



GREENER EALING LIMITED

MEETING OF THE BOARD OF DIRECTORS

WILL BE HELD AT 13:00 ON THURSDAY 9th MARCH 2023, BY MS TEAMS

AGENDA

Item No.	Agenda Title	Lead	Action	Paper/Verbal
1.	Apologies for Absence	MB	Information	
2.	Declarations of Interest (in respect of items on the agenda)	MB	Information	
3.	Minutes of the meeting held on 24th November 2022	MB	Approval	(3)
4.	Matters Arising - Action Log		Information	(4)
Governance				
5.	Corporate Governance • Annual Whistleblowing Policy review	KOL/LP	Approval	(5)
Strategy, Project & Operations				
6.	MD Report	KOL	Information	(6)
7.	Business Plan and Budget 2023/24	KOL	Approval	(7)
8.	Workforce Strategy	BG	Approval	(8)
9.	Staff Survey	BG	Information	(9)
10.	Combined Performance Report including HSEQ and Transport	KOL	Information	(10)
11.	Risk Management Report	KP	Information	(11)
12.	Finance Update	KP	Information	(12)

Board Forward Plan



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|-----|---|--------|-------------|------|
| 13. | Board Forward Plan | KOL/LP | Approval | (13) |
| 14. | Any Other Business | MB | Information | |
| 15. | Date of next meeting: 27 th April 2023 | | Information | |

Present:	Mike Boulton	MB	Chair and Director
	Alison Reynolds	AR	Director
	Joanna Pavlides	JP	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
	Darren Henaghan	DH	Shareholder Representative, LBE
	Lizzie Purewal	LP	Waterstone/Bridgehouse Company Secretaries (minutes)

Apologies:

GREENER EALING LIMITED ("GEL")
MINUTES OF THE BOARD OF DIRECTORS' MEETING
HELD AT 13:00 HOURS ON THURSDAY 24th NOVEMBER 2022 BY MS TEAMS

Present:	Mike Boulton	Chair and Director	MB
	Alison Reynolds	Director	AR
	Kieran Read	Director	KR
In attendance:	Kevin O'Leary	Interim Managing Director, GEL	KOL
	Bill Gilmour	Head of HR & Comms, GEL	BG
	Katarina Pohancenikova	Head of Finance, GEL	KP
	Darren Henaghan	Interim Director of Housing, LBE	DH
	Helen Harris	Director of Legal & Democratic Services, LBE (attended from item 5.1.3)	HH
	Earl McKenzie	Assistant Director Street Services, LBE	
	Lizzie Purewal	Bridgehouse Company Secretaries (minutes)	BCS

1. Apologies for Absence

- 1.1** MB welcomed those present. There were no apologies for absence.

2. Declarations of Interest

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

3. Minutes of the Board – 15th September 2022

- 3.1** The minutes of the Board meeting on 15th September 2022 were **approved** with no changes.

4. Matters arising and Actions from the previous Board meeting

- 4.1** The Board **noted** that Darren Henaghan had been appointed as the new Shareholder Representative.
- 4.2** NED appointment update – DH explained that a process had been undertaken to identify a director to replace Alison Reynolds, who would be standing down. There had been 5 applicants and a successful candidate had been identified through the Council process. Cabinet approval for the role was expected to be provided in January.
- 4.3** The following resolutions were **ratified**, having been made since the last meeting (on 28th September 2022):
- **Approval** of the proposed 2022/23 Pay Award.
 - **Noting** that implementation was subject to the GMB consulting with and receiving the approval of their members.
- 4.4** The Board discussed and **noted** the summary update of matters arising from previous Board meetings, all of which were complete.

Strategy, Project & Operations

5. GEL Service and Business Development

- 5.1** DH provided an overview of the paper: 'Greener Ealing Services and Business Development' and the Board discussed and noted the paper.

HH would consider any TUPE requirements for the relevant party **[ACTION]**.

[HH]

6. Managing Director's report & update on business objectives

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

- 6.2**
 - The Pay Award had been agreed with an average uplift across the workforce of 7.8%.
- 6.3**
 - The Quality Assurance Applications had all been approved. The BSI was experiencing a delay with processing the awards and it was hoped the awards would be received before the end of the year.
- 6.4**
 - Overall performance on the contract remained good despite the increasing pressure on staff.
- 6.5**
 - The Workforce Strategy was now being consulted upon and an update would be provided to the next Board for approval **[ACTION]**.
- 6.6**
 - A female recruitment campaign had launched together with the HGV campaign. Social media was being used to support that initiative and the Council had now agreed to refurbish the shower and changing facilities at Greenford depot, with work starting on 28th November.
- 6.7**
 - Customer comes first – 7 training videos had been finalised. The first would highlight the difficulties caused by any missed Assisted Collections. Missed Assisted Collections had reduced to single figures and the Council was keen to reduce this further. Consideration was being given to whether the videos could be monetised by selling onto similar services elsewhere.
- 6.8**
 - The staff survey was in progress. It was due to close on 25th November and there had been a high participation rate to date.
- 6.9**
 - CO2 target – GEL had set a target of 7% for 2022 and was on the verge of achieving it, mainly due to an optimisation and changing compression ratios on the compaction vehicles.
- 6.10**
 - Immediate work pressures now included the budget process and agreeing this with the Council for 23/24, along with a new Business Plan that needed to be agreed in February 2023 by both the GEL Board and the Council's Cabinet.

[KOL]

6.11 The Board **noted** the Managing Directors Report and the Key objectives action plan.

7. Combined Performance Report including HSEQ & Transport

7.1 KOL provided an overview of the report, noting that the dashboard was mostly green. The report had been reduced to highlights.

7.2

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

8. GEL Risk Management Report

8.1 MB commented that most of the risks were well known to the organisation and requested an update on the food waste vehicles. KOL commented that the food waste vehicles had experienced problems with the chassis and air bags and the suspension system and overloading. All the vehicles needed to be repaired. The principal contractor had agreed an apportionment of the costs to get the vehicles fixed. GEL would pick up c. £21K, given GEL could have been quicker in terms of some of the overloading seen earlier in the contract which might have contributed to the problem. The principal contractor had agreed to pick up two thirds of the cost. It had been a good outcome. The vehicles would be repaired over the coming months. There were only 2 years remaining on the contract, which would not

be extended to the full 7 years. Whilst the vehicles could be used over the next 2 years, a procurement process would need to be undertaken to find a more suitable vehicle.

- 8.2 KR referenced the current fuel cost pressures and the potential energy rationing and scheduled blackouts that could come to pass later in the winter. There had been some discussion within the Council regarding the measures that critical events and public service delivery could take to ensure they were registered with suppliers to protect supply. KR sought reassurance on these increased risks, from a GEL perspective, that the necessary measures were in place to protect the resilience of GEL should an event come to pass. KOL commented that there had always been provision made for critical suppliers like refuse collection which would be prioritised at the top of the list, however, some of GEL's other vehicles might appear lower down the list. KOL agreed to consider this in the upcoming Business Continuity Planning meeting that was due to take place **[ACTION]**.

[KOL]

- 8.3 The Board **noted** the risk register.

9. Finance Update – September 2022

- 10.1 KP presented the financial results, highlighting the following:

- 10.2
- The overall draft financial position to 31st Oct 2022 was a loss of £480k against a budgeted loss of £488k.
- 10.3
- The positive variance of £8k had been made up of a positive variance in turnover with the Ground maintenance contract performing better than originally anticipated and charging the Council for street cleansing.
- 10.4
- Staffing costs had an adverse variance of £422k, made up of minor savings on HWRC, offset by the agreed 22/23 pay award increases.
- 10.5
- Operating cost had an adverse variance of £180k. There had been a favourable variance on Vehicle and plant, because of lease refinancing and release of vehicle end of contract damage accruals for the end of contract damage accruals for RCV vehicles which was partially offset by the increase in fleet and plant repairs and maintenance costs and fuel costs. The service recharges had not been required. The majority of the favourable variance in the operating costs had been offset by some of the ground maintenance limitation which was greater than the beginning of the year and the depreciation and amortisation on the small plant purchases to be used for the Gunnersbury Park contract. Professional fees also included additional consultancy fees, legal fees, and training. Other Direct Costs included the BSI Audit.
- 10.6
- Funding costs had a positive variance of (£36k) due to no loan being drawn down in the first four months of the financial year 22/23 and the cash position was stable. The £20k lease interest had been moved from Vehicle and Plant costs to Interest payable to comply with IFRS16.
- 10.7
- The full year forecast had been updated and currently showed a loss of £531k against the originally budgeted loss of £389k. The forecast included the 22/23 pay award costing impact with additional LBE funding of £340k, which was originally agreed with the Council, however, at the time the report was written discussions were underway with the Council on how this would be funded, and it was therefore not included the October financial results and had instead been included as a separate line from the Net Loss / Profit Before Tax.
- 10.8
- In year efficiencies had been considered and it was believed that another £380k could be achieved through savings opportunities and cost control measures.

- 10.9** • GEL continued to face financial pressures that might have a negative impact on future financial performance, including future pay awards, inflation increase, fuel prices and the HGV driver shortage.
- 10.10** • There were several outstanding issues to be resolved with the Council, including the Start-up costs treatment and Heads of Terms.
- 10.11** • The Corporation tax return of the financial year 21/22 was due on 31st December 2022.
- 10.12** • Discussions were underway with last year's auditors: Beever and Struthers to review the next year audit proposal and a recommendation would be provided to the next meeting. The Council had advised that a 3-year audit appointment could be agreed.
- 10.13** • The current cash position was stable, and a summary of the credit card expenses had been provided.
- 10.14** • DH and KOL would follow up on how to present the Council with the bill for £340k as a result of the 22/23 pay award impact [**ACTION**].
- 10.15** • MB expected the issues of pay pressure and inflationary costs would continue into the following year.

[DH/KOL]

10.16 The Board **noted** the overall draft financial position to 31st July 2022.

11. Board Forward Plan

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

12. Any Other Business

12.1 MB observed that this was likely to be Alison Reynold's last Board meeting, given she was stepping down from the Board. MB and KOL thanked Alison on behalf of the Board and the executive team for all the help and support she had provided to GEL.

