



GREENER EALING LIMITED

MEETING OF THE BOARD OF DIRECTORS

WILL BE HELD AT 13:00 ON THURSDAY 27th APRIL 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 9th March 2023	MB	Approval	(3)
4.	Matters Arising		Information	(4)
4.1	Action Log			
Governance				
5.	Corporate Governance	KOL/LP		
	• Annual policy review:			(5)
	○ Anti-Bribery (Gifts and Hospitality)		Approval	
	○ Freedom of Information Update		Note	
Strategy, Project & Operations				
6.	MD Report	KOL	Information	(6)
7.	Combined Performance Report including HSEQ and Transport	KOL	Information	(7)
8.	Risk Management Report	KP	Information	(8)
9.	Finance Update	KP	Information	(9)
Board Forward Plan				
10.	Board Forward Plan	KOL/LP	Information	(10)
11.	Any Other Business	MB	Information	



12. Date of next meeting: 6th July 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 9th MARCH 2023 BY MS TEAMS**

Present:	Mike Boulton	MB	Chair and Director
	Alison Reynolds	AR	Director
	Joanna Pavlides	JP	Director
In attendance:	Kevin O’Leary	KOL	Interim Managing Director, GEL
	Bill Gilmour	BG	Head of HR & Comms, GEL
	Katarina Pohancenikova	KP	Head of Finance, GEL
	Darren Henaghan	DH	Interim Director of Housing, LBE
	Lizzie Purewal	BCS	Bridgehouse Company Secretaries (minutes)

1. Apologies for Absence Action

- 1.1** MB welcomed those present. Welcoming Joanna Pavlides to her first meeting, following her appointment as a director of Greener Ealing on 30 January 2023.
- 1.2** It was noted that Kieran Read had resigned as a director on 30 January 2023.
- 1.3** Apologies for absence had been received from Helen Harris and Earl McKenzie.

2. Declarations of Interest

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

3. Minutes of the Board – 24th November 2022

- 3.1** The minutes of the Board meeting on 24th November 2022 were **approved** with no changes.

4. Matters arising and Actions from the previous Board meeting

- 4.1** The Board discussed and **noted** the summary update of matters arising from previous Board meetings, all of which were complete.

Corporate Governance

5. Annual Whistleblowing Policy review

- 5.1** KOL provided an overview of the paper: ‘Annual review of Whistleblowing Policy’. The policy had been reviewed and no recommended policy changes were required at this time. There had been no reports of whistleblowing in the last 12 months.
- 5.2** KOL confirmed that the policy had previously been publicised and would feature on Blink, GEL’s internal social media forum, to remind the workforce that the policy existed.
- 5.3** AR asked if management were confident that there were no issues, despite none being raised, questioning whether staff felt comfortable enough to come forward and use the policy if required. AR suggested that the policy could be discussed in team meetings, to question whether people would feel comfortable whistleblowing. KOL commented that the staff tended to be quite vocal in voicing issues directly if required. Staff had direct access to himself and BG and at times had raise concerns directly when they needed input from a more senior level. KOL confirmed the policy would be discussed in team meetings and assurance would be provided to confirm there would be no consequences for using the policy [**ACTION**].

[KOL/
BG]

5.4 Asked by MB if there was anything in the staff survey that indicated there could potentially be a Whistleblowing issue, BG confirmed there was not.

5.5 The Board **noted** and **approved** the Annual Review of the Whistleblowing Policy.

Strategy, Project & Operations

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

6.1 KOL provided an overview of the Managing Director's report. The following was discussed:

- 6.2
 - Contract performance had been good over the last 3 months. The catch-up period after Christmas was a particularly challenging time, but the team had performed well and received good feedback, particularly from colleagues in the housing department. AR commented that normally the Contact Centre would have a week's worth of high-volume contact after Christmas, however this year there was only a day's worth before settling back to normal, demonstrating how well the contract was running.
- 6.3
 - Graffiti and Fly Posting Removal Contract – work was underway on the mobilisation plan for GEL to take on this contract on 6th June 2023. GEL was working to develop a relationship with the present incumbent, MPM, given they were in a similar business and the businesses could potentially provide support to each other in the future. There was likely to be a TUPE transfer of two employees.
- 6.4
 - Parking Enforcement Contract – meetings were taking place on a fortnightly basis with the intention that GEL would provide this service from 1st April 2024. A high-level project plan had been drafted and discussions were taking place regarding fleet requirements and property issues. Work would gather pace as the mobilisation date neared.
- 6.5
 - Service Level Agreement – a paper would be submitted to the May cabinet meeting regarding revisions to the core SLA, covering contract inflation including volatile items such as fuel and insurance, contract length and the addition of the Graffiti service and property growth.
- 6.6
 - The action plans for all objectives set out in the 2022/23 Business Plan had been finalised and would continue to be monitored.
- 6.7
 - ISO accreditation had been attained for all 3 ISO standards and the certificates had now been received.
- 6.8
 - GEL had met the CO2 target for 2022 with a 7.3% reduction, achieved on the back of optimisations, such as changing the compression ratio on the rear end of dust carts. It would be more challenging to meet the 7% target for 2023. AR questioned how the target had been set and whether it was appropriate or should be revised downwards. KOL commented that this was based on the Council's CO2 target. Last year's target had also been challenging but GEL had managed to achieve it. There were potential savings that were being considered and GEL would strive to meet the 7% if possible. DH commented that the Council had set an objective to be net zero by 2030, although a plan to meet this had not yet been formulated.
- 6.9
 - DH thanked KOL for GEL's open and constructive attitude towards transferring in new services. The Council had a more positive relationship with GEL than they had had with other service providers. GEL was expected to have no problem taking on the Graffiti contract. The parking contract would be more challenging and further discussions were required, it was important that GEL was able to take this on and maintain a good standard. Additional staff and parking professionals would be required.
- 6.10
 - DH highlighted the issue with the depot and the importance of ensuring all related conversations took place in a coordinated fashion. There would be pressure on GEL to work from a smaller operational footprint. It was recognised that this would be

