter had been ongoing for quite some time, and whether further support was required to progress the matter. KP commented that, in terms of the year end accounts and signing the financial statement for March 2022, it had been agreed that the start-up costs would be taken off completely from the confirmation letter. The matter therefore should not affect the timeline for signing the March 2022 accounts. However, there was a concern that if the Council suddenly decided to charge the cost to GEL and it had not been projected it might affect the bottom line and be a financial shock for GEL. KOL commented that the outline approach had been agreed with the Council in principle.

*Mark Bradley and George Shillam joined the meeting*

**5. Introduction of External Auditors: Beever and Struthers**

- 5.1 MB (audit partner, specialising in local authority subsidiaries) introduced himself and GS (senior manager). GS provided an overview of the audit strategy, included in the meeting pack, talking through the intended timeline, declaring their independence, and outlining the key auditing and accounting issues which would be the focus of the audit.
- 5.2 The current macroeconomic conditions were providing several challenges which were both directly and indirectly impacting the Company. The audit would include a review of key estimates, judgements and assumptions in the financial statements and business plan, including going concern. Consideration would be given to whether judgements and estimates had been made on an appropriate basis and adequately disclosed in the financial statements.
- 5.3 Finance leases – GEL currently had c. £7.5m of assets on lease. The audit would review the lease agreements in place to ensure they were correctly treated.
- 5.4 Defined Benefit Pension Scheme – The audit would review the actuarial valuations and the assumptions made by the actuaries to ensure assumptions were consistent with those used in 2020/21, or that any changes were understood and were reasonable.
- 5.5 Assessment of Fraud Risk – The audit would review the revenue recognition and consider the possibility of management override. Consideration would be given to whether the financial results could have been manipulated using journals and management estimates, such as provisions and accruals, and whether any judgement or estimates were appropriate.
- 5.6 AR referenced the delays experienced with the previous audit undertaken by Deloitte and sought assurance that Beever and Struthers had sufficient resources and were confident they could deliver to the plan. AR questioned whether there was support the Board needed to provide to help the process. MB commented that GEL was not the only local authority that had experienced delays with the large audit firms. MB provided assurance that Beever and Struthers treated all clients with the same prominence and prided themselves on delivering a high-quality audit. MB confirmed that resource capacity had been reviewed prior to accepting the appointment to ensure the work could be facilitated. KP had provided timely information and KOL was in place as a point of escalation if required. KOL would share any concerns with the board if required.

*Mark Bradley and George Shillam left the meeting.*

## **Governance**

### **6. Annual Policy Governance Review**

**6.1** KOL provided an overview of the policies to be reviewed:

**6.1.1** **Anti-Fraud Policy** – There had been no change to the policy. There had been no reports of suspected fraud in the last 12 months. The Board **noted** that no updates were required to the Anti-Fraud Policy.

**6.1.2** **Data Protection Policy** – There had been no change to the policy. The Board **noted** that no updates were required to the Data Protection Policy.

**6.1.3** **Risk Management Policy** – There had been no change to the policy. The Board **noted** that no updates were required to the Risk Management Policy.

**6.1.4** **Health and Safety Policy, Environmental Policy, and Quality Policy** – Minor changes had been suggested to each of the policies following the BSI review. The Board **approved** the updates to the:

- Health and Safety Policy
- Environmental Policy
- Quality Policy

**6.1.5** **Scheme of Delegation and Financial Regulations** – Changes had been proposed to the Scheme of Delegation to allow for more transparent and smoother processes within the Finance function. These changes had also been proposed to the Financial Regulations, to ensure both documents were aligned.

**6.1.6** KR acknowledged that splitting the write down of asset value authorisation was a sensible approach. KR questioned how the limit of £50K, to be authorised by the Managing Director and Head of Finance, had been determined. KOL commented that some equipment could be small items mowers/trimmer's and larger machinery possibly in the region of £20-30K. KOL agreed to provide an annual summary of equipment that was written off **[ACTION]**. **[KOL]**

**6.1.7** The Board **approved** the updates to the Scheme of Delegation and the Financial Regulations.

**6.1.8** **Board Terms of Reference** – The Board **approved** the Board Terms of Reference.

## **Strategy, Project & Operations**

### **7. Managing Director's report**

**7.1** KOL provided an overview of the Managing Director's report, and the following points were discussed:

**7.2**

- The main issue had been the pay award discussions with GMB which had now reached an impasse. GEL had indicated that the budget allowed for a 2.5% increase, which could then potentially be topped up by the Council following the outcome of the national negotiations. Discussions were continuing. GEL would like to bridge the gap, if possible, particularly due to the pressure on HGV drivers. GEL was currently 3 collection rounds down due to a loss of HGV drivers, which was being managed by overtime, which was not sustainable long-term. An informal proposal had been put forward and various options were being considered. KOL had been

undertaking a survey of London Boroughs and there was a strong case to increase pay.

- 7.3 • KR sought clarification on the Council's position on the HGV issue, questioning whether the Council had agreed funding. . EMc commented that contingency was in place. however, a budget adjustment would be required for future years.

- 7.4 • Asked by KR what the incremental cost would be for each % proposed for the wider workforce, KOL confirmed it would be £145K per 1% increase.

- 7.5 • MB sought clarification on the next steps. EMc commented that further discussions would be held over the next week, and he expected positive movement. KR suggested that an internal discussion was required, to understand the wider considerations and the Board responsibilities to the Company, ahead of any Board decision **[ACTION]**.

[EMc/KR/  
AR/MB/  
KOL]

- 7.6 The Board **noted** the Managing Directors Report.

## 8. **Update on delivery against business plan 22/23**

- 8.1 KOL provided an overview of the work programme against the business plan objectives. This was the first iteration of the objectives, which covered all the main objectives, further updates would be made as required. The following points were highlighted:

- 8.2 • The anticipated progress had not been made on the BSI inspections and a revisit was expected in August/September to deal with the non-conformances with the management system that had been identified.

- 8.3 • Improvements from previous years, had been seen in all Street Cleansing categories that GEL was responsible for.

- 8.4 • New work opportunities were being explored.

- 8.5 • Communications and Marketing initiatives were continuing. The West London Jobs Fair had resulted in 3 new female staff members being appointed.

- 8.6 The Board **noted** the Business Plan 22/23 Objectives.

## 9. **Consolidated Performance Report including HSEQ & Transport**

- 9.1 KOL provided an overview of the report, and the following points were discussed:

- 9.2 • Overall performance in May was good. The national HGV driver shortage remained a significant and chronic risk for the contract, exacerbated by the cost-of-living increase which had increased the drain of drivers leaving for more money.

- 9.3 • There were 54 complaints for May and 40 for June. Feedback on BSI inspection was more needed to be done on the route cause analysis around complaints, which would help address some of these issues.

- 9.4 • The wider KPIs were all positive.

- 9.5 • Asked by MB whether the computer glitches on garden waste got resolved, KOL confirmed that garden waste was now running smoothly.

- 9.6 The Board **noted** the Consolidated Performance Report including HSEQ & Transport report.

## 10. **GEL Risk Management – Risk Register**

- 10.1 KOL highlighted the operational failure of food waste vehicles, previously included in Board papers. 3 vehicles had twisted chassis. Agents and suppliers had been engaged to investigate and get a resolution to the issue. The issue might result in GEL being limited in the use of the vehicles, where they can only be deployed either on a short or long-term period collecting non-food material streams, which would impact the overall capacity and delivery of the waste collection operation. Legal advice was being sought and it was

possible that this could be an issue going forward. KP commented that lease extension for this specific schedule was currently on hold.

**10.2** The Board **noted** the risk register.

**11. Finance Update – February 2022**

**11.1** KP presented the financial results, highlighting the following:

- 11.1.1**
- The overall draft financial position to 31st May 2022 is a deficit of £39k against a budgeted loss of £126k. Key variances relate to:
    - Turnover - favourable variances of (£71k) as a result of non-contractual work provided.
    - Staffing costs - favourable variance of (£64k).
    - Operating costs adverse variance of £63k.
    - Funding costs positive variance of (£15k) as a result of no loan being drawn down in the first two months of financial year 22/23
- 11.1.2**
- The full year forecast had been updated and was currently showing a loss of £165k against the originally budgeted loss of £389k. The main factor contributing to the financial result improvement related to service efficiencies and further cost control measures on the services that should help to benefit in this year's financial results.
- 11.1.3**
- It was believed that the lease refinancing, proposed to take place from July 2022, would further improve the financial position and help to close the 22/23 loss gap. The lease documents were currently being prepared and the improvements had not yet been factored into May's financial forecast.
- 11.1.4**
- The Company continued to face financial pressures from the Pay Award, Fuel prices and the HGV Driver shortage, which might negatively impact on the future financial performance.
- 11.1.5**
- GEL management was waiting for the Council to resolve outstanding issues and agree on costs recoverability, these included the Start-up costs treatment and the Heads of Terms (Premises lease agreement).
- 11.1.6**
- The current cash position was stable, and there had been no draw down from the loan facilities.

**11.1.7** The Board **noted** the overall draft financial position to 31st May 2022.

*HH left the meeting.*

**11.2 Bins Contract Award**

**11.2.1** KP commented that discussions had taken place with the Council regarding GEL taking over the ordering of bins. The agreement between GEL and LBE states that GEL need to procure where possible UK manufactured bins, in line with the overall CO2 reduction plan. GEL had actively investigated pricing with UK manufacturer suppliers however, the costs were in the region of 40% more expensive than those coming from abroad. GEL had agreed with the Council to use the ESPO framework, as part of the long-term CO2 % reduction against increase in spend. Following review, it was believed that the current number of suppliers on the ESPO Framework provided value for money and therefore a Direct Award each time stocks needed replenishing would suffice and fulfil the purpose of this contract. The Commercial Strategy was presented to the Council's Joint Contracts Board, where it was agreed in principle with details to be finalised.

**11.2.2** The Board **approved** the Bins Contract Award.

**12. Contract Procedure Rules**

**12.1** KP presented the GEL Contract Procedure Rules paper, commenting that small changes had been suggested to allow for more transparent and smoother processes. The changes were mainly to align some of the elements of some of the items to the Council's CPRs and to give better transparency in awarding the contracts to external parties.