13. Date of next meeting: 16th February 2022

13.1 There being no other business, MB thanked those present and closed the meeting at 13.55

Signed

Chair of the Board

Date

GREENER EALING LTD - ACTION LIST – 9th March 2023

Minute Ref	Action items arising from minutes	Officer	Due By	Comments	Status
Actions arising from 24th November 2022					
5.1.	GEL Service and Business Development – To consider if any TUPE requirements for the relevant party.	HH		This is in hand and any TUPE implications will be considered on contract by contract basis	CLOSED
6.5	Managing Director's report & update on business objectives – To provide an update on the Workforce Strategy to the next Board for approval.	KOL		Included on March Board agenda	CLOSED
8.2	GEL Risk Management Report – To consider, at the upcoming Business Continuity Planning meeting, the measures in place and the arrangements with suppliers to ensure supply in the face of current fuel cost pressure, the potential energy rationing, and scheduled blackouts.	KOL		Included on March Board agenda - risk has been considered as part of BCP and reflected in risk register	CLOSED
9.14	Finance Update – To follow up on how to present the Council with the bill for £340k as a result of the 22/23 pay award impact.	DH/KOL		Completed	CLOSED

(KO) Kevin O'Leary

(MB) Mike Boulton

(AR) Alison Reynolds

(KR) Kieran Reid

(EMc) Earl McKenzie

(HH) Helen Harris

(KP) Katarina Pohancenikova

(BHCS) Lizzie Purewal

(WG) Bill Gilmour

(DH) Darren Henaghan

Report Title	Review of Whistleblowing Policy		
Meeting	Greener Ealing Board Meeting		
Date	9 March 2023	Agenda Number	5.
Type of Report	For noting and approval		
Author	Lizzie Purewal can be contacted on lizzie@bhcsecretaries.co.uk prior to the meeting.		
Background	To review the Whistleblowing Policy to check it is in working in practice.		

Annual Review of Whistleblowing Policy

The purpose of the review is to advise whether any changes are to be made to the policy due to changes in legislation or best practice. We also look at whether the policy is working in practice, and are being adhered to, which will also help identify if any changes are required.

The Whistleblowing Policy has been reviewed and **no recommended policy changes** are required at this time.

There have been no reports of whistleblowing in the last 12 months, and so it is not possible to review whether the policy is working in practice. We recommend that the Whistleblowing Policy is re-circulated or employees reminded of its existence on a cyclical basis, to ensure that employees are aware of what to do should the need to blow the whistle arise.

The Policy is included at **Appendix A** for information.

Lizzie Purewal
Bridgehouse Company Secretaries

WHISTLEBLOWING POLICY

Summary

Greener Ealing strives to achieve exemplary standards of service and ethical behaviour in all its activities, consequently, we encourage employees to pass on information concerning any wrongdoing (or suspected wrongdoing). This includes any instances of misconduct, suspected misconduct, malpractice or illegal acts by employees or members of the public relating to services they receive from Greener Ealing. To be covered by whistleblowing law, an employee who makes a disclosure must reasonably believe that they are acting in the public interest. We have developed our whistleblowing policy, so employees know what to do if they have any concerns and Directors are clear about their responsibilities relating to any allegations or suspicions raised.

‘Employees’ - For the purpose of this policy, the term ‘employees’ includes all employees, staff seconded to Greener Ealing from the London Borough of Ealing (“the Council”), directors, agency staff, consultants, volunteers and trainees and contractors.

Employees who make a disclosure reasonably believing in the public interest that:

- (a) a criminal offence has been committed, is being committed or is likely to be committed,
- (b) acts that have been committed could damage the organisation’s reputation,
- (c) a person has failed, is failing or is likely to fail to comply with any legal obligation to which they are subject,
- (c) a miscarriage of justice has occurred, is occurring or is likely to occur,
- (d) the health or safety of any individual has been, is being or is likely to be endangered,
- (e) the environment has been, is being or is likely to be harmed, or
- (f) information tending to show any matter falling within any one of the preceding paragraphs has been, or is being deliberately concealed

are protected by law under the Public Interest Disclosure Act 1998 from any detriment and/or victimisation for raising their concerns.

Employees of Greener Ealing’s partners and contractors are also encouraged to follow these procedures in the course of their business with Greener Ealing and to raise any concerns with the relevant managers. Any such partners and contractors will also be asked to publicise this procedure to their employees.

Our Standard

This policy should be referred to when employees have concerns that the interests of Greener Ealing or related individuals are at risk due to (and this is not an exhaustive list):

- Criminal and other activities, suspected or ongoing, which may break the law
- Disregard for Greener Ealing's rules, policies and procedures
- Acts which may endanger anyone's health and safety.

Any employee who raises a concern, and the Director who investigates it, will suffer no detriment as a result. Greener Ealing will not tolerate harassment, victimisation or other ill treatment of a whistleblower and will treat this as a serious disciplinary offence to be dealt with under appropriate disciplinary procedures (including, where appropriate the Council's disciplinary procedures). If you believe that you have suffered ill treatment, please inform a Director immediately and if the matter is not resolved it should be escalated using our grievance procedure.

Employees must not threaten, intimidate or retaliate against whistleblowers in any way. Anyone who behaves in this way will be subject to disciplinary action. Employees should be aware that in certain circumstances the whistleblower could have the right to sue them personally for compensation in an employment tribunal.

- An employee can raise concerns verbally or, preferably, in writing.
- Any concerns will be dealt with promptly.
- Concerns should be raised with the Managing Director (Greener Ealing): or the Council's Director of Legal and Democratic Services.
- Frivolous or malicious complaints that are known to be without substance may result in formal disciplinary action

This policy does not preclude employees from raising their concerns with relevant bodies (such as the Health and Safety Executive or the police) outside the organisation but is intended to resolve any concerns swiftly.

Managing Director's Responsibilities

The Managing Director must:

- escalate any concerns raised to the Council's shareholder representative where

there is potentially a wider impact on the Company or the Council's reputation;

- act promptly and fairly on any concerns raised;
- make sure that this policy is the most relevant to consider the employee's concerns rather than a grievance, disciplinary or other procedure;
- support and help the employee to pursue their concerns;
- maintain confidentiality throughout the process;
- as far as possible, withhold the identity of the employee who has raised the concerns, if the employee has so requested. (In some situations directors may be obliged to disclose the name of the employee who has raised concerns, in which case this should be discussed with the employee first);
- keep the employee informed of progress in investigating and resolving their concerns;
- advise the employee that they have the right to bring a trade union representative or a colleague to any meetings under this policy;
- implement any actions/recommendations arising from the investigation into the employee's concerns;
- not allow the employee to suffer any harm as a result of raising their concerns; and
- investigate anonymous complaints as far as reasonably practicable.

Employee's Responsibilities

Employees should:

- raise concerns (verbally or in writing) in confidence with the Managing Director (or to the Council's Director of Legal and Democratic Services if it is inappropriate to raise the concerns with a Director) as soon as possible.
- never carry out their own investigation;
- help with any investigation into their concerns, including attendance at meetings, replying to requests for information, and providing signed statements as appropriate;
- immediately pass on any evidence to the investigating person;
- follow the published whistleblowing procedures (below);
- act honestly and in good faith when raising and pursuing concerns through this policy; and
- advise the investigating person if they have a personal interest (in addition to any perceived public interest) in the matters under investigation.

Employees are encouraged to raise whistleblowing concerns via this policy rather than going straight to external bodies. Reporting concerns to the press or on social

media, for example, may seriously undermine any investigation into the issues of concern. Further advice can be obtained from the Company Secretary.

Procedure for raising concerns

Step 1

1. The employee may raise their complaint, detailing the issues of concern, verbally but preferably in writing to:
 - the Managing Director; or
 - to the Chair of the Board;

or if the employee wishes to raise the matter outside of the GEL management structures:

- to the Council's Director of Legal and Democratic Services.

The person selected above will become the investigating person for the purposes of the procedure.

2. The investigating person will confirm that the employee's concerns fall within the scope of this procedure and, if not, are referred under the right procedure.
3. The investigating person will meet the employee urgently and gather as much information as possible.
4. The investigating person will assess what action is necessary to investigate and respond to the employee's concerns. They will undertake to write to the employee within five days of the meeting summarising the employee's concerns and advising them of the proposed course of action. This will include the timescale within which the investigation will be completed.
5. When considering the action needed to investigate and address the employee's concerns, the investigating person may seek advice and direction from appropriate people within the organisation who will usually be the Company Secretary and/or an external advisor. The employee will be informed in writing of the outcome of the investigation.
6. We hope that this policy will enable employees to feel able to voice whistleblowing concerns openly. However, should an employee wish to raise

their concern in confidence, we will make every effort to conceal their identity. If it is necessary for anyone investigating a concern to know the identity of the employee concerned, we will discuss this with them first

Step 2

1. The employee may proceed to step 2 and refer their concerns directly to the Council's Director of Legal and Democratic Services (or if the Council's Director of Legal and Democratic Services has been involved in step 1, then Council's Head of Internal Audit who has not been involved) if they:
 - remain dissatisfied with the response in step 1; or
 - have not received a response to their concerns within the specified timescales set out in step 1.
2. The Council's Director of Legal and Democratic Services / Council's Head of Internal Audit will take appropriate action such as:
 - Reviewing the investigation;
 - Assuming responsibility for an investigation in progress;
 - Initiating an investigation
3. The Council's Director of Legal and Democratic Services / Council's Head of Internal Audit will advise the employee in writing about action taken to progress the investigation with anticipated timescales and/or their decision relating to any further information supplied by the employee.

Step 3

Anonymous disclosures

Greener Ealing does not encourage employees to make disclosures anonymously as without the opportunity to obtain further information proper investigation is more difficult or even impossible. It is also more difficult to establish the credibility of any allegations. Whistleblowers who are concerned about possible reprisals if their identity is revealed should approach their manager, senior manager or, in exceptional cases, the Council's Director of Legal and Democratic Services and appropriate measures can then be taken to preserve confidentiality.

If you are in any doubt, you can seek advice from Protect, the independent whistleblowing charity, which offers a confidential helpline. Their contact details are:

Helpline: 020 3117 2520



Email: whistle@protect-advice.org.uk

Web: <https://protect-advice.org.uk>

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Report Title	Managing Directors Report		
Meeting	Greener Ealing Board Meeting		
Date	9 th March 2023	Agenda Number	6.
Type of Report	For noting		
Author	Kevin O’Leary – olearyk@greenerealing.co.uk		
Background	<p>This report provides a summary on overall progress over the last three months and highlights key issues.</p> <p>As ever a busy and challenging period especially over the festive period, but we have made significant progress in several areas. HGV Driver pressures have abated for now, but we are striving to recruit over and above our core needs and reduce Agency dependency to bolster our resilience.</p> <p>Contract performance is good.</p> <p>Preparation to take on the Graffiti contract is well advanced and initial discussions regarding the Parking Enforcement Contract are progressing.</p> <p>Progress continues to be made on all Business Objectives – highlights are included below.</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 with the more detailed report on this agenda providing a full update.