difficult. Now that GEL was taking on parking and care taking consideration should be given to whether a series of smaller sites would be more appropriate. DH suggested that GEL's new requirements should be determined, so that a suitable site/s could be found, rather than trying to make GEL fit into a site that was not appropriate. Asked by MB what the timing on the depot change was likely to be, DH commented that in theory the change would take place in 2025. Discussions on future services would need to take place before it would be possible to determine GEL's new requirements. KOL commented that there was currently some miscommunication regarding what potential sites could be used. KOL acknowledged that there were many opportunities, particularly in housing, which could be explored. DH was keen to find a solution that was appropriate, sustainable and did not cause operational difficulties for GEL.

6.11 The Board **noted** the Managing Directors Report.

7. Business Plan and Budget 2023/24

7.1 KOL presented the Business Plan for 2023/24 and the following points were highlighted:

- 7.2**
 - The plan was a similar format to previous years. The number of objectives had been revised from 9 to 6 based on what had been achieved in recent years, what remained to be done and the changing agenda as the Council considered the transfer of new services to GEL.
- 7.3**
 - GEL would continue to work to find operational efficiencies across the business.
- 7.4**
 - HSEQ work was ongoing. GEL's strategy was to identify, develop and implement technology and ways of working to eliminate or reduce exposure to health and safety risks and environmental impact and quality failures. The ISO accreditation would be extended to Grounds Maintenance and the HWRC.
- 7.5**
 - Communications and Marketing - marketing had been sent out to all local schools in recent weeks. Some responses had been received and it remained to be seen whether these would materialise into additional work. Similar marketing would be sent to Universities, Colleges and RSLs.
- 7.6**
 - GEL was a key supplier to the Council and had agreed a Carbon reduction plan in line with the Council's aspirations. GEL would be undertaking a green audit to review the current initiatives.
- 7.7**
 - Preparing for new services – the new Graffiti Contract from June 2023 would be straight forward. The Parking Enforcement Contract was a major contract which represented a step change for GEL and would be a major piece of work for 2024.
- 7.8**
 - It was positive that despite the current economic pressures GEL had performed well and was forecasting a small profit for the year, demonstrating GEL's level of resilience. An overall income level had been agreed with the Council. A small loss had been forecast for 23/24 of £160K, however a loss of £380K had been forecast in 22/23 and some respects this was an improved position. A management plan would be developed to close that gap to provide assurance to the Board that management would continue to maintain tight control over costs and reviewing operations and search for efficiencies to ensure GEL could deliver a high standard of service and meet client and resident needs. The pressures GEL was facing included fuel, insurance, managing overtime, a fleet that was getting older and employee pay.
- 7.9**
 - DH recognised that a lot of work had gone into the business plan. The governance relating to the approval of the plan was correct and decisions had been taken in the right order. The Council's budget had been agreed yesterday and the money was in the budget.
- 7.10**
 - Discussions were taking place with the Council regarding the employee pay award. KOL commented that whilst it was important to recognise staff, making higher pay

level increases could price GEL out of the market to take on other commercial work. DH commented that it would be important to think differently about pay, recognising that whilst there was a need for a cost of increase it was important that GEL did not price itself out of the market. DH suggested that pay models that managed pay organisationally should be considered. It was important to ensure managers were being paid appropriately to attract and retain senior staff and the focus should not just be on front line staff. DH commented that the Council needed to support GEL to invest more in the ability to be commercial and to manage staff to free up KOL to be able to do the other work needed on a more regular and consistent basis. A mid-year budget adjustment might be required as a result of new services, additional spending would be required to provide support.

- 7.11
- DH commented that this was as a business plan 'at a moment in time' and as GEL moved forward there would be more to put into the plan to maintain the momentum towards more growth.

- 7.12
- JP questioned whether performance related pay had been considered. KOL had considered this and having prior experience of this type of scheme, had not considered it as the right option for GEL, although he was open to discuss the option as a way to incentivise staff. KOL recognised that the whole workforce were ambassadors for GEL, and it was important to find ways to reflect and reward that. KOL suggested that it might be appropriate to commission work to consider the types of options that exist. MB commented that it was worth looking at performance related pay options as part of the pay package, it was something that could work at GEL. However, MB observed that in his experience, performance related pay had generally acted as a disincentive as it was difficult to make them fair and equitable. It would also only make up a marginal amount of someone's pay. KOL suggested that other options for consideration included an employee share scheme or a flat bonus across all staff subject to thresholds being met. DH referenced purple book and red book bonus schemes that the Council was familiar with, commenting that these were very challenging from an administrative and organisational perspective. MB suggested that an element of performance related pay could be linked to objectives within the business plan, as a long-term incentive.