**12.2** The Board **approved** the suggested changes to the GEL Contract Procedure Rules.

**13. Board Forward Plan**

**13.1** The Board **noted** the plan, which had no changes

**14. Any Other Business**

**14.1** There was none.

**15. Date of next meeting: 15<sup>th</sup> September 2022**

**15.2** There being no other business, MB thanked those present and closed the meeting at 13:51.

Signed

Chair of the Board

Date

**GREENER EALING LTD - ACTION LIST – 15<sup>th</sup> September 2022**

| Minute Ref   | Action items arising from minutes   | Officer              | Due By | Comments   | Status        |
|--|---|----------------------|--------|--|---------------|
| <b>Actions arising from 6<sup>th</sup> July 2022</b>     |   |                      |        |  |               |
| 4.3  | <b>Matters Arising – Outstanding legal advice to ensure state aid rules were followed in relation to the start-up costs treatment –</b><br>To coordinate the parties to confirm their final agreement.  | KOL                  |        | Meeting held on the 24 <sup>th</sup> August and full update provided in Finance Report to September Board meeting. | <b>CLOSED</b> |
| 6.1.6  | <b>Scheme of Delegation and Financial Regulations</b> – update on any write offs to be provided at every Board meeting.   | KOL                  |        | Update provided in Finance report.   | <b>CLOSED</b> |
| 7.9  | <b>Managing Director's report</b> – To follow up with an internal discussion to understand the wider considerations and the Board responsibilities to the Company, ahead of any Board decision to make an at risk offer over and above the guaranteed budgeted 2.5% increase. | EMc/KR/AR/MB/<br>KOL |        | Verbal update to be provided at Board meeting  | <b>CLOSED</b> |
| <b>Actions arising from 3<sup>rd</sup> February 2022</b> |   |                      |        |  |               |
| 13.2   | <b>Finance Update</b> – To follow up on the outstanding legal advice the Council was seeking from their legal team to ensure state aid rules were followed in relation to the start-up costs treatment.   | HH                   |        | Update provided at the meeting.  | <b>CLOSED</b> |

(KO) Kevin O'Leary

(MB) Mike Boulton

(AR) Alison Reynolds

(KR) Kieran Reid

(LT) Lucy Taylor

(HH) Helen Harris

(KP) Katarina Pohancenikova

(BHCS) Lizzie Purewal

(WG) Bill Gilmour

(DH) Darren Henaghan

(EMc) Earl McKenzie

|                       |   |                      |     |
|-----------------------|---|----------------------|-----|
| <b>Report Title</b>   | Equalities and Diversity Policy - Update on Objectives  |                      |     |
| <b>Meeting</b>        | Greener Ealing Board Meeting  |                      |     |
| <b>Date</b>           | September 2022  | <b>Agenda Number</b> | 6a. |
| <b>Type of Report</b> | For Noting and Approval   |                      |     |
| <b>Author</b>         | <b>Bill Gilmour</b> can be contacted on <a href="mailto:gilmourw@ealing.gov.uk">gilmourw@ealing.gov.uk</a>  |                      |     |
| <b>Background</b>     | <p>The Equality and Diversity policy was approved by the Board in October 2020 and specific measurable equalities objectives were agreed at the February 2021 Board meeting.</p> <ol style="list-style-type: none"> <li>1. The Board is asked to note that a light touch review of the Equality and Diversity policy has been undertaken and it is felt that no changes are required at this time.</li> <li>2. The Board is asked to note progress towards the specific equalities objectives contained as Appendix B to the Equalities and Diversity Policy and to agree equalities objectives for 2022/23.</li> </ol> |                      |     |

## Introduction

At the February 2021 Board meeting three specific measurable equality objectives were approved:

1. To get an accurate baseline of equalities information

This was considered essential in achieving objectives 2 and 3.

We are satisfied that our baseline information on our workforce profile is accurate and up to date.

2. To increase the numbers of female HGV drivers employed on the contract

As the Board is aware, the shortage of HGV drivers in general has been a feature across industry during the past 18 months or so as a result of pandemic, Brexit and changing patterns of online shopping. Consequently, we have struggled to retain our existing HGV drivers in the face of financial rewards available elsewhere. Similarly, we have found it difficult to attract new HGV drivers (male or female). One of our strategies to deal with this has been to offer training to our existing workforce as HGV drivers. This has been a long process and although we now have several new HGV drivers, none of these are from our female workforce. We would gladly have offered training to our existing female staff but none of our front-line females have even a driving licence for a car, which is a prerequisite.



In addition, in partnership with Ealing Council colleagues, HGV driver training opportunities were made available to residents of the Borough with the understanding that successful candidates would then be available to work for GEL as HGV drivers. We had specified that females were underrepresented in the waste and recycling industry and therefore applications from them would be particularly welcomed. To date we have not had any females come through this route. Indeed, although a few males have completed the course, none have, to date, chosen to join GEL.

**We suggest retaining this objective.**

3. To increase the numbers of females generally across the workforce

Our numbers of females across the workforce have remained low in percentage terms. We understand that this industry has traditionally been unattractive to females for various reasons, and we have taken a number of measures to seek to address this. For instance, any adverts include reference to the fact that females are underrepresented in the waste and recycling industry and therefore applications from them will be particularly welcomed.

HR and managers attended job fairs recently, to promote the GEL brand and seek to attract female workers. We have had limited success so far.

In addition, we have a focus group of frontline female staff where we seek to better understand what attracted them to work for GEL and what else, if anything, we could do to attract more females. We have prepared comms as a result of this, utilising images and comments from the focus group and plan to promote this as part of a recruitment and marketing campaign during September.

We are adjusting hours/contracts to enable female candidates to work term-time, or weekend only, etc. and our first term-time employee will start working for us in September 2022.

**We suggest retaining this objective.**

Conclusion

Although we have had limited success with objectives 2 and 3 above, we believe that they remain fit for purpose and we would like to continue with them.

We will continue to review recruitment processes to ensure we are doing all we can to attract more females.

We will report again in September 2023.

|                       |   |                      |     |
|-----------------------|---|----------------------|-----|
| <b>Report Title</b>   | Register of Directors' Interests  |                      |     |
| <b>Meeting</b>        | Greener Ealing Board Meeting  |                      |     |
| <b>Date</b>           | September 2022  | <b>Agenda Number</b> | 6b. |
| <b>Type of Report</b> | For Approval  |                      |     |
| <b>Author</b>         | <b>Lizzie Purewal</b> can be contacted on <b><a href="mailto:lizzie@bhcsecretaries.co.uk">lizzie@bhcsecretaries.co.uk</a></b> |                      |     |
| <b>Background</b>     | The Register of Interests is issued to the Board for approval.  |                      |     |

### **Annual Declaration of Interests**

- The Conflict of Interests Policy requires the directors of Greener Ealing Ltd to make a declaration of Interests at least annually, or whenever a potential conflict arises.\*
- The 2022 Register is attached. There have been no changes since the previous register was approved in September 2021.
- No changes to the Conflict of Interests Policy are suggested at this time.

The Board is asked to **approve** the Register of Interests.

*\*Board Members are politely reminded that in between annual declarations, they are obliged to make revised declarations, if potential conflicts arise in the meantime.*

| Director               | Employment  | Other Appointments   | Significant Share Ownership | Property or Landholding in Borough | Other relevant personal or financial interests inc close relatives | Authorisation of any conflict required and date   | Date of Declaration |
|------------------------|---|--|-----------------------------|------------------------------------|--|---|---------------------|
| <b>Michael Boulton</b> | None  | None   | None                        | None                               | None   | N/A   | 12.09.22            |
| <b>Kieran Reid</b>     | Director of Strategy & Engagement, London Borough of Ealing             | None   | None                        | None                               | None   | Any conflict arising from employment at LBE is authorised by Articles of GEL  | 13.07.22            |
| <b>Alison Reynolds</b> | Director of Customer & Transactional Services, London Borough of Ealing | Director of Glory Mill RTM Company Ltd (leasehold management) - unpaid | None                        | None                               | None   | Any conflict arising from employment at LBE is authorised by Articles of GEL; Director of leasehold management company does not create a conflict | 15.09.22            |
|                        |   |  |                             |                                    |  |   |                     |

|                       |   |                      |    |
|-----------------------|---|----------------------|----|
| <b>Report Title</b>   | Managing Directors Report   |                      |    |
| <b>Meeting</b>        | Greener Ealing Board Meeting  |                      |    |
| <b>Date</b>           | 15 <sup>th</sup> September 2022   | <b>Agenda Number</b> | 7. |
| <b>Type of Report</b> | For noting  |                      |    |
| <b>Author</b>         | Kevin O’Leary – olearyk@greenerealing.co.uk   |                      |    |
| <b>Background</b>     | <p>This report provides a summary on overall progress over the last two months and highlights key issues.</p> <p>This has been another challenging period, but we have managed to sustain high-performance levels. We continue to face a difficult operational environment with the HGV Driver problems persisting with several recent resignations presenting us with continuing operational difficulties. This has led to some delays in service delivery, but most collections have been delivered on the allocated day. In order to be clearer on the impacts from August we are now reporting on late collections.</p> <p>There has been no progress on the Pay negotiations.</p> <p>Progress is being made on all Business Objectives. An outline work programme against the business plan objectives is attached to this report.</p> <p>The Board is asked to note the report.</p> |                      |    |

## Introduction

This report sets out the key issues that Greener Ealing has been addressing over the last few months and provides a brief update on other matters of interest.

## Contract Performance

Overall performance on the contract remains good despite the increasing pressure on staff with the more detailed report on this agenda providing a full update.

## Pay award - discussions with GMB

There have been no substantive discussions with the GMB in the last two months as we have waited on further advice from the Council on its position. At the time of writing this report I am still not able to shed any light on this. I have had several meetings with Council Officers to explore the issues and the possibility of any GEL contribution. I am also aware of meetings

internal to the Council which I have not been party to. However, I am unable to report on the outcome of these meetings and what the overall position is. It is hoped that between now and the Board meeting those matters will become clearer and a verbal update can be given. A meeting has been pencilled in with the GMB for the week beginning 12<sup>th</sup> September.

In the meantime, the GMB has maintained a dialogue, but their position is of increasing frustration with pressure from their members for an outcome.

### **Business Plan 22/23 Objectives 1-9**

As reported at the last Board meeting, we have now finalised action plans for all the objectives set out in the 2022/23 Business Plan. The latest version reviewed by the GEL Management Team on the 16<sup>th</sup> August is attached.

Highlights include:

#### **Business Objective 1 – workforce strategy**

- Revised Draft Workforce Strategy now available and being updated following MD feedback
- Female recruitment campaign launched
- Positive signs over possible improvements to showers and changing facilities at GF Depot

#### **Business Objective 2 - Customer comes first**

- Managing complaints process improvements in hand
- Workforce Training videos in progress

#### **Business Objective 3 – Operations**

- Various optimisations in hand
- Weeding programme on schedule
- Roll out of Whitespace and PSS (gm) – slow progress but some positive movement

#### **Business Objective 4 – HSEQ**

- Corrective plans complete for BSI – inspections 30<sup>th</sup> August and 16<sup>th</sup> September.

#### **Business Objective 5 – Data**

- Collection of data – is good, further integration and analysis is now the challenge

#### **Business Objective 6 -Communications**

- Core comms working well
- Use of Instagram and LinkedIn helping to raise GEL profile

#### **Business Objective 7 -Going Digital**

- Links to 5 above

#### **Business Objective 8 – Greening GEL**

- CO2 target compromised by extra vehicle usage due to HGV shortages
- Electric vehicle progress - slow

#### **Business Objective 9 – Growth**

- Trade waste on board weighing activated – in discussion with LBE about opportunities
- Major marketing exercise for autumn across all services
- Graffiti contract is an opportunity

### **BSI Accreditations – Inspection outcomes**

As previously reported BSI inspections took place during April and May. The Board will recall that we were applying for three accreditations across two major service areas ISO9001 Quality, 14001 Environment and 45001 Health and Safety for Streets and Collections.