Christmas Catch up period.

A successful operation over the Christmas 2022 saw all refuse collection schedules delivered as planned with very positive feedback received from Ealing colleagues including the Housing Department. All services returned to normal schedules as planned on 16th January 2022.

Graffiti and Fly Posting Removal Contract

The Council has issued a letter of intent to award this contract to GEL. Regular meetings are taking place with Ealing and we are scheduled to meet with the present incumbent, MPM, later in March. There is likely to be a TUPE transfer of two employees. We will be seeking approval to the purchase of a vehicle and some equipment but will not be clear on this until we have met with MPM. The contract will start on 6th June 2023. A mobilisation plan is in place and is reviewed by the team on a fortnightly basis.

Parking Enforcement Contract

As the Board is aware the Council intend to invite GEL to provide this service with effect from 1st April 2024. Regular meetings are now taking place with the client team, a high-level project plan has been drafted and detailed sessions are being planned on specific issue e.g., fleet requirements and property issues. A detailed mobilisation plan will be drafted, and this Board will be updated at future meetings.

Service Level Agreement – Deed of Variation

Discussions have continued regarding the required revisions to the core SLA. Areas covered include contract inflation including volatile items (fuel/insurance), contract length, addition of the Graffiti service and property growth.

It is hoped that this can be agreed with Council Officers in the coming weeks and approved by the Council's Cabinet.

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 and these continue to be monitored by the GEL Management Team

Highlights include:

Business Objective 1 – workforce strategy

- Revised Draft Workforce Strategy now available and on today's agenda for Board approval.
- The Board will recall that the Council agreed to refurbish the showers and changing facilities at GF Depot. We can now confirm that this work has been completed.

Business Objective 2 - Customer comes first

- Managing complaints process improvements in hand
- Workforce Customer Care Training videos now complete – all seven videos have now been finalised and are in use.

Business Objective 3 – Operations

- Various optimisations concluded – including successfully rebalancing the flats recycling teams
- Rebalancing the flats refuse teams and combining Narrow Access Cage and Flats Above Shops Teams into one team
- Weeding programme for 2022 successfully completed with much reduced level of complaints

- Excellent N195 Cleaning Inspection Results for 2022
- Roll out of Whitespace now complete and being utilised.

Business Objective 4 – HSEQ

- BSI Accreditation now achieved – and certificates to be issued 2nd March 2023.
- Successful Audit in late February for Collections and Streets
- Grounds Maintenance and HWRC initial inspection scheduled for 14th March 2023

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.
- Approaches now made to all Ealing Schools
- Use of Instagram and LinkedIn helping to raise GEL profile.
- Facebook account now established.
- Good work with LagerCan
- Staff Survey – report on feedback on today's agenda.

Business Objective 7 -Going Digital

- Links to 5 above

Business Objective 8 – Greening GEL

- CO2 target for 2022 met with 7.3% reduction.

Business Objective 9 – Growth

- Graffiti contract – the Council has now indicated that there will be a direct award of this work to GEL
- MD attended a briefing of all Ealing Schools Bursars to advise on GEL capabilities.
- As previously reported Council in active dialogue with GEL over transfer of new services

Conclusions and way forward

The immediate work pressures now turn to delivery of efficiencies for 23/24 and preparation for 24/25 and mobilisation plans for new services whilst maintaining good overall contract delivery.

Kevin O'Leary
Interim Managing Director
23rd February 2023

Report Title	GEL Business Plan 2023/24		
Meeting	Greener Ealing Board Meeting		
Date	9 th March 2023	Agenda Number	7.
Type of Report	For approval.		
Author	Kevin O’Leary – Kevin can be contacted on olearyk@greenerealing.co.uk		
Background	<p><i>This report sets out the Business Plan for 2023/24.</i></p> <p><i>The Business Plan for 23/24 will be presented to elected members at the Councils Cabinet meeting on 29th March with a recommendation for approval.</i></p> <p><i>The plan confirms the following:</i></p> <ul style="list-style-type: none"> • <i>The GEL Financial Forecast and budget for 2023/24</i> • <i>Cash flow forecast for 23/24</i> • <i>The three overarching Key Strategic Objectives</i> • <i>Revised supporting objectives.</i> <p><i>The Board is asked to note that the Financial considerations in the Business Plan which have been the subject of detailed discussions with Ealing Council Officers.</i></p> <p><i>The Board is asked to approve the final Business Plan for 2023/24.</i></p>		

Greener Ealing Ltd

Business Plan – 2023/24

Contents

- 1. Foreword from Mike Boulton, Non- Executive Director and Chair of Greener Ealing**
- 2. Ealing Council - Councillor Deirdre Costigan, Deputy Leader and Cabinet Member for Climate Action**
- 3. Executive Summary**
- 4. Introduction and Background**
- 5. 2022/23 Highlights – a brief look back at the year.**
- 6. Financial overview 2023/24**
- 7. Greener Ealing Key Objectives for 2023/24**
 - **Workforce Strategy 2023 – a review and refresh**
 - **Operational and Business Efficiencies**
 - **HSEQ – ongoing**
 - **Communications and Marketing - extending our reach**
 - **Greening Greener Ealing**
 - **Growth – Preparing for new services – Graffiti, Parking**
- 8. Conclusions**

List of Appendices

- A. Cash Flow Statement – Forecast 2023/24**

1. Foreword – Mike Boulton, Non-Executive Director and Chair Greener Ealing Ltd

GREENER EALING BUSINESS PLAN 2023/24

I am delighted to introduce Greener Ealing's Business Plan for 2023/24.

Last year, as in previous years presented the Business with many challenges. The ongoing issues with HGV Driver recruitment and retention continued to dominate the operating environment. The cost-of-living crisis and the impacts of the War in Ukraine saw ever increasing cost pressures for fuel and other supplies. We were grateful to our shareholder for assistance in providing support that enabled us to reach a fair agreement with the GMB and workforce on pay. Despite all of this we have continued to deliver frontline services to a very high standard with all contract KPIs being maintained at a more than satisfactory standard.

This Business Plan for 2023/24 is in part continuation of our earlier work, concluding outstanding activities, but also preparation for significant growth as Ealing Council is actively considering the transfer of new services to GEL. Most notably the Council has indicated that its current Parking Enforcement contract will transfer to GEL with effect from 1st April 2024. In addition, the Graffiti Removal Contract will be a variation to the core Environmental Services Contract with effect from 6th June 2023. This is good news for GEL and demonstrates the confidence that our shareholder has in us. The mobilisation of the Parking Contract will be a major undertaking over the next 12 months.

We continue to support the Council on its Climate Change Strategy achieving a 7.3% reduction in Carbon emissions for the calendar year 2022.

As ever I am grateful to my colleague Non-Executive Directors Kieran Read and Alison Reynolds - for their support. Kieran has resigned from the Council, and we wish him well for the future. Kieran's replacement is Joanna Pavlides who we welcome to the Board.

Finally, my thanks to the Greener Ealing frontline staff for all that they do and for continuing to deliver first class services to Ealing residents.

I recommend this plan to you.

MIKE BOULT
CHAIR GREENER EALING LTD
February 2023

2. A welcome from Ealing Council - Councillor Deirdre Costigan, Deputy Leader and Cabinet Member for Climate Action

It gives me great pleasure as the Cabinet Member for Climate Action to welcome the Greener Ealing 2023/24 Business Plan.

Last year was another outstanding year for Greener Ealing, the council's wholly owned provider of essential environmental services. In the two years since we brought this service back under council control, we have seen a marked improvement, with year-on-year progress in service delivery and a real impact on ensuring we are one of the top boroughs in London for recycling. My thanks go to all the staff for their achievements, it really is appreciated.

This coming year will provide another test for Greener Ealing as we take steps to mobilise the currently outsourced parking enforcement contract. It is testament to the success so far of Greener Ealing that we've made the decision to move this important service back into the council fold. We know that our shared vision will be core to making this a success and ensuring that customer care and collaboration are central. We anticipate that staff transferring into Greener Ealing will appreciate the new culture and embrace our values.

We've also started work on ensuring Greener Ealing is ready to take advantage of further opportunities and it's been great to work with Mike Boulton, the GEL chair, on this. Not only is Greener Ealing crucial to delivering our climate action priorities, the environmental services provided are used by every resident in our borough and contribute to making our seven towns great places to live. We're rightly judged on our performance and it's fantastic to see year on year improvements and exciting plans for the future. Congratulations!

Councillor Deirdre Costigan

Deputy Leader and Cabinet Member for Climate Action

February 2023

3. Executive Summary

This is the Greener Ealing Business Plan for 2023/24. As with previous iterations we have built on the objectives that were agreed in the previous year and set out the challenges for GEL for this we include an outline financial forecast to March 2024.

We have revised our key objectives for 2023/24 based on what has been achieved in recent years, what remains to be done and the changing agenda as the Council considers the transfer of new services to Greener Ealing. We have retained the three overarching Strategic Objectives (SOs) as set out below.

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

To deliver contracted services within the agreed financial targets.

To prepare Greener Ealing for future growth. By embedding the organisational culture, systems and processes that will position Greener Ealing to pursue commercial opportunities over the medium to long term.

The plan covers:

- The financial forecast for 2023/24.
- Forecast cashflows for 2023/24.
- Confirmation of the GEL Mission Statement and the Vision and Values for the company.
- The key objectives/workplan for the Managing Director and his/her management team for 2023/24.
- A brief commentary on each of the key objectives.
- Priorities for the year include preparing to take on new services from the Council.
- Establishing an agreed timetable that recognises the capabilities and capacity available within the organisation to successfully mobilise and deliver new services.
- Delivering efficiencies and working closely with our clients to meet their requirements.
- Continuing to raise the GEL profile locally and within the sector.
- The ongoing development of the organisation in particular staff will be critical. A refresh of the 2020 Workforce Strategy has now been completed and the Workforce Strategy 2023 will be a key feature for this coming year.

4. Introduction and background

This is the Business Plan for Greener Ealing Ltd (GEL) for the period from 1st April 2023 to 31st March 2024. Greener Ealing Ltd is Ealing Council's wholly owned Local Authority Trading Company (LATCO).