- 7.13
- Following due consideration, the Board **RESOLVED to approve** the final Business Plan for 2023/24.

8. Workforce Strategy

- 8.1
- BG presented the Workforce Strategy 2023, highlighting the following points:

- 8.2
- This was the third year since GEL had gone live and the Workforce Strategy was in place to provide a structure and focus. From the start, it was believed that to deliver better quality services, workforce buy-in was required. The workforce was seen as ambassadors for GEL and this view was promoted through repeated and consistent messages on GEL's values, through newsletters, toolbox talks, inductions and team briefings.
- 8.3
- The focus was to: (1) deliver value through exploring innovative ways of working, (2) reduce turnover through continuing cultural change / employee engagement pathways to development, and (3) prepare for growth assisted by better communications and marketing / improving internal and external communications.
- 8.4
- Results from the staff survey demonstrated the change in culture within GEL. Feedback had indicated that GEL had come a long way since GEL launched in 2020. Management was also trying to convey to staff how important they were to business and to make them feel part of the GEL team.

- 8.5
- Resourcing across GEL, including HGV drivers was currently on track, this would continue to be monitored as there was a risk that staff would consider applying elsewhere during the summer.
- 8.6
- An initiative had been introduced to support adult learners to learn to read and write and 5 people had expressed an interest in doing this.
- 8.7
- Recruitment for female staff continued and this had been factored into the marketing strategy. BG was pleased with the progress that had been made so far.
- 8.8
- AR observed that there seemed to be a high percentage of staff that had reported often feeling stressed at work and questioned if this had been investigated and queried what the target score for this question would be. BG commented that it was not possible to identify who had provided these responses, but it was known that there were financial pressures due to the cost of living increases and communication had gone to staff, via Blink, offering for them to discuss any concerns with management, confirm that some team members had reached out. Health champions were in place within teams and staff were being made aware of the service in place to support their mental health. AR had assumed the question related to work related stress as opposed to external stresses and suggested that in future surveys there should be 2 questions to understand whether the stress was caused by external factors or work issues. BG recognised AR's point but highlighted that responses to the other questions did not indicate that there was an issue with workplace stress. MB referenced his experience of staff engagement surveys, commenting that there were some questions in these types of surveys that were always difficult for staff to respond to positively, if staff said they were not stressed it was almost an admission that they were not motivated or doing enough work. Questions around pay also had psychological barriers making it difficult for a positive response.
- 8.9
- JP commented that the financial support for people, in view of the cost-of-living increases was currently being revised and would be available and circulated in April, to familiarise them with what was available to them.
- 8.10
- BG commented that the survey had had an 82% response rate, which was an improvement on 58% from the year before. DH commented that an 82% response rate for a front-line service was particularly high, demonstrating the positive relationship between the management team and staff. DH suggested this should be shared with HR colleagues within the Council as they could learn from the surprisingly good trusting relationship between management and staff.

8.11 The Board **noted** the progress made to date and **RESOLVED to approve** the Workforce Strategy 2023.

9. Staff Survey

9.1 The Board **noted** the Staff Engagement Survey 2022 results.

10. Combined Performance Report including HSEQ & Transport

10.1 KOL presented the report. Overall performance in January had been good, performance was still consistent from month to month in all key indicators. There had been 6 amber status indicators in the month and 2 red.

10.2 Vehicle accidents had increased this month showing a total of 19, which was way above normal expectations. These included incidents by third party vehicles, misjudgements by newly upskilled drivers, incidents that involved drivers that had left the business or where the drivers were under investigation and incidents involving ill judgements. 2 drivers were let go the previous week due to refusal to take a drug and alcohol test. Work was underway to

promote and reward safer driving. Training new drivers was very expensive and a drain on resources. Whilst the HGV driver shortage had stabilised it still required sustained attention and the quality of drivers did not necessarily meet expectations.

10.3 Assisted Missed collections had increased and were consistently amber (red in December). The Operational team had been tasked with reducing this figure, by monitoring the crews more closely, utilising a crew league table and holding teams to account.

10.4 DH questioned whether the Graffiti metrics would be included in the dashboard in future as this was currently amber in the Council's dashboard. KOL confirmed that a draft had been submitted with this included in addition to the environmental services contracts and would therefore appear in the dashboard once the contract had started.