This proved to be quite challenging for the business and we did not make the progress that we were anticipating. We submitted corrective action plans where required and have been working through these since then. The Inspectors are with us again on 30<sup>th</sup> August and 16<sup>th</sup> September. We will be able to provide a fuller update on the reinspection at the Board meeting.

### **Business Development - New work opportunities**

I previously reported that the Council had advertised its Arboriculture Contract – and is looking for expressions of interest. As I indicated at the last meeting given the overall challenges, and the barriers to entry into this marketplace, after lengthy consideration, we have decided not to submit a bid for this work.

We are however considering the Councils Graffiti contract which will be advertised shortly, in the meantime we have responded to the soft market testing exercise recently launched. This contract starts from May 2023.

### **Conclusions**

Another very busy period. GEL has been operationally sound despite the challenges. Resolving the pay question is now a priority especially in respect of HGV Driver retention which is now starting to have a real and detrimental affect on GEL contract performance.

**Kevin O’Leary**  
**Interim Managing Director**  
**30<sup>th</sup> August 2022**

**STRATEGIC OBJECTIVE A**

To deliver contracted services in line with the Ealing service contract, specification and key performance indicators.

**STRATEGIC OBJECTIVE B**

To deliver contracted services within the agreed financial targets.

**STRATEGIC OBJECTIVE C**

will position Greener Ealing to pursue commercial opportunities over the medium to long term.

**KEY SUPPORTING OBJECTIVES**

|            |  |
|------------|--|
| <b>KO1</b> | Workforce Strategy – a review and refresh for 22/23.   |
| <b>KO2</b> | Customer comes first – ongoing work.   |
| <b>KO3</b> | Operational Services – a continuing programme for change.  |
| <b>KO4</b> | HSEQ – conclude the current work plan. Extend scope to GM and HWRC. Apply for Freight Operators recognition Scheme (FORS) Accreditation by March 2023. |
| <b>KO5</b> | Data Analysis and Performance management.  |
| <b>KO6</b> | Communications Strategy – implementing action plan.  |
| <b>KO7</b> | Going Digital – emphasis on Grounds Maintenance.   |
| <b>KO8</b> | Greening Greener Ealing – implement CO2 action plan.   |
| <b>KO9</b> | Going for Growth – a business development strategy.  |

| Workforce Strategy – a review and refresh for 22/23.  |           |               |             |             |   |
|---|-----------|---------------|-------------|-------------|---|
| BUSINESS PLAN OBJECTIVE   | TASK LEAD | SUPPORTED BY: | TARGET DATE | PROGRESS    | ADDITIONAL NOTES  |
| Fundamental review of workforce strategy  | BG        | Ops           | 30/10/22    |             |   |
| Initial draft - workforce strategy  | BG        |               | 30/07/22    | Complete    | With KOL  |
| Consultation with MTM and key stakeholders - Trade Union/Board etc                                  | BG        |               | 30/07/22    |             |   |
| Female facilities review/upgrade - initial approach Lucy Taylor                                     | KOL       |               | Complete    | Complete    |   |
| Female facilities review/upgrade - agree works programme with Facilities Mngmt/LBE                  | MI        |               | 01/03/23    | In progress | With EMcK - no progress since raised with LBE - KOL to chase Ed                           |
| Explore flexible working options incl. job carving to support female recruitment campaign           | BG        | GJ            | 30/05/22    | Complete    | Maybe advertise 16hrs a week/weekend only work? JD given to HR by GJ - scheduled for sept |
| Recruitment of Female staff - Specific Campaign   | BG        | JoS           | 30/09/22    | BAU         | JO has sent Campaign  |
| Regular HappyOrNot staff surveys  | BG        | JoS           | TBC         | In progress |   |
| Annual staff survey - Sept 22 (See KO6)   | BG        | JS            | 01/09/22    | BAU         | Lined up for Sept   |
| Report Staff survey results to Board on 24th November 2022  | BG        |               | 24/11/22    |             |   |
| Recruitment of HGV Drivers incl. spare pool (12 additional)   | BG        | JoS           | 30/03/23    | Not Started | Target HGV via LinkedIn / Facebook - JoS - Campaign - awaiting pay update                 |
| HGV Drivers - 3 recruitment campaigns Spring/Summer/Autumn/Winter                                   | BG        | JoS           | TBC         |             | JoS - Campaign  |
| Review outcomes and actions following 2021 staff survey - report finding to a future Board meeting  | BG        |               | 30/09/22    |             |   |
| Use of Blink - full staff engagement - target Dec 22 - report progress monthly                      | SH        |               | 30/12/22    | BAU         |   |
| Evidence of Blink useage across all service streams and at all levels                               | MTM       | MTM           | Ongoing     | BAU         | All MTM to ensure regular posts/comms on Blink  |
| Monthly metrics to be provided on Blink useage  | SH        | Maggie        | TBC         | BAU         | July review   |
| Ex-offenders in to work - report to July Board (6th July 2022) paragraph for KOL                    | JH        | BG            | 06/07/22    | Complete    | Paragraph for Board   |
| Skills audit - MTM discussion / Alcumus training and qualification records updated? Access for MTM? | SH        |               | 30/09/22    |             |   |
| Apprenticeships/Training - list the training currently happening                                    | BG        |               | 30/06/22    | Complete    |   |
| Regular outstanding A/L checks - once every 2 months  | Ops       | BG            | Ongoing     | BAU         | July/Sept/Nov/Jan   |
| List of awards - CIWM (Chartered Institute of Waste Management)/APSE/MJ/LGC/MRW/CIPD/IIP            | JoS       |               | 01/10/22    |             |   |
| Celebration Calendar - Awareness Days   | BG        | JoS           | 01/10/22    |             |   |
| Ealing Events Calendar  | BG        | JoS           | 01/10/22    |             |   |



| Customer comes first – ongoing work reflecting our pursuit of excellence.   |           |               |             |             |   |
|---|-----------|---------------|-------------|-------------|---|
| BUSINESS PLAN OBJECTIVE   | TASK LEAD | SUPPORTED BY: | TARGET DATE | PROGRESS    | ADDITIONAL NOTES  |
| Review and refresh induction to ensure all aspects of Customer Care are covered including identification of <b>ALL</b> GEL customers ie residents/general public/staff/LBE/Other clients - by 4C's/Workstream | SH        | JC            | 30/09/22    |             |   |
| Customer Facing video clips for employees - do's/don'ts - each service area   | JoS       | Ops Mngrs     | 15/08/22    | In progress | Filming 16.08.22  |
| HappyOrNot resident surveys? Test specific area initially?  | KD        | Ops           | 30/09/22    | Complete    | Testing the Depot - initially/Complaints survey submitted to H-O-N, waiting on QR code - received QR code. Survey ready for use |
| LBE official complaints via LBE system - new portal   | KD        | LBE           | 31/08/22    | Delayed     | With LBE - escalated to Alison Reynolds - Training day on Friday 8th July with LBE/Ops - postponed until Ops can attend         |
| Potentially have a H-O-N kiosk at Percival House? Ealing magazine?  | KD        | Ops           | 16/06/22    | Complete    | KD has emailed Cat Pack - set up at P.Hse   |
| Consider how complaints are managed and monitored   | KD        | Ops           | 25/08/22    | Complete    | New spreadsheet set up, GEL Admin monitoring, waiting on LBE to go through new portal - RCA via Alcumus                         |
| Analysis of customer complaint trends; ie repeats (customers/staff)   | KD        | Ops           | Ongoing     | BAU         | Weekly email being sent to Ops/KOL with details of these  |
| Agree revised GM KPIs   | DT/PJ     |               | 23/05/22    | In progress | 04/07/22 - DT/PJ had meeting with Chris Welsh - monthly meetings to continue - waiting on monitoring stats                      |
| Customer Care training for HWRC staff - Including conflict management?  | SH        | MI            | 30/08/22    | In progress | Jason to be trained initially   |
| Driver behaviour - with other road users - language/attitude  | BG        | JoS           | Sep-22      |             | BG to check with JoS  |
| Abuse towards frontline staff by members of public - possibly look at a Campaign  | BG        | JoS           | 01/10/22    |             |   |