This is GEL's fourth Business Plan following mobilisation in July 2020. GEL has made good progress since mobilisation and has faced a wide range of operating challenges over the period including the pandemic, the HGV Driver crisis, and wider economic challenges. GEL has managed to maintain high levels of performance throughout and looks forward with confidence to extend the range of services provided over the next year or so.

It is worth just confirming the GEL mission, vision and core values agreed in 2020.

Our mission is:

To deliver high quality environmental services

Our vision is:

For Greener Ealing to be recognised as one of the leading environmental service providers in West London and across the capital

Our Core Values remain as our 4Cs:

- Customer comes first
- Caring
- Commitment
- Collaboration

The creation of GEL continues to be an exciting opportunity to develop an organisation that works closely with the Council and fully reflects the Council's values and beliefs. The company has now established a public service ethos at its core with service delivery its main priority. GEL treats its employees in a commensurate manner, and we are seeing the benefits for residents with improving service delivery and reliability. We are now at a point in time where the Council sees Greener Ealing as a viable option to provide new services outside of the core environmental services contract.

5. Progress in 2022/23

During 2022/23 development work has continued all fronts; selected highlights are listed below:

Ongoing Board meetings - the Board has met throughout 2022 addressing important issues facing the business including pay, HGV shortages, increasing costs and more recently considering future plans and expectations from the Council.

Financial Performance – the Business has managed to sustain financial stability in a year full of uncertainties, with rising inflation and cost pressures combined with commodity and labour shortages.

Operational and Contract Performance – overall contract performance has been very good and customer complaints have reduced significantly. There have been no major issues raised by Ealing throughout 2022/23.

Collections Service – delivered outstanding performance throughout the year, delivering route optimisations and established the annual Collections Team of the Year Award.

Streets – impressive and continuously improving NI195 results (independent assessment of the quality of street environment). We have rolled out Whitespace to the Street's teams enabling scheduled work performance to be effectively monitored with complete digital records retained.

Grounds Maintenance – awarded Gunnersbury Park contract from 1st April 2022. In addition, awarded the Elderly and Disabled Gardening contract for Ealing Housing. GEL supported Ealing Council in achieving 24 Green Flags for 2022. London in Bloom – Large City Award Ealing Gold Award. Awarded Employer of the Year for our work with Spring Hallows School, supporting their students with work experience and on-site environmental improvements through volunteer activity.

HWRC – 98,000 visitors to HWRC, delivery of Electric Materials handling machine imminent.

Transport and Compliance - achieved the GEL CO2 reduction target for 2022 and reduced CO2 by 7.3%, took delivery of our first 3.5t Electric Vehicle on the contract for Gunnersbury Park. Reduced vehicle overloads to zero and Driver behaviour incidents were much improved year on year. Successfully managed fuel crisis with no service impacts.

Vehicle maintenance – Go Plant our vehicle maintenance provider has continued to provide GEL with good service. GEL has worked in collaboration with Go Plant in a difficult year – via increase costs and supplier issues and with technical support.

HGV Driver shortage – this proved to be a challenge throughout the year and has been an ongoing pressure. An increase in the financial package to GEL Drivers was agreed in 2021 to help with staff retention, this was enhanced again in 2022. Our aim is now to create our own spare pool of HGV Drivers. The Business has however demonstrated a high level of resilience throughout.

HSEQ accreditations - we attained BSI - ISO full accreditation under all three ISO standards. ISO 14001:2015 Environmental, ISO 9001:2015 Quality and ISO 45001:2018 H&S for the Collections and Streets services.

Personal Protective Equipment – we introduced an automated PPE ordering App including a PPE recycling programme. This helps us to reduce waste and avoids waste going to landfill and promotes a circular economy with a full audit trail.

Staff Survey – conducted our third GEL staff survey in October 2022 with positive results showing higher levels of satisfaction with GEL as an employer and with individual job roles.

Supporting Events – including the Great British Spring Clean In a joint project between LBE and Volunteer Group (Lager Can). Various community events throughout the year including Ealing Half Marathon, Nagar Kirtan, Chariot Festival, Hanwell Hootie, Hanwell Carnival, Remembrance Sunday and the Queens Jubilee. GEL also provided essential support for the Queens funeral where this passed through Ealing.

6. Financial Overview

The Greener Ealing ("the Company") financial forecast for the accounting year 2022/23 and budget for financial year 2023/24 continues to show underlying financial resilience. This is welcome especially in the context of the current, very difficult operating environment with high levels of inflation, increased costs and the unstable political and economic situation across Europe. It is therefore pleasing to report a forecasted profit before tax of £45k for financial year 2022/23. The Company continues to make good progress and the budget for the financial year 2023/24 supports the short to medium term Greener Ealing objectives agreed with the Council.

Core Revenue and Revenue from other contracts for the year ended 31st March 2023 is forecasted at £23,479k (2022: £22,079k) which represents a 6% increase as a result of the Company securing additional contract with the Council and third parties.

The Management Team continues to maintain tight control over costs and is continually reviewing operations. We continue to search for efficiencies to ensure the Company can deliver a high standard of service and meet client and resident needs.

We have undertaken a full review of costs for the next financial year in comparison to the updated forecast for the current financial year as set out in the table below:

Greener Ealing Ltd **Statement of Comprehensive Income (£'k)**

	FORECAST 2022/23	BUSINESS PLAN 2023/24
<i>Income - Scheduled Works</i>	(21,835)	(23,102)
<i>Income - Additional Works</i>	(785)	(130)
<i>Income - Other Contracts</i>	(244)	(377)
Net Service Income	(22,865)	(23,609)
Other income	(928)	-
Turnover	(23,792)	(23,609)
Staffing costs	13,370	13,673
Agency Costs	2,092	1,826
Other staffing costs	276	283
Total staffing costs	15,738	15,783
Other Direct Costs	976	567
Depreciation & Amortisation	252	262
Vehicle Costs	4,620	4,682
Plant Costs	418	430
Property Costs	895	1,151
Communications	23	24
ICT Costs	292	277
Service Recharges	51	51
Professional Fees	474	465
Operating costs	8,002	7,909
OPERATING LOSS/(PROFIT)	(52)	83
Net funding costs	7	78
NET LOSS/(PROFIT) BEFORE TAX	(45)	161

Greener Ealing Business Plan costs are based on the following assumptions:

- Turnover: 2.5% inflation assumed on all revenue income apart from additional lease premises charge of £255k:
 - £23,102k Income from Scheduled Works consisting of the annual core contract value of £21,835k, 2022/23 Pay award of £340k, 2022/23 Leafing costs of £255k (excluding £17k of housing leafing provided from housing budget), £255k of additional premises lease charged above the originally agreed cost, £239k HGV market supplement. Following discussion between the Company and the Council £379k of efficiency saving has been agreed.
 - £130k Income from Additional Works outside of the core contract. As the level of non-scheduled works for 2023/24 is unknown at this point, we have not allowed for any additional income or cost.
 - £377k Income from Other Contracts represents income earned from a provision of services to a third party or the parent company successfully secured and entered into by the Company.
- Staffing Costs: actual FTE salaries and indirect costs with 2.5% inflation applied.
- Operating Costs: reflect current understanding of the arrangements with depot rental charge and provision for potential insurance premium increase. The cost excluding depreciation/amortisation and fleet lease repayment have been increased for 2.5% inflation.
- Funding Costs: interest rate is assumed at 8.88% and applied on £1.1m loan facility provided to cover the Company capital and stock start-up cost.

Every effort is being made to contain cost within the required limits as part of our risk management approach. However, it is certain that there may be unforeseen cost pressures. Based on the current market and financial knowledge, management already identified some of the emerging cost pressures listed below and will be looking to recover these unavoidable costs from the Council:

- Fuel – as agreed with the Council, fuel price is set at £1.42 (£1.70 incl. VAT) with an increase of over 5% above the set price to be recovered from the Council.
- Insurance – the Company allowed for up to 10% increase in insurance premium. As agreed with the Council, insurance premium increase above 10% will be recovered from the Council.
- Overtime – direct impact of HGV drivers' and loaders issues with the core services not being affected.
- Fleet ageing – we have been seeing an increase in annual maintenance costs as a result of some of the warranties coming to an end.
- Employee Pay Award – if staffing costs increase above 2.5%, this will cause a financial pressure that will need to be discussed with the Council. This is a significant risk.

7. Greener Ealing – Key Objectives for 2023/24

KO1	Workforce Strategy 2023 – implementing the new strategy
KO2	Operational and Business Efficiencies
KO3	HSEQ – on going
KO4	Communications and Marketing – extending our reach
KO5	Greening Greener Ealing
KO6	Growth - Preparing for new services – viz Graffiti, Parking

OBJECTIVE 1 – Workforce Strategy 2023 - implementation

We have refreshed the 2020 Workforce Strategy and have a new Strategy which we will embed over the coming months.

As before our approach will be guided by the Council's Values: Trustworthy, Innovative, Accountable and Collaborative; and geared towards improving the lives of residents and other service users.

We fully acknowledge that the front-line nature of our services means our employees will frequently be required to interact directly with service users - and this will affect perceptions of the quality of our services and the standing of Greener Ealing generally. We will therefore aim to develop a workforce who are positive ambassadors, committed to good customer service; who are flexible, engaged, highly skilled and competent; who understand our values and who are proud to work for Greener Ealing.

For our part, we will create an organisation where every employee feels valued and has opportunities to develop the skills and confidence, they will need to do their work to the highest standards and, in so doing, will help us achieve our goals.

We will do this by:

- delivering a significant and lasting improvement in the quality of services
- supporting the Council to make Ealing an attractive place to live, work and visit.
- delivering best value for money to our clients.
- creating a culture where employees feel valued.
- ensuring Greener Ealing has the smallest possible environmental footprint to support the Council's aim to achieve carbon-neutral status by 2030.
- Working collaboratively with the Council

Priorities in WFS are creating the right culture within the business, delivering value, resource levels, training, our workforce profile and reducing turnover.

OBJECTIVE 2 – Operational Efficiencies – continuing

We will continue to work to find operational efficiencies across the business. We understand that our shareholder continues to face a challenging budgetary situation and appreciate the role that we must play in contributing to reducing costs and delivering efficiencies. We maintain an ongoing dialogue with council officers in trying to identify cost reductions and will continue this throughout 2023/24.

OBJECTIVE 3 – HSEQ – consolidation

Our strategy is to identify, develop and implement technology and ways of working that eliminate or reduce exposure to health and safety risks and environmental impact and quality failures.

We have made significant progress to deliver a self-sustaining culture of safe behaviour and quality, driven by openness of reporting, positive intervention and learning from every incident and lesson identified.