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

11. GEL Risk Management Report

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

12. Finance Update – September 2022

12.1 KP presented the financial results, highlighting the following:

- 12.2**
 - The overall draft financial position to 31st January 2023 was showing a profit of £195K against a budgeted loss of £451k.
- 12.3**
 - The positive variances related to (£1,231k) as a result of non-contractual work provided, which included: (£340k) 22/23 Pay Award contribution from the Council; (£271k) Streets leafing; (£462k) Grounds maintenance including the Gunnersbury Park contract; (£128k) 2 x Queens Bank Holidays recharge not budgeted; (£89k) rechargeable costs; (£65k) statutory cost increase claim; (£50k) Waste; (£38k) Streets cleansing; (£3k) Kickstart funding; £4k Other; and £211k efficiency savings.
- 12.4**
 - There was an adverse variance of £573k on staffing costs, made up of savings on HWRC (£96k); (£57k) Support staff; £383k Streets inclusive of leafing; £162k Grounds; £115k Waste; Holiday pay accrual £45k; and other staffing cost £21k.
- 12.5**
 - Operating costs had an adverse variance of £80k, mainly due to (£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 being partially offset by increase in fleet and plant repairs and maintenance costs and fuel costs.
- 12.6**
 - Funding costs were still showing as a positive variance of (£67k) as a result of the loan not being drawn down in financial year 22/23.
- 12.7**
 - The full year forecast had been updated and was currently showing a profit of £45k against an originally budgeted loss of £389k. The main factors contributing to the financial position improvements were the Lease refinancing of 37 RCV vehicles, with a full year saving estimated at approximately £185k. As part of the lease term extension, the residual values for these 37 vehicles had been reduced to 0% and as a result the end of contract the damaged accrual amount released was £106k. Provision of services to a third party and the additional parent company contracts were being delivered at lower costs than originally anticipated. GEL management had maintained tight controls on services, reviewing staffing and overtime with cost control measures implemented throughout the year.
- 12.8**
 - There were currently 2 outstanding issues: (1) in relation to the start-up costs treatment, the Council was in the process of invoicing GEL for the Capital start-up cost £930k and Stock start-up cost £161k. GEL would need to drawdown on the company

loan facility from the Council to pay for the start-up cost. (2) Heads of Terms (Premises lease agreement) – the Council was looking to rationalise GEL’s premises use as part of the savings programme and needed to wait for this exercise to complete before a lease could be finalised.

- 12.9 • The GEL Corporation tax return for financial year 21/22 had been submitted.
- 12.10 • Company auditors - The audit of the financial statements of Greener Ealing Ltd, for the year ended 31st March 2022 were 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.
- 12.11 • GEL’s current cash position was stable, and there had been no drawn down on any of the loan facilities to cover the company’s day-to-day activities.

12.12 The Board **noted** the overall draft financial position to 31st January 2023.

12.13 GEL management sought Board approval for (1) the loan facility drawdown of £1.1m for more than 12 months to ensure funding was in place for the start-up cost repayment and (2) authority to delegate the signing of the loan drawdown request to the GEL Managing Director.

- 12.14 Following due consideration, the Board **RESOLVED to:**
- **approve** the loan facility drawdown of £1.1m for more than 12 months to ensure funding was in place for the start-up cost repayment and
 - **authorise** delegation of the signing of the loan drawdown request to the GEL Managing Director

12.15 GEL management sought approval to (1) enter a contract with London Borough of Ealing Council for the provision of Graffiti and Flypost removal services throughout the borough and (2) authority to delegate the signing of the contract to the GEL Managing Director.

- 12.16 Following due consideration, the Board **RESOLVED to:**
- **approve** entering the contract with London Borough of Ealing Council for the provision of Graffiti and Flypost removal services throughout the borough and
 - **authorise** delegation of the signing of the contract to the GEL Managing Director.

13. **Board Forward Plan**

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

14. **Any Other Business**

14.1 **Board succession**

14.1.1 KOL requested an update on a replacement director, following AR’s previous indication that she wished to resign from the Board. DH commented that the board structure was currently being considered, it was important that another strategic, SLT level director was appointed, in addition to the shareholder representative. Given the potential for a future disagreement, having another SLT representative on the Board would help, as they could discuss the issue with the Council in order to resolve the issue. Recruitment would commence once the full scope of the position was known.

14.1.2 Asked by MB when the scope of the position was likely to be known, DH commented that an update would be provided to the next GEL board.

14.1.3 AR suggested that it had been useful to have the corporate view that previous director: Kieran Read had provided. DH recognised that the new director would require an understanding of

the corporate side of the Council and be part of the programme of improvement that was underway.

15. Date of next meeting: 27th April 2023

15.1 There being no other business, MB thanked those present and closed the meeting at 2:02 p.m.

Signed

Chair of the Board

Date

DRAFT

GREENER EALING LTD - ACTION LIST – 27th April 2023

Minute Ref	Action items arising from minutes	Officer	Due By	Comments	Status
Actions arising from 9th March 2023					
5.3.	Annual Whistleblowing Policy review – To discuss the policy in team meetings and provide assurance that there would be no consequences for using the policy.	KOL/BG		The WB Policy had been communicated to GEL staff via Blink and it was highlighted that there would be no detriment to those raising issues.	CLOSED

(KO) Kevin O’Leary

(MB) Mike Boulton

(AR) Alison Reynolds

(JP) Joanna Pavlides

(EMc) Earl McKenzie

(HH) Helen Harris

(KP) Katarina Pohancenikova

(BHCS) Lizzie Purewal

(WG) Bill Gilmour

(DH) Darren Henaghan

Report Title	Annual review of governance policies		
Meeting	Greener Ealing Board Meeting		
Date	27 April 2023	Agenda Number	5.
Type of Report	For noting and approval		
	Lizzie Purewal can be contacted on lizzie@bhcsecretaries.co.uk prior to the meeting.		
	1. To review the following policies and receive updates on application: <ul style="list-style-type: none"> a) Anti-Bribery (Gifts & Hospitality) Policy b) Freedom of Information Update 		

Annual Review of Governance Policies

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

Anti-Bribery Policy (Gifts & Hospitality)

The Anti-Bribery Policy has been reviewed and no recommended changes are suggested at this time.