| Operational Services – a continuing programme for change.   |               |               |             |             |  |
|---|---------------|---------------|-------------|-------------|--|
| BUSINESS PLAN OBJECTIVE   | TASK LEAD     | SUPPORTER BY: | TARGET DATE | PROGRESS    | ADDITIONAL NOTES   |
| Optimisation of Trade Waste service   | JH            | TB            | 30/07/22    | In progress | Waiting on schedules from Plan B. JH to chase Plan B   |
| Trade Waste optimisation - initial meeting with Plan B - assessment of Plan B proposal (3 teams to 2?) - Conversation with Owen Janes               | JH            | TB/KD         | 30/07/22    | In progress | JH to review Plan B's schedules  |
| Optimisation of Flats Enhancement   | JH            | TB/KD         | 30/06/22    | Complete    | Go Live 20th June 2022   |
| Optimisation of Food service - tonnages and crew completion times to be analysed  | JH            | TB            | 31/01/23    | In progress | NB: Issues with food waste vehicles complicate this  |
| Optimisation of Schools service - 4 day service (with LBE, letters to go out)   | JH            |               | 30/05/22    | Complete    | Go Live 20th June 2022   |
| Optimisation - FAS/NAC reduce to 1 team - Remove NAC 1&2 - redploy loader to FAS reduce by 2xD & 7.7t Cage - Plan B to schedule                     | JH            | TB/Plan B     | 01/10/22    | In progress |  |
| Weed Spray 1 - 1st March  | GJ            |               | 01/04/22    | Complete    |  |
| Weed spray 2 - 14th April   | GJ            |               | 30/05/22    | Complete    |  |
| Weed Spray 3 - 20th June - weather dependent  | GJ            |               | 29/07/22    | Complete    | Go Live 20th June 2022   |
| Weed Spray 4 - 5th sept - weather dependent   | GJ            |               | 30/10/22    | In progress | 5th Sept start date  |
| Streets - draft leafing plan - meeting with LBE (JA)  | GJ            |               | 31/08/22    | Complete    | Planned to be submitted to client 31st Aug   |
| Recruitment for leafing - mobilisation plan - 1st Oct   | GJ            |               | 01/10/22    |             |  |
| Streets - traffic island program - with Plan B - SSOW/RA to be looked at (See KO4)  | GJ            |               | 31/12/22    | In progress | Waiting feedback from Steve Batchelor @ Plan B - report now rcvd - being considered by GJ  |
| Streets - Time banding - cost of team/vehicle to be produced - (extra team - chargeable - will be 3 teams, All zones) subject to driver recruitment | GJ/JA         |               | 28/07/22    | Delayed     | Delayed due to HGV Drivers   |
| Streets - Deep Cleanse Frequency trial - Solos - New Village 1 maps to be created, commences 1st August   | GJ            | JA            | 01/08/22    | Delayed     | Postponed to end of Aug - due to redeployment of Supervisors - (driving)   |
| Streets - Deep Cleanse Frequency trial - Solos - new spreadsheet to be created with new schedule cleanse frequencies                                | GJ            |               | 01/08/22    | Delayed     | Postponed to end of Aug - due to redeployment of Supervisors - (driving)   |
| Streets - Deep Cleanse Frequency trial - Solos - new spreadsheet to be sent to LBE (JA) for upload in to ibase system                               | GJ            | JA            | 01/08/22    | Delayed     | Postponed to end of Aug - due to redeployment of Supervisors - (driving)   |
| Streets - A40 cleanse integrate with TFL - commenced 11/04/22 - runs 4 days a week for 3 weeks  | GJ            |               | 06/05/22    | Complete    |  |
| Maintain contact with TFL - for future closures - monthly (Business Support Team)   | KD            | TB            | Ongoing     | BAU         | Next closure planned for 6th & 8th July 2022 - Email monthly   |
| Streets - Whitespace roll out data reports - key dates of when this has been rolled out/reports incl.   | GJ            | KD/TB         | 31/08/22    | In progress | Waiting on phones to arrive in - roll out across service will follow (training dependent on Supervisors avail) - not incl. w/end work - to be uploaded |
| Review usage of Glyphosate - consider plan for reduction  | GJ            |               | 31/03/23    | In progress |  |
| GM - Gunnersbury progress update - monthly update meetings  | PJ            | Matt          | 10/05/22    | Complete    |  |
| PSS roll out - Gunnersbury test (system and reports) - 16.05.22   | PJ            | Matt          | 30/06/22    | In progress | PJ to provide training dates   |
| PSS roll out - across the rest of GM contract   | PJ            | KD/TB         | 01/10/22    | In progress | Timetable reqd   |
| Gunnersbury KPI reporting - weekly to Client  | PJ            | Matt          | 30/06/22    | Not Started | Send report to KOL initially   |
| Gunnersbury - use of electric equipment - all barring vehicle   | PJ            | Matt          | 01/04/22    | Complete    |  |
| Gunnersbury use of shredder incl across contract  | PJ            | Matt          | 01/04/22    | Complete    |  |
| Gunnersbury implementation of HappyOrNot - meeting to be had with C. Ellis  | PJ/KD         | Matt          | 13.06.22    | Complete    | Meeting on 13.06.22 KD/PJ - Device installed   |
| Gunnersbury - split litter bin trial  | PJ            | Matt          | 01/04/22    | Complete    | Initial report - trial unsuccessful due to contamination   |
| GM - Summer surging plan  | PJ            |               | 30/06/22    | Complete    | GEL implemented at own expense additional resource for summer period   |
| GM - Resources comparison with work schedules   | PJ            |               | 30/06/22    | Not Started |  |
| GM - Client inspections/performance monitoring/KPIs   | KOL/PJ/Client |               | 30/07/22    | Complete    | GEL to provide initial thoughts to Client (Chris Walsh) - DT/PJ had meeting on 04/07/22 - monthly meetings will be ongoing                             |
| HWRC - Visibility on processes/deep dive  | MI            |               | 30/08/22    | In progress | Working with Cat/Bo - looking at reporting options to consolidate  |
| HWRC - Contract KPI's/recycling rates/diversion rates etc   | MI            |               | 30/07/22    | In progress | Working with Cat/Bo - looking at reporting options to consolidate  |
| HWRC - Customer relations training  | MI            |               | 30/08/22    | In progress | Waiting on JC to get trained initially   |
| HWRC - consider body cams - options of type of equip/signage/IT etc   | MI            |               | 30/08/22    | In progress | Quote rcvd for bodycams - signage is with LBE MI to look at protocol for bodycams  |
| Transfer station - plan for netting/slab/roof/sorting area  | MI            |               | 31/03/23    | In progress |  |

| HSEQ – conclude the current work plan. Extend scope to GM and HWRC. Apply for Freight Operators recognition Scheme (FORS) Accreditation by March 2023.   |           |               |             |             |  |
|--|-----------|---------------|-------------|-------------|--|
| BUSINESS PLAN OBJECTIVE  | TASK LEAD | SUPPORTED BY: | TARGET DATE | PROGRESS    | ADDITIONAL NOTES   |
| Identify dates for BSI triple audits to accredit Collections & Streets with 9001/14001/45001 (Audit dates?)  | SH        | MI            | 12/04/22    | Complete    |  |
| BSI Inspector report - WC 16th May - 90 day response to NCRs   | SH        |               |             | In progress |  |
| Corrective action plan post triple audits to address Obs & NCRs  | SH        | MI            | TBC         | Complete    | Awaiting comments from BSI on the issues raised                    |
| 2194180-202204-M1 - Accident Investigation Process: No adequate accident investigation could be seen or any verification for effectiveness. *** Sampled Accident No. 198: Related investigation report reviewed: No adequate Root Cause Analysis (RCA) or Corrective Action seen to be logged or any verification for effectiveness. *** Near Miss Number: 578 Related investigation report reviewed: No adequate RCA or Corrective Action seen to be logged or any verification for effectiveness. ***  | SH        |               | 08/08/22    |             | Submitted-Accepted   |
| M1 - TBT - how to record incidents. 2) Update BSI on actions 3) Update Alcumus with event criteria   |           |               |             |             |  |
| 2194180-202204-M2. 1) Identify/Implement paper RRRR for rounds with no RRRR  | JH        | SH            | 08/08/22    | Complete    | Submitted-Accepted   |
| M2. 2) Establish a program of annual review of all RRRR for Collection rounds.   | JH        | SH            | 15/08/22    |             | Submitted-Accepted - Maybe 4 RRRRs a month for review and sign off |
| M2. 3) Implement an auditable audit and inspection regime  | SH        | Ops           | 08/08/22    |             | Submitted-Accepted   |
| 2194180-202204-M3 - Street Cleansing and Waste Collection: Service Delivery: Training and Competency: There is a significant doubt that effective process control is in place in relation to the identification of training needs to ensure competency for the role and related tracking of delivery of that training or competency in a timely fashion.   | SH        |               | 10/08/22    |             | Submitted-Rejected by BSI  |
| M3 - 1) review of all staff training records   | SH        |               | 10/08/22    |             |  |
| M3 - 2) Identify any gaps in training needs  | SH        |               | 10/08/22    |             |  |
| 2194180-202204-M4 - Customer Complaints: There there is a significant doubt that effective process control is in place in relation to the investigation of Customer Complaints and their related corrective action and verification for effectiveness of those Customer Complaints.  | SH        |               | 10/08/22    |             | Submitted-Rejected by BSI  |
| 2194180-202204-M5 - Legal and Other Requirements / Compliance Obligations: Action - appoint a nominated person to check/update/maintain all legal requirements   | SH        |               | 10/08/22    | In progress | Submitted-Accepted   |
| 2194180-202204-M6 - Internal Audit: There there is a significant doubt that effective process control is in place in relation to the Establishing and Implementing a suitable Internal Audit Programme that meets the requirements of this Clause. *** Please note this Major NCR applies to this clause of both ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 and the NCR follow up visit should therefore look to cover all three of these Standards in relation to this NCR. ***   | SH        |               | 10/08/22    |             | Submitted-Rejected by BSI  |
| 2194180-202204-M7 - Doc: "Management Team Meeting" of 10/5/2022. Client Explained (C) that they have not conducted a formal Management Review against the requirements of this Clause against each of the the standards and, above meeting could not be seen to meet the requirements of this Clause to an extent that remove the significant doubt over the effectiveness of this process.  | SH        |               | 10/08/22    |             | Submitted-Rejected by BSI  |
| 2194180-202204-M8 "Consent to Discharge" - Application for discharge consent made  | SH        |               | 10/08/22    | In progress | Submitted-Accepted   |
| 2194180-202204-M9 - 2119760-202110-11-IMS UPDATED-Clarity to wider boundaries of scope 2119760-202110-12-Environmental Policy to be updated regarding consistency of commitments 211970-202110-13 IMS UPDATED-roles defined 2119760-202110-14-IMS UPDATED-Procedure FMEA Application removed from IMS 2119760-202110-15-IMS UPDATED-Alcumus Document library-System indicated document annual update required 2119760-202110-16-IMS UPDATED-Alcumus Document library-System indicated document annual update required 219760-202110-17-IMS UPDATED-Weekly reports for Document entry reviewed 219769-202110-18-IMS UPDATED-Design and Development excluded from Scope Clause 8.3 | SH        |               | 10/08/22    | In progress | Submitted-Accepted   |
| 2194180-202204-M10 - Contact with a regulatory agency (Barbour) to agree the action to be taken-Monthly updates to be entered onto GEL legal Register-Populating the following fields-Legislation/Relevant/Year/ Duty/How we comply  | SH        |               | 10/08/22    | In progress | Submitted-Accepted   |
| Anticipated Accreditation - Sept 2022  |           |               | 31/09/22    | Not Started |  |
| Identify dates and plan for BSI to accredit GM & HWRCs with 9001/14001/45001   | SH        | MI            | 31/03/23    |             | Initial dates in advance in order to meet completion date          |
| Action plan for FORS accreditation - agree Bronze/Silver/Gold (Specific Dates)   | EM        | MI            | 26/05/22    | Not Started | Initial meeting held.  |
| Transport key concern - driver metrics - driver behaviours (plan to address)   | MI        |               | TBC         | BAU         |  |
| Plan to combine H&S plus Transport into single dashboard   | MI/SH     |               | 31/12/22    | BAU         |  |
| Traffic Island Cleansing (See KO3)   | GJ        | MI            | 31/12/2022  | In progress |  |
| Provide detail on driver CPC programme/training  | SH        |               | Sep-22      | BAU         |  |
| Regular check on all licences - Operators Licence  | SH        | MI            | 07/06/2022  | Complete    | End dates/review dates?/lead time for application?                 |
| Regular check on all licences - Site Licences  | SH        | MI            | 07/06/2022  | Complete    | End dates/review dates?/lead time for application?                 |
| Regular check on all licences - COTC   | SH        | MI            | 07/06/2022  | Complete    | End dates/review dates?/lead time for application?                 |
| Regular check on all licences - Waste Carriers Licence   | SH        | MI            | 07/06/2022  | Complete    | End dates/review dates?/lead time for application?                 |
| Regular check on all licences - EA Permit  | SH        | MI            | 07/06/2022  | Complete    | End dates/review dates?/lead time for application?                 |
| Water extraction licence - Streets   | SH        | MI            | 30/07/2022  | In progress | To be checked  |