We will continue to implement modern digital tools and ways of working that improve risk awareness and management while minimising administrative burdens.

Our Training Academy is demonstrating its worth and our Training Programme sets out an ambitious plan. As technology advances and our workplace strategies evolve, there is a need for us to align with these changes in terms of knowledge and skills. Providing our employees with relevant and consistent training to help improve performance and efficiency in the workplace.

Our employee training program is designed to help improve the current knowledge and skills of our employees to match the various changes within our industry and business.

- It will identify gaps in training.
- It prepares our employees for higher responsibilities.
- It shows our employees they are valued.
- It tests the efficiency of the integrated management system (IMS).
- It improves IT and computer skills.

We will extend our ISO accreditation to Grounds Maintenance and the HWRC.

OBJECTIVE 4 – Communications and Marketing – extending our reach

This objective established in an earlier iteration of this plan is still relevant. We want to:

- Deliver clear, easily understood information supporting GEL's objectives to internal and external stakeholders.

- Create and maintain effective communication channels with the workforce to support staff engagement.
- Implement a dynamic website as our primary source of information.
- Develop the GEL brand and key messages using social media.
- Communicate effectively to support and enhance relationships with the GEL Board, Ealing Council, residents, businesses, community groups and other stakeholders.

We aim to achieve this through using all of our communications channels:

- Media relations; press briefings, news releases, social media as well as briefing papers, publications, direct marketing communications, toolbox talks, newsletters; and
- events as well as engagement surveys and other digital opportunities;

We will also design and deliver targeted campaigns to help us to achieve our goals.

Over the medium to long term Greener Ealing will want to position itself as an important organisation in the waste management/environmental services sector. Initially in West London and longer term across the Capital. It will be important that our communications strategy and action plan supports this. GEL wants to be seen the forefront of improved service delivery, innovation, exemplary environmental credentials, award successes, excellent staff performance that is properly recognised.

The transfer of new staff into the business during the next year will figure highly on our communications agenda as we seek to induct them into GEL.

OBJECTIVE 5 - Greening Greener Ealing

Ealing Council has declared a Climate Emergency and aims:

“To make Ealing carbon neutral by 2030, taking into account both production and consumption emissions.”

As a key supplier to the Council, GEL has agreed a Carbon reduction plan. This is supported by a comprehensive action plan that will support the Council's aspirations. The plan addresses:

- **Energy**
- **Waste**
- **Business Travel and Commuting**
- **Procurement and supply chain analysis**

In the meantime, we have estimated a 17% carbon reduction in GEL's first year of operations based on the new fleet versus last known estimates of our predecessor. We have also made excellent initial progress on vehicle emissions via route optimisation and work with our Drivers

encouraging reduced or no vehicle idling using Masternaut our telematics system which provides detailed vehicle data analytics.

We will review our current Carbon Reduction plan in 23/24. We have achieved our CO2 reduction for 2022 but 2023 will be challenging as Transport is our biggest source of emissions and it is not possible to make the step change we want overnight.

Our agreed plan takes its lead from the London Borough of Ealing (LBE) **Climate and Ecological Emergency Strategy** and has identified specific, measurable actions to be taken in the operation of the vehicle fleet and in the management of operational service delivery.

For completeness and to embrace the wider impact of Greener Ealing outside of the Councils stated objectives the plan also includes consideration of the CO2 impact of waste generated, business travel and commuting, upstream fuel and energy, upstream transportation and distribution, purchased goods/services.

OBJECTIVE 6 – Growth – preparing for new services

Our overall approach to growth was established last year and agreed by the Board as set out below: The GEL risk appetite for new opportunities will be driven by the following:

- The Client
- The nature of works and alignment with GEL core business/skills
- Contract Value
- Location
- Reputational considerations
- Opportunities within Ealing Council or the Borough itself or within the sub region will be attractive and we ought to have strong appetite for these.
- Higher value, complex contracts, with greater reputational associated issues and/or political risk will be treated with a greater level of caution.

We have had some small-scale success most notably the Gunnersbury Park contract which is just about to enter its second year. The Housing Departments Gardening Contract for Elderly and Disabled Persons is to be renewed and we have picked up some work for Play Inspections. We will also be awarded the Graffiti Contract from June 2023.

The Council has now indicated that it wishes to award the Parking Enforcement Contract to GEL with effect from 1st April 2024. This is a major contract and represents a step change in terms of what this will mean for GEL. An additional 90 plus staff to onboard, new premises, significant procurement challenges and new organisational systems and ways of working to embed. Work has started on this mobilisation, but this will be a major piece of work for 2024.

The Council has indicated that it wishes to consider other services that may transfer but there is no real clarity on this at this time.

8. Summary and Conclusion

This will be a challenging year for GEL. Over the last few years, we have successfully established the core services. We are now on the cusp of the transfer of a significant new contract i.e. Parking Enforcement. This alone will be a major undertaking in 2023/24 and will change the nature of the overall business. From April 2024 onwards we will have a 25% increase in staff, new properties to manage, new technology and a new business to understand. It will also be a completely new customer relationship especially at the front end. This will need a great deal of preparation and potentially have impacts throughout the business as we establish new systems etc. It goes without saying that we cannot afford to lose our focus on the core contract, and this will remain a priority.

Our immediate and continuing ambitions will be to finish work on some of the key building blocks identified in 2022/23 which have been in part delivered. Our commitment is to deliver against all of our objectives but with an emphasis on:

- **Maintaining good contract performance on the core business**
- **Mobilising the Parking Enforcement Contract**
- **Greening the business**
- **Continuing the search for operational efficiencies and delivering value**

This plan will form the basis for 2023/24 work programme for Greener Ealing Ltd.

Kevin O'Leary

Interim Managing Director

Greener Ealing Ltd

February 2023

Appendix A

Cash Flow Statement – Forecast 2023/24

Category Description	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Opening Balance	3,032	2,407	2,501	2,571	1,255	3,487	3,452	2,584	2,706	2,732	1,937	2,148
INCOME												
Cash receipts	2,155	2,225	2,332	2,159	4,292	2,163	2,163	2,162	2,161	2,160	2,160	2,196
SubTotal	2,155	2,225	2,332	2,159	4,292	2,163	2,163	2,162	2,161	2,160	2,160	2,196
EXPENDITURE												
Operational	(558)	(558)	(639)	(1,365)	(643)	(676)	(621)	(624)	(719)	(541)	(524)	(627)
Salaries	(810)	(755)	(755)	(710)	(710)	(755)	(710)	(710)	(710)	(855)	(710)	(710)
Leases (Vehicle & Plants)	(166)	(166)	(166)	(166)	(166)	(166)	(166)	(166)	(166)	(166)	(166)	(166)
SLA payments	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
Landlords payments	(341)	-	-	(341)	-	-	(341)	-	-	(341)	-	-
PAYE (NIC/TAX/PENSION)	(350)	(470)	(520)	(360)	(360)	(420)	(360)	(360)	(360)	(520)	(370)	(360)
Other cash payments (CT/VAT)	(489)	(116)	(116)	(468)	(116)	(116)	(768)	(116)	(116)	(468)	(116)	(116)
Bank Charges/Interest	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
SubTotal	(2,731)	(2,082)	(2,214)	(3,428)	(2,013)	(2,150)	(2,984)	(1,994)	(2,089)	(2,909)	(1,903)	(1,997)
Interest payable	(8)	(8)	(7)	(7)	(7)	(7)	(6)	(6)	(6)	(5)	(5)	(5)
Interest receivable	-	-	-	-	-	-	-	-	-	-	-	-
Loan drawdowns	-	-	-	-	-	-	-	-	-	-	-	-
Loan repayment	(41)	(41)	(41)	(41)	(41)	(41)	(41)	(41)	(41)	(41)	(41)	(41)
SubTotal	(49)	(48)	(48)	(48)	(48)	(47)	(47)	(47)	(46)	(46)	(46)	(46)
TOTAL CASH	2,407	2,501	2,571	1,255	3,487	3,452	2,584	2,706	2,732	1,937	2,148	2,302

Report Title	Workforce Strategy 2023		
Meeting	Greener Ealing Board Meeting		
Date	March 9 th 2023	Agenda Number	8.
Type of Report	Progress Update Report – For Noting		
Author	Bill Gilmour can be contacted on gilmourw@ealing.gov.uk		
Background	<i>To note the progress made thus far and to approve the revised Workforce Strategy 2023.</i>		

Introduction and Background

The Board may recall that my Workforce Strategy was approved at the May 2020 meeting and progress reported to the November 2021 meeting.

From the start, we believed that to deliver better quality services, we needed the buy-in of the workforce; which would require us to review how they were organised, developed and managed. Our intention was to achieve, through our Vision and Values, a workforce that is motivated and fairly rewarded, who are proud to work for GEL.

In our third year since going live, we believe that the Workforce Strategy has provided a structure and focus for who we are as a company and how we want to deliver on our vision and values.

2023 and Beyond

This latest version of the Workforce Strategy provides an update on the progress we have made on the various strands set out originally and sets out the main planks that we will focus on:

- Delivering Value – we will explore innovative ways of working
- Reducing turnover – through continuing cultural change/employee engagement, pathways to development
- Preparing for growth – assisted by better comms and marketing / improving internal and external communications

We believe that our employees understand our ethos and expectations and are working with us to deliver improvements. We have achieved some success, but we accept that we have some way to go. It remains a work in progress.

We are ready for new business and will use the workforce strategy as a tool to help us grow the GEL brand.

Workforce Strategy - 2023

1. Introduction – Our Vision

The Workforce Strategy, which was originally approved at the May 2020 GEL Board (update approved on November 2020 meeting of the Board) set out GEL's Vision and stated our belief that this could only be achieved through our having engaged and informed employees working together with management. This was our starting point and the ethos that we still hold to.

Our Vision then and now is:

For Greener Ealing to be recognised as one of the leading environmental service providers in West London and across the capital.

We will do this by:

- delivering a significant and lasting improvement in the quality of services
- supporting the Council to make Ealing an attractive place to live, work and visit.
- delivering best value for money to our clients.
- creating a culture where employees feel valued.
- ensuring Greener Ealing has the smallest possible environmental footprint to support the Council's aim to achieve carbon-neutral status by 2030
- Working collaboratively with the Council

We are now in our third year since going live (5 July 2020) and we believe that during this time, and despite the many difficulties we have had to face, we have gone some way towards establishing GEL as both a trusted partner to the council and a company that is respected in the local area.