The policy states that the Board must review the Gifts & Hospitality register annually, and this is therefore attached at appendix A. A small gift and a Christmas Party/Networking event had been recorded during in the **past 12 months**.

The Board and employees (including consultants) are reminded that all gifts and hospitality must be recorded on the register, no matter how small. Instances where gifts or hospitality are offered but refused by Greener Ealing must also be reported in accordance with the Policy.

Freedom of Information Update

The Freedom of Information policy is not due for formal review until 2024 (3 yearly) however we would like the Board to formally note that there have been **no** FOI requests made to Greener Ealing over the past 12 months.

Lizzie Purewal
Bridgehouse Company Secretaries

Name of recipient	Job Title	Name and address of person and company offering gift or hospitality	Details of current relationship with person offering Gift or Hospitality (e.g. contractor, potential contractor etc.)	Description of Gift / Hospitality offered:	Estimate value of Gift /Hospitality	Date of offer:	Action taken i.e. gift kept/ returned/ hospitality refused	Signed by Director:	Date that form completed/approval obtained:	Notes
KOL	MD	Blink	contractor	"Chocolates and other confectionery sent to KOL from Blink. Gift accepted and shared with staff. Modest value possibly £20"	c. £20	22-Aug-22	Notified GEL Board	KOL	N/A	Insignificant gift, shared with staff
KOL	MD			Meal at Institute of Waste Management Xmas party	£120	08-Sep-22	Notified GEL Board	Approved by Chair, MB, via email, 13-Sep-22	13-Sep-22	Considered reasonable as this is a networking event

KOL = Kevin O'Leary

Report Title	Managing Directors Report		
Meeting	Greener Ealing Board Meeting		
Date	27 th April 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 month or so following the March Board meeting. The report highlights key issues.</p> <p>Contract performance remains 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>The Deed of Variation in relation to the core contract is in its final throes as we anticipate its consideration by the Councils Cabinet on the 17th May 2023.</p> <p>Our Grounds Maintenance department and the Household Waste and Recycling Centre both passed BSI assessment on the various ISO accreditations, and we now have the entire business accredited.</p> <p>Pay – the GMB is looking to open early discussions with GEL on the 2023 Pay Award.</p> <p>Progress continues to be made on all Business Objectives for 22/23 – highlights are included below. Following the approval of the 23/24 Business Plan we are finalising the work plan for the coming year which will be monitored by this Board.</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.

Graffiti and Fly Posting Removal Contract

The Council has issued a letter of intent to award this contract to GEL. The start date has been agreed now as 30th May 2023. Regular meetings are taking place with Ealing. We have also met with the present incumbent, MPM. They have agreed to work co-operatively with us and we intend to make use of them as a supplier and potential partner/subcontractor. There is likely to be a TUPE

transfer of two employees. We have now ordered a vehicle and equipment and we expect delivery in the next few weeks. 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 held on specific issue e.g., fleet requirements and property issues.

The emerging issues from our discussions with the Council on this contract are as follows:

- **Depot space** – firstly the need for a site in the east of the borough. We propose that our Grounds Maintenance site in Acton be utilised for this. Secondly, initial assumptions had been based upon the use of Greenford Depot. This looks less likely now because of the decant from Perceval House but is still being explored. Housing options are also being considered.
- **Service Specification** – we have held a detailed session with the Ealing Team on reviewing the overall technical specification which has given us a useful overview of the functions that will be included in the contract. It is a complex bundle of activities - these include CCTV Control monitoring and enforcement, On -street support for Pay and Display, Administration of pre notice owner challenges, Cash Collection service, Blue Badge Enforcement and Car Park cleaning and maintenance.
- **Vehicles** – we will need to procure a number of vehicles for this contract including Vans, Cars with Automatic Number Plate Recognition (ANPR) Equipment, Scooters/cycles. We will be looking Electric options in all categories.
- **Other procurement activities** – handheld computers for staff, body worn cameras, uniforms (colour style etc to be agreed with the Council), ANPR equipment, stationery and a wide range of supporting materials.
- **TUPE** – there will be a TUPE transfer of the existing staff from SERCO to Greener Ealing. We have made initial contact with the local management of SERCO but will require the Council to broker the provision of necessary Employers Liability Information (ELI) in relation to the transfer.
- **Future key milestones** – precise dates to be determined. Receipt of contract documents and GEL pricing, order vehicles and equipment, confirm depot sites, receipt of ELI and briefing of staff etc. probably early 2024.