| Data Analysis and Performance management - linked to KO7.                                 |                 |               |             |             |  |
|---|-----------------|---------------|-------------|-------------|--|
| BUSINESS PLAN OBJECTIVE   | TASK LEAD       | SUPPORTED BY: | TARGET DATE | PROGRESS    | ADDITIONAL NOTES   |
| Explore options to Integrate data into one system   | KOL/KD/TB/MI/DT |               | 30/03/23    |             |  |
| Design single dashboard for daily use by MD and others                                    | KOL             | KD/TB/MI      | 30/06/22    | Not Started |  |
| Performance analysis reviewed at MTM - every 2nd meeting                                  | Ops/KD          |               | TBC         | BAU         | Agenda Item  |
| Identify and record supervisor/team level metrics   | TB/KD/DT/KOL    |               | TBC         | BAU         |  |
| Team level metrics - by service area - Collections - monthly                              | DT/TB/Ops       |               | ASAP        | In progress | Service KPI's by area? Most complaints/crew inspections/gate checks/Alcumus/Sickness/RTW's                           |
| Team level metrics - by service area - GM - monthly                                       | DT/TB/Ops       |               | ASAP        | In progress | Service KPI's by area? Most complaints/crew inspections/gate checks/Alcumus/Sickness/RTW's                           |
| Team level metrics - by service area - Streets - monthly                                  | DT/TB/Ops       |               | ASAP        | In progress | Service KPI's by area? Most complaints/crew inspections/gate checks/Alcumus/Sickness/RTW's                           |
| Team level metrics - by service area - HWRC - monthly                                     | DT/TB/Ops       |               | ASAP        | In progress | Service KPI's by area? Most complaints/crew inspections/gate checks/Alcumus/Sickness/RTW's                           |
| Reporting Mechanism: Daily Update Report x 255 (Internal)                                 | KD/TB           |               | Ongoing     | BAU         |  |
| Reporting Mechanism: Weekly Performance Report x 52 (External/Internal)                   | KD/TB           |               | Ongoing     | BAU         |  |
| Reporting Mechanism: Weekly Exception Report x 52 (External)                              | KD/TB           |               | Ongoing     | BAU         |  |
| Reporting Mechanism: Weekly Gunnersbury Performance Report x 52 (External/Internal)       | KD/TB           |               | Ongoing     | In progress | Dependent on GM using PSS - system in use, report criteria sent to PSS   |
| Reporting Mechanism: Monthly Performance Report x 12 (External/Internal)                  | KD/TB           |               | Ongoing     | BAU         |  |
| Reporting Mechanism: Monthly KPI Report x 12 (External/Internal)                          | KD/TB           |               | Ongoing     | BAU         |  |
| Reporting Mechanism: Monthly Crew League Table x 12 (Internal)                            | KD/TB           |               | Ongoing     | BAU         |  |
| Reporting Mechanism: Board Reports x 6 (External/Internal)                                | KOL/DT          |               | Ongoing     | BAU         |  |
| Reporting Mechanism: Annual Performance Report (External/Internal)                        | KD/TB           |               | Ongoing     | In progress | Draft report with KOL  |
| Weekly Transport Report   | MI              | EM            | Ongoing     | BAU         |  |
| Weekly HSEQ report  | MI              | EM            | Ongoing     | BAU         |  |
| Stores report? Budget info per area - Monthly   | SH              |               | 01/10/22    | BAU         |  |
| CO2 report quarterly - separate report  | MI              | EM            | 01/07/22    | BAU         | Apr/Jul/Oct/Jan - end of July will be issued   |
| Number of Blink sign-ups - target outstanding sign-ups                                    | Ops             | SH            | Ongoing     | BAU         |  |
| Number of socail media posts by GEL - target to be set                                    | BG              |               | Ongoing     | BAU         | Count of how many posts we put out (4 a week)  |
| Finance reports/Management accounts/trackers - monthly = fuel, weekly = OT & Agency usage | KP              |               | Ongoing     | BAU         |  |
| HWRC / Yard - number of contaminated loads - weekly/monthly (add to KPI's)                | MI              | EM            | ASAP        | BAU         |  |
| Permanent staff head count - monthly report   | BG              |               | 31/08/22    | Not Started | In accordance to org charts  |
| Repeat Missed Collections   | TB/KD           |               | Ongoing     | In progress | Admin sending to Ops weekly - (JH & Supervisors) - what is the follow up from Ops?                                   |
| Locations/teams of assisted missed collections  | TB/KD           |               | Ongoing     | In progress | Admin have combined info from league table/daily report on assisted - team/address - what is the follow up from Ops? |

|   |    |    |            |          |  |
|---|----|----|------------|----------|--|
| Vehicles - MOT/Insurance/Tax/Maintenance schedule   | MI |    | 07/06/2022 | Complete |  |
| Business Continuity Plan - Review/Update/Reference & Distribute document                    | SH |    | 30/09/2022 |          |  |
| Business Continuity Plan - train owners of the document- establish roles & responsibilities | SH |    | 31/10/2022 |          |  |
| Business Continuity Plan - stress test - Desk top Exercise to be carried out                | SH |    | 30/11/2022 |          |  |
| Wellbeing - Training for "Ambassadors"  | SH | MI | 31/03/2023 |          |  |
| IOSH Training - people development  | SH | MI | 31/03/2023 |          |  |

| Communications Strategy – Implementing action plan. Links with KO9                                      |           |               |             |             |  |
|---|-----------|---------------|-------------|-------------|--|
| BUSINESS PLAN OBJECTIVE   | TASK LEAD | SUPPORTED BY: | TARGET DATE | PROGRESS    | ADDITIONAL NOTES   |
| Consider strategic marketing/sales post (conditional on way forward agreed on KO9)                      | KOL       | MTM           | 28/08/22    |             | Do we need sales support for new services ie: Trade Waste?                       |
| Annual Report - distribute to stakeholders and prospective clients                                      | KOL/DT    | KD            | 30/06/22    | Not Started |  |
| Consistent useage of all social media platforms - Instagram/LinkedIn/Twitter?                           | JoS       |               | Ongoing     | BAU         |  |
| Sign up to local user groups - ie: Ealing Ward Facebook Accounts  | JoS       |               | TBC         | In progress | List from JoS - who have GEL signed up to?                                       |
| Community Projects - ie: schools/community groups   | JoS       |               | TBC         | In progress | Spring Hallows - GEL awarded employer of the year!                               |
| Continue to support Lager Can Group - register of events how support has been given                     | JoS       |               | TBC         | In progress |  |
| Attend job fairs - GEL promotion  | BG        |               | TBC         | In progress | Attending Work West Jobs Fair on 22/06/22 - Villiers School attended in mid-July |
| Regular meetings with GEL Board/LBE - SLAPP Meetings  | KD        | KOL           | TBC         | Complete    | Emailed Holly Smith - Nov & May - Nov confirmed and in diary                     |
| New Employee Inductions   | JC        |               | Ongoing     | BAU         |  |
| MD's monthly team briefing  | KOL       |               | Ongoing     | BAU         |  |
| Employee of The Month Award   | BG        |               | Ongoing     | BAU         |  |
| Staff Newsletter - Monthly  | JoS       |               | Ongoing     | BAU         |  |
| Toolbox Talks - annual plan required  | SH        |               | 30/07/22    | BAU         | DT to get a list from SH - Standard TBT  |
| Staff Surveys (See KO1) - Annually - every Sept   | BG        | JoS           | Sep-22      | BAU         |  |
| Maintain good relations with GMB through regular meetings/discussions                                   | BG        | KOL           | TBC         | BAU         |  |
| Communication through Blink App   | JoS       | SH            | TBC         | BAU         |  |
| GEL Website   | JoS       |               | TBC         | BAU         |  |
| Staff portal - upload HR policies via Blink   | BG        | JoS           | TBC         | BAU         |  |
| GEL Brand Identity - maintain brand identity consistency  | JoS       |               | TBC         | BAU         |  |
| Aim to have six news releases issued during the course of the year?                                     | JoS       |               | TBC         | BAU         |  |
| GEL open day - details to follow (school competition? Access to our vehicles/education on environment?) |           |               | TBC         |             |  |

| Going Digital linked to KO5 – emphasis on Grounds Maintenance                                     |                 |               |              |             |   |
|---|-----------------|---------------|--------------|-------------|---|
| BUSINESS PLAN OBJECTIVE   | TASK LEAD       | SUPPORTED BY: | TARGET DATE  | PROGRESS    | ADDITIONAL NOTES  |
| Add GM to digital service management platform with PSS  | PJ              | KD            | 27/10/22     | In progress |   |
| Add HWRC to digital service management platform (add to current reporting mechanism)              | MI/DT/KOL       | KD            | 31/10/22     |             |   |
| Scope research & identify options for linking separate GEL software: Blink/Alcumus/Whitespace/PSS | KP              | Ops Mngrs     | TBC          |             | What is the best option? Timscale subject to existing contract arrangements |
| Benchmark with Veolia/Biffa/Amey/Serco/Urbaser/FCC/LATCOs (optional)                              | KD with support |               | Jan-Mar 2023 |             |   |
| Reporting framework to be set up via WS   | TB              | Ops Mngrs     | TBC          |             | Repeat missed collections/Complaints? Ops to identify what they want to see |
| Reporting framework to be set up via PSS  | PJ              | KD            | 01/05/22     | In progress |   |
| Establishment figures - Org Charts/HR/Finance   | KD              | DT            | 01/10/22     | Complete    | 6 monthly reviews - Now handed to HR  |
| Org Charts - Collections  | KD              | DT            | 01/10/22     | Complete    | Now handed to HR  |
| Org Charts - Street Cleansing   | KD              | DT            | 01/10/22     | Complete    | Now handed to HR  |
| Org Charts - GM   | KD              | DT            | 01/10/22     | Complete    | Now handed to HR  |
| Org Charts - HWRC   | KD              | DT            | 01/10/22     | Complete    | Now handed to HR  |
| Supervisor RAG status   | Ops Mngrs       | DT            | 30/05/22     | BAU         |   |
| GEL Dashboard - key health indicators (as follows):   |                 |               | TBC          | BAU         |   |
| Contract Performance - service delivery   | KD              | TB            | Ongoing      | BAU         |   |
| Financial Performance - within budget   | KP              | TP            | Ongoing      | BAU         |   |
| H&S   | SH              |               | Ongoing      | BAU         |   |
| Sickness/Absences   | BG              | JS            | Ongoing      | BAU         |   |
| Overtime  | KP              | TP            | Ongoing      | BAU         |   |
| Agency Staff  | KP              | TP            | Ongoing      | BAU         |   |
| Staff Turnover - plus HGV drivers   | BG              |               | Ongoing      | BAU         |   |
| Fuel Usage  | MI              | EM            | Ongoing      | BAU         |   |
| Vehicle Maintenance   | MI              | EM            | Ongoing      | BAU         |   |
| CO2   | MI              | EM            | Ongoing      | BAU         |   |
| New Work Value  | KP              | TP            | Ongoing      | BAU         |   |