Workforce Strategy - 2023

This report updates the Board on our progress to date and sets out our intentions and focus for the coming 2 years.

2. Our Values – 4 Cs

Our values continue to be our reference point for what we stand for and how we will deliver our vision of being recognised as one of the leading environmental service providers in West London and across the capital. For Greener Ealing this means:

- i) **Customer comes first** - remembering our purpose and doing our very best for the people we serve;
- ii) **Collaborative** – with workmates and others - working together;
- iii) **Caring** - about the health, safety, welfare and wellbeing of our employees;
- iv) **Committed** – to delivering services, to innovation, tackling problems and finding better ways of working.

From the outset, we have worked collaboratively with the Council and its partners and equally with our employees and their representatives. We will continue to do so.

Our 4 Cs remain the embodiment of our philosophy and we promote them at every opportunity – from Inductions, employment contracts, job descriptions and throughout the various online platforms such as Blink and our Greener Ealing website.

We recently took this a step further, elevating “*Customer Comes First*” to a specific Key Objective in our business plan. We know we have improved the customer experience since taking over - and the vastly reduced number of complaints supports this:

In 2020 we had 3312 complaints; this fell to 810 in 2021, and by 2022 had fallen again to 322.

Workforce Strategy - 2023

3. GEL Culture and Staff Engagement

From the beginning, we wanted our employees to think about GEL as a progressive employer and so we sought to create an environment where they felt valued, with fair pay, good working conditions and development opportunities, supported by a range of people policies and procedures that demonstrate our company values: our intention was that this approach would foster a more collaborative, flexible mindset and thereby help us achieve our objectives.

We hold to the belief that our workforce can be ambassadors for GEL and we promote this view through repeated and consistent messages on our values, through newsletters and toolbox talks, inductions, team briefings, etc.

We acknowledge that the world of work has changed and many employees are now seeking a better work/life balance. We try to accommodate this where possible – for example, working from home opportunities where possible and a commitment to fair pay for all, to avoid staff feeling undervalued or thinking they have to rely on overtime working. In that regard, it is undeniable that many of our staff are now paid significantly more, in real terms, than at any time working on the contract. Moreover, there are opportunities for them to develop further within GEL - eg, HGV training, apprenticeships, etc., if they choose to do so.

As we know, a key component in developing an engaged workforce is understanding employee satisfaction levels and, where possible, building and improving on these.

Our staff engagement surveys suggest that our employees generally have a positive impression of the company and indeed, despite the challenging economic conditions, this is improving. The following satisfaction measures illustrate this:

Workforce Strategy - 2023

Measure (Strongly agree or agree)	2021 (%)	2022 (%)
I feel like co-workers give each other respect	74	80
Management keeps me informed about what is happening at GEL	74	80
Communication with management is a two - way process	70	74
I feel valued	62	71
I feel proud to work for GEL	65	79
I would recommend GEL as good place to work	63	78

Communication continues to be an essential tool in building engagement: we try to promote good 2-way comms and are getting better at utilising the various platforms available to us. Blink remains the easiest and most accessible, with approx. 250 signed up and instant 2 - way messaging possible.

We have strengthened our approach to marketing and comms, with some excellent promotional work – e.g. in Springhallows school; Employees of the Month; etc. Our LinkedIn and Instagram profiles are now more prominent and we believe that there is a greater awareness of GEL in the wider marketplace and better engagement among staff.

We have trialled a new 121 process in GM, specifically for front-line staff. Initial results are promising and we aim to roll out across the rest of the workforce.

We will continue, regularly, to elicit the views of our employees and will aim to communicate outcomes openly and quickly, detailing actions designed to address issues: we will continue to work with staff to ensure that GEL's culture is supportive and positive.

Workforce Strategy - 2023

4. Our Priorities

1. Delivering value –

In line with our Value “*Committed*”, and in our third year into the contract, we continue to look for better ways of working.

We have implemented a number of efficiencies. We believe that a review of routes and workloads across all services should achieve a more realistic allocation of what constitutes a fair workload. The GMB have, as part of the general review of pay and conditions (2022/23) agreed to engage constructively with us to deliver on this priority.

2. Resourcing –

Making sure that we have sufficient numbers of employees and are they deployed in the right areas.

During the past 2 years we have increased gradually the numbers of directly employed staff – thereby reducing reliance on agency workers - from 282 (on 5th July 2020) to 341 (as at 6th February 2023) which is in line with our commitment to fairness for our people.

Throughout this period, the national shortage of HGV drivers has been our biggest resourcing challenge. Being unable to compete financially with major retailers etc, who embraced online shopping and adapted their operating models, we have trained a number (8) of our existing operatives as HGVs (via a training agreement) and a further 4 via the apprenticeship model. This has helped significantly and we have also been able to rely on supervisors driving where required. However, it is regrettable that we lost a large number of our HGVs (25) at the same time - many of whom indicated for financial reasons.

With agreement reached on the 2022/23 pay award and the increased “retention payment” continuing, our effective HGV rate is now £16ph, which we believe is competitive. We are already seeing the benefits of

Workforce Strategy - 2023

this and have welcomed back some recent leavers. In addition, we continue to offer HGV training to our employees. We aim, eventually, to have a pool of “spare” HGVs, to cover holidays, sickness and additional works and we already have 1 “pool” driver.

3. Training and apprentices –

Offering pathways to training and development for our staff.

We have committed extensive resources to training our staff and continue to do so. We have fully trained 8 employees through HGV driver training (not as part of apprentice levy, but with a training/retention clause). Of these, 4 are supervisors.

We have relied heavily on supervisors being able to drive HGVs to ensure service levels were maintained during the shortages but, as indicated above, we believe that matters are gradually improving and we will have better resilience against future shortages.

We also put 1 employee through a WAMITAB Waste operators’ licence and 1 through a transport manager’s course; we have 2 supervisors signed up to do a team leader NVQ level 3; we have 3 apprentices signed up to Grounds Maintenance NVQ. We have 1 Business Apprentice; and a finance officer signed up to do AAT qualifications.

A full reinduction of all staff was completed last year and we remain open to supporting anything that will enhance the resilience of the company and develop the skills and abilities of the individual members of staff.

Looking forward, we appreciate that not all of our workforce are comfortable with the demands of academic courses etc. With that in mind, we would like to get to the point where anyone choosing to leave us will at least be more rounded, better trained (eg in customer care, teamwork, health and safety etc.) than when they began their employment. We are also exploring, with our LBE Adult Learning team colleagues, the provision of basic literacy and numeracy training to further support their development.

Workforce Strategy - 2023

4. Workforce Profile –

Our data confirms that our workforce is ethnically diverse and broadly representative of the area we represent. That said, there remains a significant gender imbalance within our numbers (currently 21 out of 341). As we have reported previously, environmental and waste services have not traditionally appealed to females and there may be many reasons to explain this.

We have advertised extensively – with an emphasis on attracting females; have asked our current female employees to recommend others; have sought the help of our agency supplier. More recently, we attended a number of job fairs which appear to offer some grounds for optimism and have indicated our preparedness to offer part time/term time contracts to allow for child-care commitments. We have recently taken on our first term-time-only employee (in Streets) and this seems to be working well. We now have our first female Loader/Operative on waste collections, which also seems to be going well. We have ongoing social media campaigns to attract more females and we communicate our flexible working options to appeal to women.

5. Reduce turnover –

Retention of staff is a key priority and we review and analyse why people may leave us. During the past year (and also in 2021) our attrition rate was 13.8% (1.15 % per month). Significantly, of 44 leavers in Waste Collections, 25 have been HGV. Many of these left for the promise of higher pay elsewhere (some reluctantly) and we are seeing some signs that this pressure will diminish now that the pay is more competitive.

6. Preparing for Growth

Growing the business has always been part of the GEL plan. In our third year into the contract, we can safely say we are past the “start up” stage.

Workforce Strategy - 2023

We successfully tendered for the Gunnersbury Park Grounds Maintenance contract (5 years) and are exploring other areas of interest, both within and outside the remit of the Council, including parking enforcement. We believe that we now have a track record of successful delivery and have sufficient management expertise and experience to grow the business. Indeed, the recent ISO award shows the progress we have made in a short time and goes some way to reinforcing the image of GEL as a credible operator, ready to move on to the next stage of development.

We developed a new business marketing strategy with the objective of raising our profile locally and we've been implementing this over the past few months. We have run on-going social media campaigns, and launched our own Facebook page in October, growing followers by joining and posting in local community Facebook groups. The response and engagement has been overwhelmingly positive. We're advertising in the Spring issue of Around Ealing to recruit for HGV drivers which also inadvertently raises our profile within the borough. And to increase awareness of Greener Ealing within local schools, we're working with a teacher to develop an education outreach programme for schools where we hold relevant workshops and activities based around our services (recycling, grounds maintenance and streets). We are now moving into phase 2, which will involve direct outreach to new business prospects.

To Help us prepare for growth, we are setting up innovation and creativity meetings, with some of our junior managers, supervisors and invited others. We believe that these individuals – some with many years experience on the contract - can, with some professional support and input from elsewhere, bring a fresh perspective and some tangible input to this initiative.

Similarly, we are planning mentoring opportunities for our managers, to assist their development and increase their confidence in thinking more strategically, beyond their immediate sphere of influence and comfort zone. We believe this has the potential to deliver positive outcomes both for the managers and for the business.

Workforce Strategy - 2023

5. Measuring Progress

In the first draft of the Workforce Strategy, we identified various criteria by which we would assess whether and to what extent we were delivering our aims:

1. By meeting all the performance targets we are measured against;
2. Through positive staff surveys, feedback sessions and communications;
3. Through positive feedback from residents and other service users;
4. Through lower turnover and absence rates;
5. Through continued growth of the business
6. We will see and feel the difference.

In our third year, we can now say that the performance of the business has improved beyond recognition. All contract KPIs have improved and customer complaints are down by 90% from 2020, to an average of 30 per month!

Training and development opportunities, with apprenticeships, qualification training, skills training e.g. HGV Drivers are widely available for all. Supervisory and management training - especially managing poor performance and attendance is ongoing and absence levels in the business are hovering around 3-4% at present. This is good for this industry.

Our communications have improved significantly and employees have a clearer understanding about their role and the expectations of the company. We have a good and improving social media presence and BLINK helps us communicate directly with a manual workforce that are outdoors based.

Our most recent staff survey results suggest higher satisfaction and engagement levels amongst the workforce and perhaps the most

Workforce Strategy - 2023

difficult thing to measure - the organisational climate or mood - feels more positive. Feedback from our local union reps supports this analysis.