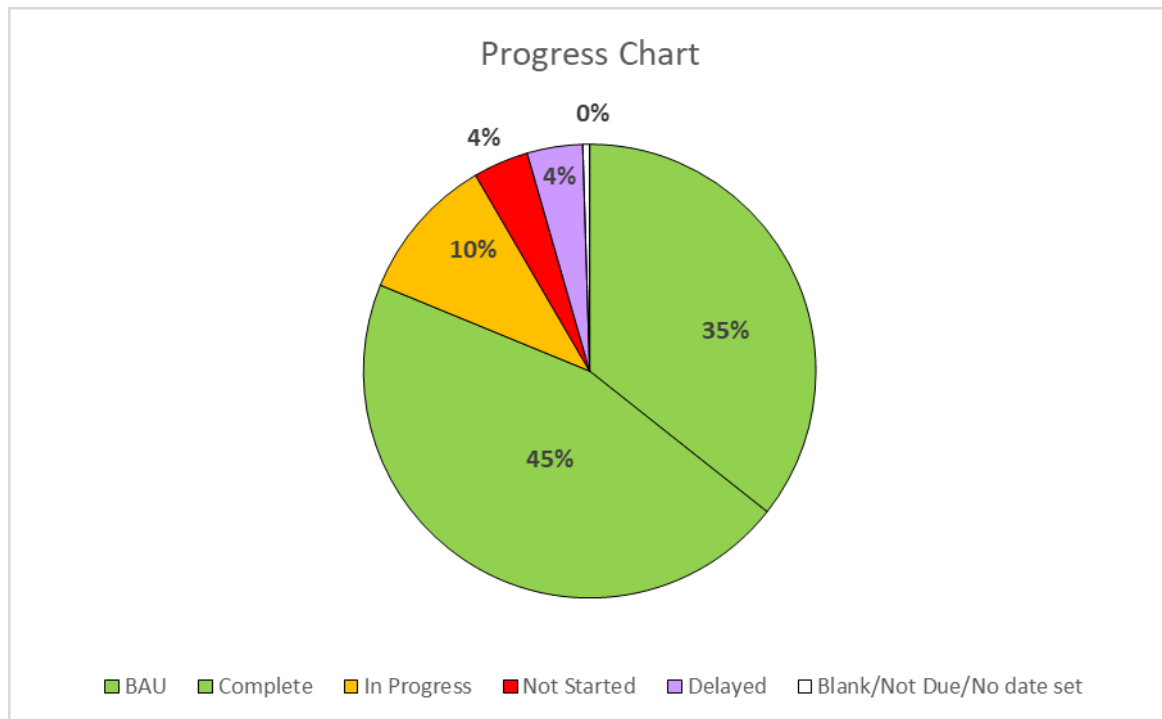
Service Level Agreement – Deed of Variation (DOV) and Dividend Policy

Discussions have continued regarding the required revisions to the core SLA. Areas covered include contract inflation, contract length, addition of the Graffiti service and more recently the notion of a Dividend Policy.

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

This is the last update on the 22/23 objectives with reasonable progress against the plan. The Pie Chart below shows the overall completion of the original tasks the Management Team set itself with an 80% delivery.



Highlights include:

Business Objective 1 – workforce strategy

- Approved by Board and now been implemented.
- Pay discussions with the GMB are pending.

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

- Work on efficiencies in hand – Trade Teams down to two now.

Business Objective 4 – HSEQ

- Grounds Maintenance and HWRC BSI Inspection and approval achieved 27th March 2023
- Freight Operators Recognition Scheme Accreditation remaining significant target

Business Objective 5 – Data

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

Business Objective 6 -Communications

Business Objective 7 -Going Digital

- Links to 5 above

Business Objective 8 – Greening GEL

- Green Audit of GEL has now been commissioned.

Business Objective 9 – Growth

- Graffiti contract – the Council has now indicated that there will be a direct award of this work to GEL.
- Parking Contract as above.
- As previously reported Council in active dialogue with GEL over transfer of new services

Conclusions and way forward

The priorities for the next period include the finalising the DOV and Dividend Policy, the Parking mobilisation plan, 2023 Pay negotiations, delivering efficiencies as agreed with the Council for 23/24 and planning for 24/25.

Kevin O’Leary
Interim Managing Director
19th April 2023

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GEL Combined Monthly Performance Report March 2023

Report Title	Combined Performance Report including HSEQ & Transport		
Meeting	Greener Ealing Board Meeting		
Report Date	27 th April 2023	Agenda Number	7.
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 March 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 – this issue has increased again; we have had to utilise drivers from other departments to cover core parts of the Collections service. We are in daily contact with the agency in relation to this.
- Assisted Missed collections remain the same 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.
- Container deliveries fell out of sla due to an increase in annual leave and insufficient agency cover last month, and although the percentage has increased in March, it remains amber whilst we catch up on deliveries.
- The bulky waste sla dropped slightly this month due to the driver shortage we faced across the service.
- 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 March is at 96%.

HWRC:

- The recycling rate has increased to 64%. 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 has decreased significantly to 8 for the month. 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 still higher than anticipated.
- Higher number of ER cases driven by more robust application of absence management processes.
- Staff turnover has remained the same for the last two months.

HSEQ:

- HSEQ provision good during this period.
- No RIDDORs in the last five months.
- ISO 9001, 14001, & 45001 accreditations have been acquired for Waste, Streets, Grounds Maintenance and HWRC.

Transport:

- Transport Provision in-line with operational requirement – no change.
- Daily average VOR's were lower this month in comparison to last month.
- Vehicle accidents have decreased significantly in comparison to the last two months; however; work is continuing to bring this figure down even lower. The report shows 8 for this month.
 - Three of the incidents were by third party vehicles.
 - One driver involved in incidents have left the business.
 - The remaining four incidents were ill judgements relating to hitting other vehicles or objects.
- Idling remains slightly higher as expected 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.