**Greening Greener Ealing – Implement CO2 action plan.**

| BUSINESS PLAN OBJECTIVE   | TASK LEAD | SUPPORTED BY: | TARGET DATE | PROGRESS    | ADDITIONAL NOTES   |
|---|-----------|---------------|-------------|-------------|--|
| Review actions from GEL Carbon Reduction Plan quarterly           | MI        |               | 31/07/22    | BAU         | Quarterly review   |
| Reducing vehicle emissions through re-routing rounds              | JH/GJ     |               | Ongoing     | BAU         |  |
| Reducing vehicle emissions through green driver training          | MI        |               | Ongoing     | BAU         |  |
| Reducing vehicle emissions through reduced vehicle idling         | MI        |               | Ongoing     | BAU         |  |
| Reducing vehicle emissions through low carbon fuels               | MI        |               | 01/09/22    | Delayed     | 3 mth trial of HVO in progress - On hold because of financial pressure (LBE) |
| Workforce Travel plan   | MI        | BG            | 01/03/23    |             |  |
| GEL Cycle scheme - number of sign ups                             | BG        | JoS           | 30/07/22    | Complete    | BG to get numbers - Quarterly check on numbers and update MTM                |
| Car share - Transport options - Comms to employees                | BG        | JoS           | 01/03/23    |             |  |
| Possible GEL "Greener" Audit                                      | SH        | MI            | Mar-23      | Not Started | Initial meeting held with Supplier   |
| Purchase new Recycling Bins for the office - and a food waste bin | KD        |               | Mar-23      | Complete    |  |
| Single use plastic?   | LC        | SH            | Mar-23      |             | Reusable water bottles? Part of Greener Audit                                |
| Investigate Rooftop solar panels for Fleet                        | MI        |               | Dec-22      | In progress | MI to liaise with Lamptons   |
| GEL electric vehicle delivery and charging points - Gunnersbury   | MI        |               | Mar-23      | In progress | Check on charging point  |
| GEL electric vehicle delivery - Supervisor vehicles               | MI        |               | TBC         | Delayed     | Sense check on EV and charging arrangements                                  |
| Depot Charging Points   | MI        |               | Aug-22      | In progress | Reliant on LBE   |



**Going for Growth – a business development strategy.**

| BUSINESS PLAN OBJECTIVE   | TASK LEAD | SUPPORTED BY: | TARGET DATE | PROGRESS    | ADDITIONAL NOTES  |
|---|-----------|---------------|-------------|-------------|---|
| Investigate options for GEL led Trade waste business growth                       | MI        | KOL           | 01/10/2022  | In progress | Neighbouring Boroughs/within the Ealing Borough/Business Recycling - Initial proposal received - MI liaise with Oxford  |
| Bin washing - investigate options   | MI        | GJ            | 01/10/2022  | In progress | Food Waste containers on Housing Estates/LBE Litter bins/Bid area litter bins/Residential wheelie bin cleaning service (potentially)/Trade bin washing (1100ltr bins) - GEL waiting on licence to discharge |
| Develop a comprehensive marketing campaign for GEL                                | KOL/BG    | JoS           | 30/08/2022  | In progress | Aimed at: LBE/Schools/Uni/RSL's/Local Businesses in West London area. Campaign to commence Autumn 2022  |
| Commercial Opportunities: GEL Training Academy                                    | SH        | JC            | Mar-23      | Not Started |   |
| LBE Opportunities: Graffiti contracts - liaise with JA                            | GJ        |               | Jul-22      | In progress | GJ to liaise with JA - Client is developing commercial strategy   |
| LBE Opportunities: Arboricultural contracts - liaise with JA                      | PJ        |               | Oct-22      | Complete    | Tender out in Oct 2022 - GEL not bidding  |
| LBE Opportunities: Housing work including Pest Control & Resident Estate Services | KOL       |               | Ongoing     | In progress | KOL liaising with JA / Meeting with Inquilab on 16.06.22  |

| KO1                |                      |
|--------------------|----------------------|
| Row Labels         | Count of TARGET DATE |
| BAU                | 6                    |
| Complete           | 5                    |
| In progress        | 2                    |
| Not Started        | 1                    |
| (blank)            | 9                    |
| <b>Grand Total</b> | <b>23</b>            |

| KO4                |                      |
|--------------------|----------------------|
| Row Labels         | Count of TARGET DATE |
| BAU                | 3                    |
| Complete           | 9                    |
| In progress        | 6                    |
| Not Started        | 2                    |
| (blank)            | 15                   |
| <b>Grand Total</b> | <b>35</b>            |

| KO7                |                      |
|--------------------|----------------------|
| Row Labels         | Count of TARGET DATE |
| BAU                | 13                   |
| Complete           | 5                    |
| In progress        | 2                    |
| (blank)            | 4                    |
| <b>Grand Total</b> | <b>24</b>            |

| KO2                |                      |
|--------------------|----------------------|
| Row Labels         | Count of TARGET DATE |
| BAU                | 1                    |
| Complete           | 3                    |
| Delayed            | 1                    |
| In progress        | 3                    |
| (blank)            | 3                    |
| <b>Grand Total</b> | <b>11</b>            |

| KO5                |                      |
|--------------------|----------------------|
| Row Labels         | Count of TARGET DATE |
| BAU                | 17                   |
| In progress        | 8                    |
| Not Started        | 2                    |
| (blank)            | 1                    |
| <b>Grand Total</b> | <b>28</b>            |

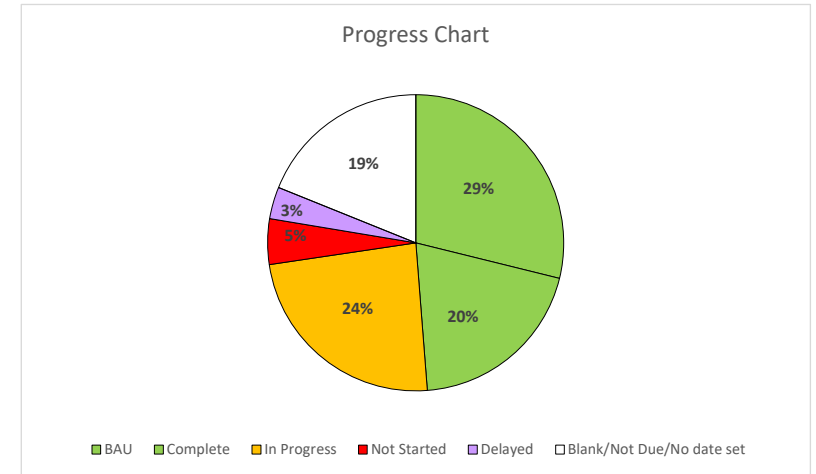
| KO8                |                      |
|--------------------|----------------------|
| Row Labels         | Count of TARGET DATE |
| BAU                | 4                    |
| Complete           | 2                    |
| In progress        | 3                    |
| Not Started        | 1                    |
| (blank)            | 3                    |
| Delayed            | 2                    |
| <b>Grand Total</b> | <b>15</b>            |

| KO3                |                      |
|--------------------|----------------------|
| Row Labels         | Count of TARGET DATE |
| BAU                | 1                    |
| Complete           | 14                   |
| Delayed            | 4                    |
| In progress        | 15                   |
| Not Started        | 2                    |
| (blank)            | 1                    |
| <b>Grand Total</b> | <b>37</b>            |

| KO6                |                      |
|--------------------|----------------------|
| Row Labels         | Count of TARGET DATE |
| BAU                | 13                   |
| Complete           | 1                    |
| In progress        | 4                    |
| Not Started        | 1                    |
| (blank)            | 2                    |
| <b>Grand Total</b> | <b>21</b>            |

| KO9                |                      |
|--------------------|----------------------|
| Row Labels         | Count of TARGET DATE |
| Complete           | 1                    |
| In progress        | 5                    |
| Not Started        | 1                    |
| <b>Grand Total</b> | <b>7</b>             |

| Progress                  | No. of Tasks | Percentage of Progress |
|---------------------------|--------------|------------------------|
| BAU                       | 58           | 29%                    |
| Complete                  | 40           | 20%                    |
| In Progress               | 48           | 24%                    |
| Not Started               | 10           | 5%                     |
| Delayed                   | 7            | 3%                     |
| Blank/Not Due/No date set | 38           | 19%                    |
| <b>Total</b>              | <b>201</b>   |                        |



|                       |   |                      |    |
|-----------------------|---|----------------------|----|
| <b>Report Title</b>   | Combined Performance Report including HSEQ & Transport  |                      |    |
| <b>Meeting</b>        | Greener Ealing Board Meeting  |                      |    |
| <b>Date</b>           | 15 <sup>th</sup> September 2022   | <b>Agenda Number</b> | 8. |
| <b>Type of Report</b> | For noting  |                      |    |
| <b>Author</b>         | Kevin O'Leary – olearyk@greenerealing.co.uk   |                      |    |
| <b>Background</b>     | <p>This report updates the Board on performance against internal and external KPIs over the previous five months and provides commentary on the last month.</p> <p>The current format incorporates information across a broad range of indicators giving comprehensive view of the whole business. Client facing targets have previously been agreed with LBE.</p> <p>Internal targets for 21/22 and beyond based on our first year's performance were agreed at a previous Board meeting and are now part of the KPI table.</p> <p>An annual target for CO2 emissions and the accompanying GEL Carbon Reduction Plan was approved previously. Compliance with ISO 14001 standards will ensure appropriate measurement for comparison and performance purposes. The reduction target has yet to be translated into quarterly CO2 emissions and fuel consumption targets.</p> <p>Parks quality and Cemeteries inspections do not show in the current table but there has been agreement on appropriate performance metrics so that they convey useful information, and this is expected to appear in future KPI tables.</p> <p>July was challenging with the three key elements affecting the contract. The dominant feature remains the HGV driver shortage which is having an increasingly detrimental impact on capacity to deliver the entire service – it is an ongoing major risk to the quality and breadth of service delivery with implications for both performance and pay negotiations. A speedy resolution of the pay negotiations could help provide some stability in a very difficult employment marketplace.</p> <p>The second issue is the resurgence of Covid infections with the obvious impact on staff; as the country adapts to living with Covid, this entails accepting an underlying level of sickness absence. The third issue has been working during a period of unusually hot weather. Despite these factors, GEL has managed to maintain a surprisingly high level of service quality and consistency, but this must be regarded as difficult to sustain indefinitely. Starting in August, GEL will be reporting a KPI indicator to show the daily impact of the driver shortage as measured by percentage of collections completed as scheduled. This will provide information on the operational effect of lack of drivers.</p> <p>The Board is asked to note the report.</p> |                      |    |

## **GEL Combined Monthly Performance Report September 2022**

### **July Performance – Operations**

This report covers data from March to July, and commentary on the overall July performance of GEL including the HWRC site at Greenford. Covid-19 has not diminished as much as expected over the summer and while not a major problem, it still remains an ongoing drain on daily attendance.

Overall performance in July was good, performance remains consistent from month to month in the majority of key indicators. There were one red and one amber status indicators in July, these are addressed in the individual service commentaries. Collections and Streets continue to perform well; GM achieved a record 24 Green Flags and managed the impact of the Ashara Mubarak festival. It was also a busy month at the Greenford HWRC.

The national HGV driver shortage is an increasingly threatening situation. This is the most significant risk for the contract, exacerbated by the cost-of-living increase which has increased the drain of drivers leaving for more money elsewhere – a worsening, serious problem.