6. Conclusion

Overall, we believe that the workforce strategy has provided a structure and focus for what we are as a company and how we want to deliver on our vision and values. We hope and believe that our workforce understands the “contract” that we are trying to establish with them. We have achieved some success but we accept that we have some way to go. It remains a work in progress.

We will continue with this approach, ready to build on successes and learn from failures.

We are ready for new business and will use the workforce strategy as a tool to help us grow the GEL brand.

7. Review

This strategy will be reviewed regularly and adapted where appropriate (Next review March 2025).

Report Title	Staff Engagement Survey 2022		
Meeting	Greener Ealing Board Meeting		
Date	March 2023	Agenda Number	9.
Type of Report	For Information		
Author	Bill Gilmour can be contacted on gilmourw@greenerealing.co.uk		
Background	<p>Regular Staff Engagement surveys are a feature of our Communications Strategy and are intended to help us better understand our staff so that we can work with them to deliver our Vision.</p> <p>We conducted surveys in 2020 and again in 2021 and reported the results to the Board thereafter.</p> <p>This latest (2022) survey shows high and increasing levels of positive engagement across various measures.</p> <p>We are pleased with the results and try hard to build on these.</p>		

Introduction

The results of our 2022 staff Engagement Survey results are an improvement across a number of measures, from the results of 2021. The comparative results for 2021 and 2022 are attached.

This year's results are particularly encouraging since the responses have increased from 198 in 2021, to 283 in 2022 – an increased response rate from 58% to 82%. This ties in with anecdotal evidence from our local trade union reps who confirm our belief that things “feel” different – the culture has changed for the better.

Although there are many positive points to note, there remains a consistent minority of respondents 44% (down from 46%) who reported that they often felt stressed at work.

We have made efforts to reassure staff through management, Blink and other comms, that support is available - eg, the EAP and mental Health champions.

We are mindful that this has been another difficult year for a lot of people and the cost-of-living crisis, in particular, may be adding to these levels. With this in mind, we have reminded staff of the credit union, where financial management advice may be available.

Conclusion

Despite another challenging year, levels of employee satisfaction/engagement have increased and although there is always room for improvement, we are optimistic of our general direction of travel.



STAFF SURVEY RESULTS 2021 vs 2022



WISE BIRD
MARKETING

HELPING SMALL BUSINESSES FLY

Metrics: Strongly agree or agree	2021 %	2022 %
Responses	198	283
I feel valued for my role	61	71
I know what I need to do to be successful in my role	86	92
I understand the support available for me to get my job done	79	80
I have access to appropriate PPE equipment	79	85
I often feel stressed at work	46	44

Metrics Strongly agree or agree	2021 %	2022 %
The work allocated to me is reasonable	70	73
I find it easy to ask my manager for help	80	81
I trust my line manager to act in my best interests	74	77
I feel managers/supervisors treat all employees equally	61	60
I am often required to do more with less resources	56	57

Metrics Strongly agree or agree	2021 %	2022 %
I feel like co-workers give each other respect	74	80
Management keeps me informed about what is happening at GEL	64	68
Communication with management is a two way process	70	74
I feel proud to work for GEL	65	79
I would recommend GEL as good place to work	63	78

GEL Combined Monthly Performance Report January 2023

Report Title	Combined Performance Report including HSEQ & Transport		
Meeting	Greener Ealing Board Meeting		
Report Date	9 th March 2023	Agenda Number	10.
Type of Report	For noting		
Author	Kevin O’Leary – olearyk@greenerealing.co.uk		
Background	<p>This report updates the Board on performance against internal and external KPIs over the previous five months and provides brief commentary, mainly by exception, 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>The Board is asked to note the report.</p>		

Operations

Overall performance in January was good, performance was still consistent from month to month in all key indicators. There were six amber status indicators in the month and two red. These are addressed in the individual service commentary.

Collections:

- HGV driver shortage – although the position has currently stabilised in comparison to previous months, this will still require sustained attention.
- Assisted Missed collections have increased and are consistently amber (red in December). The Operational team have been tasked with reducing this figure and monitoring the crews more closely to reduce this number by utilising a crew league table and holding ROC’s (Record Of Conversations) initially.
- Despite continual pressure on capacity to deploy the core service, Collections have provided consistently good quality results to date.

Street Cleansing:

- First time A+B performance for January is at 95%.
- Leafing mop up commenced on Wednesday 28th December which continues throughout January.

HWRC:

- The recycling rate has decreased to 58%. Discussions between GEL and LBE still ongoing about the potential to improve this further.

GM & Cemeteries:

- The GM team are engaged in normal scheduled work for this time of year.

Complaints:

- The number of complaints for January are 19. The consistently low numbers reflect the work of the frontline teams to deliver a stable, high-quality service despite the persistence of considerable operational challenges.

Internal KPIs

- Internal KPIs remain reasonably consistent overall, barring vehicle incidents which are higher in January than the previous four months.
- Higher number of ER cases driven by more robust application of absence management processes.
- Staff turnover has reduced significantly in comparison to the previous months.

HSEQ:

- HSEQ provision good during this period.
- No RIDDORs in the last five months.
- ISO 9001, 14001, & 45001 accreditations for Management, Waste, and Streets are expected following the success of the follow-up audits.

Transport:

- Transport Provision in-line with operational requirement – no change.
- Vehicle accidents have increased this month showing a total of 19.
 - Four of the incidents were by third party vehicles.
 - Two of the incidents were misjudgements by newly upskilled drivers.
 - Two drivers involved in incidents have left the business.
 - Two drivers of incidents are under investigation/disciplinary sanctions.
 - The remaining six incidents were ill judgements relating to hitting parked vehicles or objects (ie: tree's, poles, bollards). The Operational and Compliance team are working closely to establish a campaign for safer driving, and options are being considered on how we can promote and reward safer driving.
- Idling has increased slightly due to the cold weather. Drivers are leaving engines running whilst on duty for the heat. Start of day checks also feeds into this as the engines are on earlier, and longer than usual.
- CO2 has increased slightly during the month.

GEL - Overall Dashboard

Indicator	Target	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23
Missed Rectification %	100% within 24 Hours	100%	100%	100%	100%	100%
Right First Time %	-	99.97%	99.97%	99.97%	99.97%	99.97%
Assisted Missed Collections	Zero	8	3	9	12	7
Missed per 100k by Service						
Refuse	< 100	37	44	34	34	46
Recycling	< 100	41	34	27	50	37
Food	< 100	37	26	29	22	28
Garden	< 100	34	37	29	26	29
Streets A&B Inspection %	85%	93.13%	95.63%	96.66%	96.21%	95.64%
Flytip Clearance	95%	99%	99%	98%	97%	99%
Flytips Reported	-	906	898	935	698	1004
Bulky Waste Service	100%	96%	99%	99%	95%	100%
No of Container Requests	-	1387	1746	1366	858	1037
Container Delivery %	100%	99%	100%	99%	90%	100%
HWRC Materials Recovered	-	318t	328t	286t	250t	253t
HWRC Visit Numbers	Report Actuals	7906	7457	6209	6825	5794
HWRC Recycling Rate %	TBA via Service Agreement	59.62%	66.62%	58.71%	62.10%	58.80%
Customer Complaints	<100	11	17	11	14	19
RIDDORs	0	0	0	0	0	0
No Lost Time Incidents	<3	1	2	3	2	4
Lost Time Incidents	0	1	2	0	1	1
Close Calls	Report Actuals	8	9	14	12	13
Vehicle Incidents	<7	8	7	8	8	19
VOR (Daily Average)	<5	5.30	2.70	3.50	4.10	5.5
Fuel – DERV (Litres)	TBA	58,417	57,251	58,817	56,062	61,681
Fuel – Gas Oil (“red” litres)	TBA	0	0	0	0	0
CO2 – kg (baseline figure: 150,416 monthly – 1805,400 annually)	>7.5% reduction (150,416 target)	151,884	148,825	152,924	145,761	160,370
Total Vehicle Idling Time (hrs)	<140	103	104	120	147	146
Vehicle Availability	95%	99%	100%	100%	100%	96%
MOT Pass Rate	98%	100%	100%	100%	100%	100%
Average Sickness %	<4%	3.47%	4.66%	2.85%	3.73%	2.92%
ER Cases	<5	0	8	8	8	5
Staff Turnover	Report Actuals	2	3	11	1	4
YTD Actual	-	-£125,570	£479,668	£1,123	-£160,417	TBC
FY Forecast	-	-£228,640	£530,614	£199,889	-£25,217	TBC
Additional Revenue	-	-£186,024	-£65,603	-£158,684	-£162,131	TBC

Report Title	GEL Risk Management – Risk Register		
Meeting	Greener Ealing Board Meeting		
Date	9 March 2023	Agenda Number	11.
Type of Report	To Note		
Author	Katarina Pohancenikova can be contacted on pohancenikovak@greenerealing.co.uk		
Background	<p>This report provides an update on the new risks or measures the company faces since the last update to the Board on 24th November 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.

GEL 2023/24 Business Plan assumes a loss of £161k. Management action plan to be provided to close the gap.

UPDATE: *GEL budget for financial year 2023/24 has been finalised and is being presented to GEL Board and the Council. GEL Shareholder representative understands the finance pressures and is happy for the Council to meet the core income proposal. We are in discussion with the Council to adjust the contract terms to include an inflationary indexation. Currently the 2023/24 budget assumes 2.5% inflation uplift with a decision to be made on the pay award inflation uplift.*

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

Pay Award costs for 2023/24

UPDATE: *We have received a letter from GMB proposing a substantial pay increase for 2023/24 in line with the RPI index. The negotiations have not yet started, GEL management will update the Board in a due course.*

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: *No new parts concerns with reasonably steady supply chain at the moment, parts delivered within acceptable timeframe with no major impact on service delivery.*

Go Plant Fleet Services (GPFS), our workshop contractor has expressed concerns their industry's engineer rates have soared and therefore may be forced to renegotiate GEL's contractual agreement and look at the possibility to revise the 3% capped annual increase. No format request was submitted at the time of preparing this paper.

The workshop contract has recently dipped in their monthly workshop management with 2 MOT failures in consecutive months, GPFS have lacked full cohort of engineers to satisfy Ealing contractual needs, Issue raised at GPL Director level. GPL have presented formal plan to improve situation but until we see real improvement element of risk must be assumed.