GEL - Overall Dashboard

Indicator	Target	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
Missed Rectification %	100% within 24 Hours	100%	100%	100%	100%	100%
Right First Time %	-	99.97%	99.97%	99.97%	99.98%	99.97%
Assisted Missed Collections	Zero	9	12	7	7	7
Missed per 100k by Service						
Refuse	< 100	34	34	46	37	39
Recycling	< 100	27	50	37	33	34
Food	< 100	29	22	28	15	32
Garden	< 100	29	26	29	29	29
Streets A&B Inspection %	85%	96.66%	96.21%	95.64%	95.31%	96.41%
Flytip Clearance	95%	98%	97%	99%	99%	98%
Flytips Reported	-	935	698	1004	951	886
Bulky Waste Service	100%	99%	95%	100%	99%	93%
No of Container Requests	-	1366	858	1037	1067	1941
Container Delivery %	100%	99%	90%	100%	51%	96%
HWRC Materials Recovered	-	286t	250t	253t	289t	297t
HWRC Visit Numbers	Report Actuals	6209	6825	5794	6029	5824
HWRC Recycling Rate %	TBA via Service Agreement	58.71%	62.10%	58.80%	62.10%	64.57%
Customer Complaints	<100	11	14	19	17	8
RIDDORs	0	0	0	0	0	0
No Lost Time Incidents	<3	3	2	4	1	1
Lost Time Incidents	0	0	1	1	1	0
Close Calls	Report Actuals	14	12	13	20	16
Vehicle Incidents	<7	8	8	19	14	8
VOR (Daily Average - RCV's)	<5	3.50	4.10	5.5	8.2	5.93
Fuel – DERV (Litres)	TBA	58,817	56,062	61,681	51,274	59,157
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)	152,924	145,761	160,370	133,312	153,808
Total Vehicle Idling Time (hrs)	<140	120	147	146	144	150
Vehicle Availability	95%	100%	100%	96%	94%	96%
MOT Pass Rate	98%	100%	100%	100%	92%	100%
Average Sickness %	<4%	2.85%	3.73%	2.92%	2.22%	2.38%
ER Cases	<5	8	8	5	7	8
Staff Turnover	Report Actuals	11	1	4	7	7
YTD Actual	-	£1,123	-£160,417	-£194,665	-£180,690	TBC
FY Forecast	-	£199,889	-£25,217	-£45,100	-£112,709	TBC
Additional Revenue	-	-£158,684	-£162,131	-£93,448	-£156,331	TBC

Report Title	GEL Risk Management – Risk Register		
Meeting	Greener Ealing Board Meeting		
Date	27 April 2023	Agenda Number	8.
Type of Report	To Note		
Author	Katarina Pohancenikova can be contacted on pohancenikovak@greenerrealting.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 9th March 2023.</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: *We are in a negotiation with the Council to agree future inflationary indexation calculation and this will be documented in the proposed Deed of Variation. 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. We will meet GMB in May 2023 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: *Recently we had received a letter from Mercedes informing there is a major part supply issue; one primarily due to Mercedes making internal changes as well as possible import issues.*

As mentioned in the last Board Risk update, workshop engineers have been difficult to secure for Go Plant Fleet Services (GPFS), our workshop contractor, as in recent London Councils forum large portion of workshop managers are also experiencing the same problem.

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 our contractual needs. The issue has been raised at GPL Director level. GPL plan of action to improve recent poor service levels have slowly improved with an apprentice and possibility of an engineer being added to the contract. This is being monitored and directors update being provided. This is still a risk until some sort of continuity pattern can be established.

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: Recent weeks have shown some stability with fuel prices currently at £1.15 ppl. With LBE having no formal plans to make available EV infrastructure at Greenford depot it has been a challenge for electric vehicle trials to be successful. LBE have been presented with HVO options to reduce CO2/NOx levels but to date no further actions been taken. HWRC 360 Material Handler HWRC 360 Material Handler electric version has now been delivered and is in full operation.

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: We have received 1st of the 7 DAF food vehicles with Chassis repaired. This vehicle will be placed back into service to ascertain achievable payloads. The revised completion target for the 7 vehicles to be put back into service is estimated to be around July 2023.

Report Title	Finance Update – April 2023		
Meeting	Greener Ealing Board Meeting		
Date	27 April 2023	Agenda Number	9.
Type of Report	To Note		
Author	Katarina Pohancenikova		
Background	<p>Executive Summary This report notes:</p> <ol style="list-style-type: none"> 1. March 2023 Month End Greener Ealing financial results to March 2023 shows a positive variance before tax of (£541k). 2. Outstanding Finance Issues The unresolved finance issue with the Council is premises lease agreement. 3. Loan Finance Loan drawdown in financial year 22/23. 4. Bank Update Company credit card spend. <p>Recommendations:</p> <p>To note the overall draft financial position to 31st March 2023.</p>		

1. Month End

Greener Ealing Ltd

Statement of Comprehensive Income (£'k)