### **Collections – Commentary**

- **HGV driver shortage** – to put this in context, within the last year **13** drivers have left and the resignation of another is sitting on the desk of the Collections Manager. This represents at least a quarter of the number of drivers required to deliver the service daily. There are no drivers coming through the agency supply route and while GEL has managed to replace some of the leavers through internal training up of staff this is not sufficient to maintain core levels. On a regular basis work must be left down until it can be covered by overtime shifts in the afternoon and at the weekend. This results in increased overtime costs, reduced quality of service for residents, plus an unsustainable workload for existing staff including increased health and safety risks.
- Assisted Missed collections have been disappointing for three of the last four months - red status with 10 in April, 14 in May and 15 in July. This is a direct illustration of the effect that driver shortage has on service quality.
- General Missed collections continue to be low across all the service streams. A remarkable testament to the commitment of the collections team in extremely challenging conditions.
- Despite the continual pressure on ability to deploy the core service, Collections have provided consistently good quality results to date, this is not sustainable.

### **Street Cleansing - Commentary**

- First time A+B performance for July was 93%, slightly above the 92% score for June.
- The service continues to be a primary support to Collections – no change.
- Fly Tip clearance was good at 99% despite the high number of 943 reported in the month.
- Bulky waste clearance has been 100% within SLA for the last three months.
- Container delivery, the one amber indicator, has dropped from 99% in June to 88% in July. This was a result of a temporary operational issue, now resolved.
- The third round of weed spraying program was completed in the final week of the month.
- Changes to ward names and boundaries have delayed the roll-out of the resource and frequency trial in Village 1 from 6<sup>th</sup> June until the autumn.
- Early operational use of Whitespace has identified issues with the alignment of different cleansing schedules with resources/streets. This has necessitated some reworking of the

software data. As a result, estate cleansing will go live in late August and the other cleansing programs will follow later in the year.

- The use of HGV qualified Streets supervisors to drive Collections rounds has had a knock-on effect on quality of street cleansing, particularly in management of green sack removal.

#### **HWRC - Commentary**

- Visitor numbers at 9241 for July, very similar to 9223 for June, normal at this time of year.
- The recycling rate at 60%, slightly down from 62% in June. Discussions between GEL and LBE still ongoing about the potential to improve this.

#### **GM & Cemeteries - Commentary**

- There is now a program of monthly meetings to review performance, on the back of an agreement on a balanced method of inspections on work completed, combined with discussion on outstanding schedules. This will show up in future KPI scores.
- As noted above, a record 24 Green Flags were achieved across the borough.
- An additional litter team was introduced in July at GEL's cost. This has already shown a noticeable benefit.
- The Ashara Mubarak festival required a week of preparation work. LBE were pleased with the input from GEL.
- Covid infections affected two Shrub rounds, a sign of the continued impact of the virus.
- Litter and Shrub rounds have been loaded into the PSS software platform and when the phone handsets arrive these elements can be rolled out. Grass cutting is the major outstanding work stream currently be loaded into the system, with the much smaller elements of Playgrounds and Hard Standing to follow.
- During the dry weather, the grass cutting teams have been deployed on winter works.

#### **Complaints**

- The complaints for July are 37, down from 40 in June. This consistently low number masks the increasing strain on the stability of the contract caused by the worsening driver shortage and should not be read as an indicator that all is well at operational level. It does reflect an enormous effort and commitment on the part of the contract team.

#### **July Internal KPIs**

- Internal KPIs remain reasonably consistent overall.
- Safety standards are stable, and the April increase in reporting close calls has been maintained – a leading indicator of focus by staff on the safety of their work environment.
- No RIDDORs in the month.

#### **July Performance – HSEQ & Transport Support Services**

##### **HSEQ**

- HSEQ provision good during this period.

- No RIDDORs in the last two months.
- Work has been undertaken to close out the major and minor NCRs identified in the stage two BSI audit of ISO 9001, 14001, & 45001 accreditations for Management, Waste, and Streets. A revisit to inspect the improvements is planned for the end of August.
- Guidance issued for working in hot weather.

### **Transport**

- Transport Provision in-line with operation requirement – no change.
- Accidents increased over the target in May, June and July – this is a cause for concern.
- Fuel prices reached a high in July but should reduce slightly going forward, it is however an area of risk for the budget.
- Fuel consumption dropped in the month; this may reflect the lack of grass cutting due to the hot weather (no growth).
- Both CO2 emissions and idling time also reduced from June's figures although it should be noted that July has one fewer working days.

## GEL - Overall Dashboard

| Indicator                       | Target                    | Mar-22   | Apr-22   | May-22   | Jun-22    | Jul-22  |
|---------------------------------|---------------------------|----------|----------|----------|-----------|---------|
| Missed Rectification %          | 100% within 24 Hours      | 100%     | 100%     | 100%     | 100%      | 100%    |
| Right First Time %              | -                         | 99.97%   | 99.97%   | 99.97%   | 99.96%    | 99.96%  |
| Assisted Missed Collections     | Zero                      | 4        | 10       | 14       | 5         | 15      |
| Missed per 100k by Service      |                           |          |          |          |           |         |
| <i>Refuse</i>                   | < 100                     | 31       | 31       | 30       | 71        | 49      |
| <i>Recycling</i>                | < 100                     | 29       | 21       | 32       | 43        | 58      |
| <i>Food</i>                     | < 100                     | 37       | 34       | 39       | 24        | 46      |
| <i>Garden</i>                   | < 100                     | 54       | 80       | 29       | 69        | 40      |
| Streets A&B Inspection %        | 85%                       | 94.80%   | 96.73%   | 94.33%   | 92.98%    | 93.39%  |
| Flytip Clearance                | 95%                       | 55%      | 99%      | 92%      | 99%       | 99%     |
| Flytips Reported                | -                         | 859      | 608      | 958      | 782       | 943     |
| Bulky Waste Service             | 100%                      | 97%      | 99%      | 100%     | 100%      | 100%    |
| No of Container Requests        | -                         | 2860     | 1977     | 1726     | 1422      | 1209    |
| Container Delivery %            | 100%                      | 99%      | 49%      | 92%      | 99%       | 88%     |
| HWRC Materials Recovered        | -                         | 313t     | 369t     | 394t     | 364t      | 348t    |
| HWRC Visit Numbers              | Report Actuals            | 7977     | 9261     | 9957     | 9223      | 9241    |
| HWRC Recycling Rate %           | TBA via Service Agreement | 62.10%   | 56.85%   | 59.07%   | 62.54%    | 60.35%  |
| Customer Complaints             | <100                      | 54       | 54       | 54       | 40        | 37      |
| RIDDORs                         | 0                         | 0        | 0        | 1        | 0         | 0       |
| No Lost Time Incidents          | <3                        | 2        | 0        | 1        | 0         | 0       |
| Lost Time Incidents             | 0                         | 0        | 0        | 1        | 1         | 0       |
| Close Calls                     | Report Actuals            | 3        | 10       | 13       | 13        | 10      |
| Vehicle Incidents               | <7                        | 4        | 6        | 11       | 11        | 13      |
| VOR (Daily Average)             | <5                        | 5.79     | 4.91     | 5.90     | 5.40      | 5.60    |
| Fuel – DERV (Litres)            | TBA                       | 57,207   | 55,953   | 60,322   | 60,004    | 56,667  |
| Fuel – Gas Oil (“red” litres)   | TBA                       | 4029     | 4        | 0        | 0         | 0       |
| CO2 – kg                        | TBA                       | 152,610  | 149,228  | 156,837  | 156,010   | 148,468 |
| Total Vehicle Idling Time (hrs) | <140                      | 118      | 125      | 145      | 122       | 99      |
| Vehicle Availability            | 95%                       | 100%     | 100%     | 100%     | 96%       | 100%    |
| MOT Pass Rate                   | 98%                       | 88%      | 100%     | 100%     | 100%      | 100%    |
| Average Sickness %              | <4%                       | 3.30%    | 3.54%    | 3.19%    | 3.76%     | 4.31%   |
| ER Cases                        | <5                        | 2        | 1        | 3        | 2         | 0       |
| Staff Turnover                  | Report Actuals            | 3        | 0        | 5        | 3         | 2       |
| YTD Actual                      | -                         | £374,622 | £13,604  | £38,936  | £91,367   | TBC     |
| FY Forecast                     | -                         | £421,145 | £388,597 | £165,404 | £165,404  | TBC     |
| Additional Revenue              | -                         | £268,298 | -£60,659 | -£37,882 | -£136,484 | TBC     |

## GEL Risk Management – Risk Register

|                       |  |                      |    |
|-----------------------|--|----------------------|----|
| <b>Report Title</b>   | GEL Risk Management – Risk Register  |                      |    |
| <b>Meeting</b>        | Greener Ealing Board Meeting   |                      |    |
| <b>Date</b>           | 15 September 2022  | <b>Agenda Number</b> | 9. |
| <b>Type of Report</b> | To Note  |                      |    |
| <b>Author</b>         | Katarina Pohancenikova can be contacted on <a href="mailto:pohancenikovak@greenerrealting.co.uk">pohancenikovak@greenerrealting.co.uk</a>  |                      |    |
| <b>Background</b>     | <p>This report provides an update on the new risks or measures the company faces since the last update to the Board on 6<sup>th</sup> July 2022.</p> <p>The Risk Register is attached as a separate excel file for ease of review.</p> |                      |    |



**Budgetary management and control****Budget misalignment - HIGH**

GEL Finance team to ensure budget misalignment does not occur between GEL activities and LBE provisions.

*Budget for 22/23 assumes a loss of £389k. Management action plan to be provided to close the gap.*

**UPDATE:** Full year forecast projects a profit of £49k. Lease refinancing of 37 RCV vehicles and release of end of contract damaged for these vehicles contributed to current year financial position. The emerging pressures (HGV drivers' shortage, NI increase, increase in costs and services, increase in fuel prices) have been highlighted to the Council. We have re-opened the discussion with our Council's colleagues in regards to revises Services agreement and introduced new items within the Dead of Variation which should assist GEL to recover any statutory and market pressures in the future.

**Budgetary management and control****Pay Award - HIGH**

We have budgeted for up to 2.5% pay increase for 2022/23.

**UPDATE:** GEL Management have been meeting with the GMB during the past 5 months in respect of 2022/23 pay review. During that time we discussed the cost of living crisis and the Unions have made reference repeatedly to the CPI and RPI indicators running around 7.6% at the end of July 2022. Whilst we are appreciative of the very real hardships faced by our employees, we are restricted in terms of how much we can realistically afford without securing certainty from the Council that they will fund any deficit (above the 2.5% in our budget). We have considered efficiency options which may help but we are still some way off any agreement. The discussions are on-going and we will keep the Board appraised.

**Budgetary management and control****Brexit impact on Fleet - HIGH**

The risk is reviewed by monitoring the market situation, impact on supply chain and ensuring the business deals with potential issues in advance and have contingency plan in place.

*Initial issues were primarily directly linked to Brexit disruption of goods inwards due to revised customs/trade processes and checks on incoming part supplies, which now seem to have reduced, where possible GEL has arranged with subcontractors/suppliers to increase holdings on key items.*

**UPDATE:** GEL is experiencing supply issues of larger parts for Faun Zoeller bin lifting mechanism from Germany. The supplies are taking longer to arrive, meaning vehicles are out of service for longer. We have 1 vehicle off road for 3 weeks at the moment with possibility of another damaged in the next few days. We are liaising with the contractors to find a solution to resolve the issues and minimise the impact on our service.