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 in 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: *With economic factors still not fully stable, risk of Increased cost of fuel is still a real possibility but recent weeks have shown some stability with prices hovering around £1.25 ppl.*

GEL currently exploring the possibility of Electric Vehicle trials for Supervisors if charging infrastructure available either at home or Greenford Site.

HWRC 360 Material Handler currently awaiting exchange from diesel to EV version once charging infrastructure is installed achieving some CO2 savings.

LBE is further exploring HVO as an interim to EV transformation to reduce CO2/NOx levels.

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: *GEL have agreed to share responsibility with both parties for the Chassis repairs, 2 of the 7 DAF food vehicles have already gone for repair with all to be completed by March 2023.*

Report Title	Finance Update – March 2023		
Meeting	Greener Ealing Board Meeting		
Date	9 March 2023	Agenda Number	12.
Type of Report	To Approve		
Author	Katarina Pohancenikova		
Background	<p>Executive Summary This report notes:</p> <ol style="list-style-type: none"> 1. January 2023 Month End Greener Ealing financial results to January 2023 shows a positive variance of (£646k). 2. Outstanding Finance Issues The unresolved finance issues with the Council are Start-up costs treatment and premises lease agreement. 3. Company Auditors Beever and Struthers appointed as GEL external auditors for financial year ending 31st March 2023. 4. Loan Finance No loan drawdown to date in financial year 22/23. 5. Graffiti Contract Board approval is required to enter into a contract with the Council. 6. Bank Update Company credit card spend. <p>Recommendations:</p> <p>To note the overall draft financial position to 31st January 2023.</p> <p>To approve a loan facility drawdown to repay Capital £930k and Stock start-up cost £161k.</p> <p>To approve Graffiti Contract.</p>		

1. Month End

Greener Ealing Ltd

Statement of Comprehensive Income (£'k)

	JANUARY 2023 YTD			FULL YEAR		
	Actual	Budget	Variance	Forecast	Budget	Variance
Net Service Income	(19,282)	(18,539)	(744)	(22,865)	(22,115)	(750)
Other income	(823)	(335)	(488)	(928)	(716)	(211)
Turnover	(20,105)	(18,874)	(1,231)	(23,792)	(22,831)	(961)
Staffing costs	11,162	11,145	18	13,370	13,383	(13)
Agency Costs	1,862	1,328	534	2,092	1,507	585
Other staffing costs	232	211	21	276	254	22
Total staffing costs	13,256	12,684	573	15,738	15,144	595
Other Direct Costs	811	656	155	976	870	106
Depreciation & Amortisation	209	192	16	252	231	21
Vehicle Costs	3,831	3,976	(146)	4,620	4,774	(153)
Plant Costs	339	394	(55)	418	482	(64)
Property Costs	736	746	(10)	895	903	(8)
Communications	19	3	16	23	4	19
ICT Costs	249	234	15	292	281	11
Service Recharges	42	58	(15)	51	72	(22)
Professional Fees	420	316	103	474	383	91
Operating costs	6,656	6,576	80	8,002	8,000	2
OPERATING LOSS/(PROFIT)	(193)	385	(579)	(52)	312	(364)
Net funding costs	(1)	66	(67)	7	77	(70)
NET LOSS/(PROFIT) BEFORE TAX	(195)	451	(646)	(45)	389	(434)

The overall draft financial position to 31st January 2023 is a profit of £195k against a budgeted loss of £451k. Key variances relate to:

- Turnover - favourable variances of (£1,231k) as a result of non-contractual work provided: (£340k) 22/23 Pay Award contribution from the Council; (£271k) Streets leafing; (£462k) Grounds maintenance including Gunnersbury Park contract; (£128k) 2x Queens BH recharge not budgeted; (£89k) rechargeable costs; (£65k) statutory cost increase claim; (£50k) Waste; (£38k) Streets cleansing; (£3k) Kickstart funding; £4k Other; £211k efficiency savings.
- Staffing costs adverse variance of £573k is made up of savings on HWRC (£96k); (£57k) Support staff; £383k Streets inclusive of leafing; £162k Grounds; £115k Waste; Holiday pay accrual £45k; Other staffing cost £21k;
- Operating costs adverse variance of £80k
 - (£200k) 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;
 - (£15k) Service Recharges not required;
 - (£10k) Property Costs: premises repairs and maintenance allowance not being utilised;
 - £16k Depreciation & Amortisation relating to small plant purchases to be used for Gunnersbury Park contract
 - £31k ICT and Communications due to additional GM software implementation

- £103k Professional fees include additional consultancy fees; legal fees; training and audit fees;
 - £155k Other Direct Costs for BSI Audit; direct costs; rechargeable bags offset in revenue
- Funding costs positive variance of (£67k) as a result of loan not being drawn down in financial year 22/23.

The full year forecast has been updated and currently showing a profit of £45k against the originally budgeted loss of £389k. The main factors contributing to financial position improvements are highlighted below:

- Lease refinancing of 37 RCV vehicles contributed to the improvement of current financial position with the full year saving estimated at approx. £185k. 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 amounted to £106k.
- Provision of services to a third party and the additional parent company contracts are being delivered at the lower costs than originally anticipated.
- GEL management runs a tight controls on services, reviewing staffing and overtime with cost control measures implemented throughout the year.

2. Outstanding Issues

The outstanding issues are set out below:

- Start-up cost treatment – the Council is in a process of invoicing GEL for the Capital start-up cost £930k and Stock start-up cost £161k. GEL will need to drawdown on the company loan facility from the Council in order to pay for the start-up cost.
- Heads of Terms (Premises lease agreement) – the Council is looking to rationalise GEL's premises use as part of the savings programme and need to wait for this exercise to complete before a lease can be finalised.

GEL Corporation tax return for financial year 21/22 has been submitted.

3. Company Auditors

The audit of the financial statements of Greener Ealing Ltd, for the year ended 31st March 2022 have been completed and presented at the GEL AGM on 27th September 2022. As per section 487, Companies Act 2006, the auditors were deemed reappointed for the current financial period.

4. Loan Finance

GEL current cash position is stable, and we have not drawn down on any of the loan facilities to cover company's day-to-day activities.

GEL management is seeking Board approval to loan facility drawdown of £1.1m for more than 12 months to ensure funding in place for start-up cost repayment as stated in section 2. Outstanding Issues and delegate the authority to sign the loan drawdown request to GEL Managing Director.

5. Graffiti Contract

GEL management is seeking Board approval to enter into a contract with London Borough of Ealing Council for the provision of Graffiti and Flypost removal services throughout the borough. The contract is awarded for an initial period of two years, commencing on 6th June 2023 at the annual contract price of £160,000.

GEL management is seeking an approval to delegate the authority to enter and sign the contract to GEL Managing Director.

6. Bank Update

GEL Company credit card spend from November 2022 to January 2023:

Expense Type	£	Comments
Subscription	105.00	Annual subscription
Survey	384.00	Annual staff survey
Training	192.00	FORS - O Licence Awareness training
Other Expense	2,073.82	Stationery, postage, vouchers
Tools & Materials	1,190.44	Tools & materials
Fleet Equipment	1,747.69	Tablet covers and holders
Office furniture	1,235.52	Office chairs
PCN Fines	520.00	Penalty charge notice
Transport for London	90.00	Street operatives Oyster card to ups
	7,538.47	

In the month of December, there was an unauthorised transaction of £7.99 on the company credit card. We have reported this to the bank and asked to stop the credit card. The amount was credited back to GEL bank account.

Greener Ealing Ltd - Board Forward Plan 2023

Date of Meeting	Standing Items	Governance	Strategic	Finance	Performance Management/ Operations/Specific Project Updates
27 April 2023	<ul style="list-style-type: none"> • Apologies • Declarations of Interest • Minutes of Meeting • Matters Arising <ul style="list-style-type: none"> - Circular Resolutions • HR Update • MD Report • Performance Report <ul style="list-style-type: none"> - H&S Update - incidents / accidents - Operations Update - Transport Update • Risk Management <ul style="list-style-type: none"> - Risk Register • Forward Plan 	<ul style="list-style-type: none"> • Anti-Bribery (Gifts and Hospitality) – review • Freedom of Information Update – review 	•	•	•
6 June 2023	<ul style="list-style-type: none"> • Apologies • Declarations of Interest • Minutes of Meeting • Matters Arising <ul style="list-style-type: none"> - Circular Resolutions • HR Update • MD Report • Performance Report <ul style="list-style-type: none"> - H&S Update - incidents / accidents 	<ul style="list-style-type: none"> • Anti-Fraud Policy – review • Data Protection Policy – review • Health and Safety Policy – review • Environmental Policy – review • Quality Policy – review • Risk Management Policy – review 	•	•	•

Greener Ealing Ltd - Board Forward Plan 2023

Date of Meeting	Standing Items	Governance	Strategic	Finance	Performance Management/ Operations/Specific Project Updates
	<ul style="list-style-type: none"> - Operations Update - Transport Update • Risk Management <ul style="list-style-type: none"> - Risk Register • Forward Plan 	<ul style="list-style-type: none"> • Scheme of Delegation – review • Financial Regulations – review 			
14 Sept 2023	<ul style="list-style-type: none"> • Apologies • Declarations of Interest • Minutes of Meeting • Matters Arising <ul style="list-style-type: none"> - Circular Resolutions • HR Update • MD Report • Performance Report <ul style="list-style-type: none"> - H&S Update - incidents / accidents - Operations Update - Transport Update • Risk Management <ul style="list-style-type: none"> - Risk Register • Forward Plan 	<ul style="list-style-type: none"> • Equality and Diversity Policy and specific equalities objectives – review • Register of Directors' Interests – review 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> •

Greener Ealing Ltd - Board Forward Plan 2023

Date of Meeting	Standing Items	Governance	Strategic	Finance	Performance Management/ Operations/Specific Project Updates
Nov/Dec 2023?	<ul style="list-style-type: none"> • Apologies • Declarations of Interest • Minutes of Meeting • Matters Arising <ul style="list-style-type: none"> - Circular Resolutions • HR Update • MD Report • Performance Report <ul style="list-style-type: none"> - H&S Update - incidents / accidents - Operations Update - Transport Update • Risk Management <ul style="list-style-type: none"> - Risk Register • Forward Plan 	<ul style="list-style-type: none"> • CSR Policy – review 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> •

ACCOUNTS - NEXT ACCOUNTS MADE UP TO: 31.03.2023 - DUE 31 December 2023

CONFIRMATION STATEMENT - DATE: 1 August 2023 - DUE 15 August 2023