	2022/23 FULL YEAR			2022/23 FULL YEAR		
	Actual	Budget	Variance	Forecast	Budget	Variance
Net Service Income	(23,093)	(22,115)	(978)	(22,996)	(22,115)	(881)
Other income	(972)	(716)	(255)	(946)	(716)	(230)
Turnover	(24,064)	(22,831)	(1,233)	(23,943)	(22,831)	(1,111)
Staffing costs	13,264	13,383	(119)	13,276	13,383	(107)
Agency Costs	2,188	1,507	681	2,148	1,507	641
Other staffing costs	266	254	12	270	254	17
Total staffing costs	15,718	15,144	575	15,694	15,144	551
Other Direct Costs	1,117	870	247	1,098	870	228
Depreciation & Amortisation	253	231	23	252	231	22
Vehicle Costs	4,657	4,774	(117)	4,642	4,774	(132)
Plant Costs	397	482	(86)	398	482	(84)
Property Costs	890	903	(13)	895	903	(8)
Communications	21	4	17	23	4	19
ICT Costs	294	281	13	293	281	11
Service Recharges	51	72	(21)	51	72	(22)
Professional Fees	512	383	129	482	383	99
Operating costs	8,193	8,000	193	8,134	8,000	134
OPERATING LOSS/(PROFIT)	(153)	312	(465)	(114)	312	(426)
Net funding costs	1	77	(76)	2	77	(75)
NET LOSS/(PROFIT) BEFORE TAX	(152)	389	(541)	(113)	389	(501)
Corporation Tax	29	-	29	21	-	21
NET LOSS/(PROFIT) AFTER TAX	(123)	389	(512)	(91)	389	(480)

The overall draft financial position to 31st March 2023 is a profit before tax of £152k against a budgeted loss of £389k. Key variances relate to:

- Turnover - favourable variances of (£1,233k) as a result of non-contractual work provided: (£698k) Grounds maintenance including Gunnersbury Park contract; (£340k) 22/23 Pay Award contribution from the Council; (£271k) Streets leafing; (£128k) 2x Queens BH recharge not budgeted; (£70k) Streets cleansing; (£58k) Waste; £5k Other; £74k rechargeable costs including statutory cost recharges; £253k efficiency savings.
- Staffing costs adverse variance of £575k is made up of savings on HWRC (£120k); (£65k) Support staff; Holiday pay accrual (£15k); Other staffing cost £12k; £123k Waste; £234k Grounds; £406k Streets inclusive of leafing;
- Operating costs adverse variance of £193k
 - (£202k) 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 cost;
 - (£21k) Service Recharges not required;
 - (£13k) Property Costs: premises repairs and maintenance allowance not being utilised;
 - £23k Depreciation & Amortisation relating to small plant purchases to be used for Gunnersbury Park contract;

- £30k ICT and Communications due to additional GM software implementation; mobile phone charges and resident letters;
 - £129k Professional fees include additional consultancy fees; legal fees; training; audit fees and stationery;
 - £247k Other Direct Costs for BSI Audit; direct costs; rechargeable bags offset in revenue.
- Funding costs positive variance of (£76k) as a result of loan drawdown in March 2023 to fund GEL capital and stock start up costs. The budget assumed the loan drawdown at the beginning of financial year.

Financial year 22/23 has been a challenging one. The cost-of-living crisis has hit everyone hard and food and energy prices have been rising markedly over the past year with the inflation rate in double digits for more than half of the year. The company has agreed a pay award representing an average increase of 7.5% with additional funding provided by the Council. As part of the 22/23 budget setting process, GEL was asked to deliver operational efficiency savings of £253k for the year.

Despite all the above, the company delivered a positive financial result, profit before tax of £152k. The main factors contributing to the full year profit are highlighted below:

- Lease refinancing of 37 RCV vehicles contributed to the improvement of current financial position. 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.
- Service optimisation in HWRC area.
- Provision of services to a third party and the additional parent company contracts are being delivered at the lower costs than originally anticipated.
- The original budget assumed a loan drawdown from April 2022 but this has been delayed till mid-March 2023.
- GEL management runs a tight services review with staffing and overtime cost control measures implemented throughout the year.
- We have been lucky with the favourable weather and not significantly impacted by high level of sickness absences.

2. Outstanding Issues

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. The estimated completion date is spring 2025.

3. Loan Finance

GEL has drawn down on the Company loan facilities amount of £1.1m to fund the repayment of start-up cost. The drawdown was split as follows: £0.930m on Fixed Capital loan facility and £0.170m on Working Capital loan facility; both on the principal repayment basis over the term of loans.

The interest rate is calculated using the EU Base rate of 3.52% and Margin of 8.5% set by the Council to comply with any subsidy control regime rules. The Council will be updating the EU base rates on quarterly basis once these rates are available.

4. Bank Update

GEL Company credit card spend from February 2023 to March 2023:

Expense Type	£	Comments
Other Expense	687.68	Stationery, postage, vouchers
Tools & Materials	494.53	Tools & materials
Fleet Equipment	139.19	Tablet covers and holders
PCN Fines	275.00	Penalty charge notice
Transport for London	97.00	Street operatives Oyster card to ups
	1,693.40	

Greener Ealing Ltd - Board Forward Plan 2023

Date of Meeting	Standing Items	Governance	Strategic	Finance	Performance Management/ Operations/Specific Project Updates
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 - Operations Update - Transport Update • Risk Management <ul style="list-style-type: none"> - Risk Register • Forward Plan 	<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 • 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 	<ul style="list-style-type: none"> • Equality and Diversity Policy and specific equalities objectives –review • Register of Directors’ Interests – 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 				
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