**Budgetary management and control****Increased cost of fuel - HIGH**

The risk is monitored by monthly fuel spend report, reviewed by service delivery, performance/efficiency and making changes as appropriate in light of increased fuel costs. Carbon reduction measures being undertaken, including review of operational mileage and excessive vehicle idling

*Increased cost of fuel is now seen as a **High Risk** underpinned by extremely volatile energy supply market and factors relating to Covid 19, Brexit and political situation at Ukraine.*

*The planned control measures relating to the measurement and management of fuel use are in place across the contract, and the first phase of Carbon reduction relating to vehicle excessive idling is delivering demonstratable savings, albeit relatively minor in value being achieved.*

*Ongoing in-service optimisation of core operational services is being undertaken, with an expectation of reduced fuel usage in elements of the trade and garden waste collection activities.*

**UPDATE:** *The fuel rates show some stability in the last few weeks but we don't expect the fuel price to stay stable for a long term. We continue to monitor the current fuel prices and usage on a weekly basis.*

### **Loss or damage of assets**

#### **Wear and tear costs to fleet – MEDIUM**

Review monthly monitoring report to identify areas/vehicles, number of vehicles and defects.  
*Operational failure of food waste vehicles - GEL has experienced a number of rear suspension air bag failures on one of our 7 16t RCV vehicles employed primarily on food waste collection activities. Both vehicle chassis and body manufactures have been engaged in investigating and getting a resolution to the issue.*

**UPDATE:** *The issue may result in GEL being limited in the use of the vehicles such that they only can be deployed either on a short or long-term period collecting non-food material streams, which will have an impact of the overall capacity and delivery of the waste collection operation. At the moment there are 3 vehicles off the road and had to be replaced with the hired vehicles.*

*There are on-going discussions with the related parties to find a solution to the problem with a meeting set up at the beginning of September. GEL is seeking a legal advice and the Council will need to assign the warranties for these vehicles to GEL. GEL is also seeking an independent fleet expert advice to support potential claims.*

|                       |   |                      |     |
|-----------------------|---|----------------------|-----|
| <b>Report Title</b>   | Finance Update – September 2022   |                      |     |
| <b>Meeting</b>        | Greener Ealing Board Meeting  |                      |     |
| <b>Date</b>           | 15 September 2022   | <b>Agenda Number</b> | 10. |
| <b>Type of Report</b> | To Note   |                      |     |
| <b>Author</b>         | Katarina Pohancenikova  |                      |     |
| <b>Background</b>     | <p><b>Executive Summary</b><br/>This report notes:</p> <ol style="list-style-type: none"> <li><b>1. July 2022 Month End</b><br/>Greener Ealing financial results to July 2022 shows a positive variance of (£282k).</li> <li><b>2. Outstanding Finance Issues</b><br/>The unresolved finance issues with the Council are Start-up costs treatment and premises lease agreement.</li> <li><b>3. Loan Finance</b><br/>No loan drawdown up to date in financial year 22/23.</li> <li><b>4. Write Offs</b><br/>Update on written off items.</li> <li><b>5. Bank Update</b><br/>Company credit card spend.</li> </ol> <p><b>Recommendations:</b></p> <p>To note the overall draft financial position to 31<sup>st</sup> July 2022.</p> |                      |     |

**1. Month End**
**Greener Ealing Ltd**
**Statement of Comprehensive Income (£'k)**

|                                     | Jul 2022 YTD |            |              | Full Year   |            |              |
|-------------------------------------|--------------|------------|--------------|-------------|------------|--------------|
|                                     | Actual       | Budget     | Variance     | Forecast    | Budget     | Variance     |
| Net Service Income                  | (7,598)      | (7,392)    | (207)        | (22,590)    | (22,115)   | (475)        |
| Other income                        | (147)        | (105)      | (42)         | (704)       | (716)      | 13           |
| Turnover                            | (7,745)      | (7,496)    | (249)        | (23,294)    | (22,831)   | (462)        |
| Staffing costs                      | 4,356        | 4,500      | (144)        | 13,093      | 13,383     | (290)        |
| Agency Costs                        | 689          | 574        | 115          | 1,958       | 1,507      | 451          |
| Other staffing costs                | 74           | 85         | (10)         | 246         | 254        | (8)          |
| Total staffing costs                | 5,120        | 5,159      | (39)         | 15,296      | 15,144     | 152          |
| Other Direct Costs                  | 295          | 218        | 76           | 939         | 870        | 69           |
| Depreciation & Amortisation         | 82           | 77         | 5            | 250         | 231        | 20           |
| Vehicle Costs                       | 1,500        | 1,580      | (80)         | 4,528       | 4,763      | (235)        |
| Plant Costs                         | 143          | 150        | (7)          | 432         | 482        | (50)         |
| Property Costs                      | 295          | 298        | (4)          | 903         | 903        | 0            |
| Communications                      | 9            | 1          | 8            | 14          | 4          | 10           |
| ICT Costs                           | 103          | 96         | 7            | 293         | 281        | 11           |
| Service Recharges                   | 17           | 22         | (6)          | 65          | 72         | (8)          |
| Professional Fees                   | 156          | 117        | 38           | 490         | 383        | 107          |
| Operating costs                     | 2,598        | 2,560      | 38           | 7,913       | 7,989      | (76)         |
| <b>OPERATING LOSS/(PROFIT)</b>      | <b>(27)</b>  | <b>223</b> | <b>(250)</b> | <b>(85)</b> | <b>301</b> | <b>(386)</b> |
| Net funding costs                   | 1            | 32         | (32)         | 36          | 87         | (51)         |
| <b>NET LOSS/(PROFIT) BEFORE TAX</b> | <b>(27)</b>  | <b>255</b> | <b>(282)</b> | <b>(49)</b> | <b>389</b> | <b>(437)</b> |

The overall draft financial position to 31<sup>st</sup> July 2022 is a profit of £27k against a budgeted loss of £255k. Key variances relate to:

- Turnover - favourable variances of (£249k) as a result of non-contractual work provided: (£185k) Grounds maintenance including Gunnersbury Park contract; (£66k) Queens BH recharge; (£40k) rechargeable costs; (£23k) Waste; (£17k) Streets cleansing; (£2k) Kickstart funding; £84k efficiency savings not implemented
- Staffing costs favourable variance of (£39k) due to savings of (£62k) Waste; (£36k) HWRC; (£33k) Admin; (£10k) PPE offset by additional staff related costs such as Operations £5k; Grounds maintenance £6k; Streets cleansing £27k; Holiday pay accrual £64k
- Operating costs adverse variance of £38k
  - (£87k) Vehicle and plant: favourable variance as a result of lease refinancing and release of vehicle end of contract damage accruals for the rescheduled RCV vehicles is partially offset by increase in fleet and plant repairs and maintenance costs and fuel costs
  - (£6) Service Recharges not required
  - (£4k) Property Costs: premises repairs and maintenance allowance not being utilised in the first two months
  - £5k Depreciation & Amortisation relating to small plant purchases to be used for Gunnersbury Park contract
  - £15k ICT and Communications due to additional GM software implementation
  - £38k Professional fees include additional consultancy fees; legal fees; training
  - £76k Other Direct Costs for BSI Audit; direct costs; rechargeable bags offset in revenue

- Funding costs positive variance of (£32k) as a result of no loan being drawn down in the first four months of financial year 22/23

The full year forecast has been updated and currently showing a profit of £49k against the originally budgeted loss of £389k. The main factor contributing to the financial result improvement relates to services efficiencies further cost control measures on the services that should help to benefit in this year financial results.

Lease refinancing that extended lease terms to 7 years for 37 RCV vehicles significantly contributed to the improvement of current financial position with the full year saving estimated at approx. £170k. As part of the lease term extension, the residual values for these 37 vehicles were reduced to 0% and as a result of that we have released the end of contract damaged accrual.

The Company continues to face financial pressures that might have negative impact on the future financial performance. The major pressures are as follows:

- Pay Award – currently forecasted at 2.5% with GMB discussions on-going;
- Fuel prices – the prices show some stability but with the continuing Eastern Europe crisis we have no confidence that this will continue;
- HGV Driver shortage – this continues to be a significant challenge to the business. The forecast assumed the continues support of the Council to fund the hourly uplift for HGV drivers.

## **2. Outstanding Issues**

GEL management is waiting for the Council to resolve a number of outstanding issues and agree on costs recoverability. These are set out below, there is the possibility of potential impacts on GEL financial results:

- Start-up costs treatment
  - Revenue start-up costs (£703k) – it has been agreed that revenue start-up costs will be absorbed by the Council.
  - Capital start-up costs (£930k) – the Council has decided to charge capital start-up costs and transfer title to GEL with GEL using fixed capital loan facility to finance these costs. A breakdown of the capital spend has been submitted and currently being reviewed by the Council. GEL should be invoiced in the next few weeks.
  - Stock start-up costs (£161k) – we have submitted PPE spend to the Council and working capital loan facility will be used to finance the costs. GEL should be invoiced in the next few weeks.
- Heads of Terms (Premises lease agreement) – a meeting was held in July with all interest parties with a completion date set as end of September 2022. We will update the Board in the next meeting.

## **3. Loan Finance**

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

## **4. Write Offs**

3 strimmers beyond economical repair were disposed of at the total value of £1,021.

**5. Bank Update**

GEL Company credit card spend from June to July 2022:

| Expense Type         | £            | Comments                             |
|----------------------|--------------|--------------------------------------|
| Training             | 354          | External training                    |
| DVLA Vehicle tax     | 1,563        | Annual vehicle tax                   |
| Other Expense        | 1,139        | Stationery, postage, vouchers        |
| Tools                | 206          | Tools & materials                    |
| PCN Fines            | 480          | Penalty charge notice                |
| Transport for London | 60           | Street Operatives Oyster card top up |
|                      | <b>3,802</b> |                                      |

## Greener Ealing Ltd - Board Forward Plan 2022-23

| Date of Meeting | Standing Items  | Governance   | Strategic   | Finance  | Performance Management/ Operations/Specific Project Updates |
|-----------------|---|--|---|--|---|
| <b>Nov 2022</b> | <ul style="list-style-type: none"> <li>• Apologies</li> <li>• Declarations of Interest</li> <li>• Minutes of Meeting</li> <li>• Matters Arising                             <ul style="list-style-type: none"> <li>- Circular Resolutions</li> </ul> </li> <li>• HR Update</li> <li>• MD Report</li> <li>• Performance Report                             <ul style="list-style-type: none"> <li>- H&amp;S Update - incidents / accidents</li> <li>- Operations Update</li> <li>- Transport Update</li> </ul> </li> <li>• Risk Management                             <ul style="list-style-type: none"> <li>- Risk Register</li> </ul> </li> <li>• Forward Plan</li> </ul> | <ul style="list-style-type: none"> <li>• Update on delivery against business plan</li> </ul> | <ul style="list-style-type: none"> <li>•</li> </ul> | <ul style="list-style-type: none"> <li>• Finance Update</li> </ul> | <ul style="list-style-type: none"> <li>•</li> </ul>         |