



Terms of Reference for the Investment Committee

The London Waste and Recycling Board (the “Board”) was established under section 356A of the Greater London Authority Act 1999 (as amended) and the London Waste and Recycling Board Order (Statutory Instrument 2008 No. 2038) (the “Order”).

The Order provides that the Board may establish committees (article 8) and delegate certain functions to a committee of the Board (article 12). The Investment Committee (“The Committee”) is a committee of the Board under article 8 of the Order.

The Committee was first established in 2009 and its terms of reference were subsequently amended in November 2012 and 2017. These terms of reference supersede all previous versions.

The Board has delegated certain functions to the Committee, set out here as the Terms of Reference.

Membership and Chair

The Committee will comprise the following members:

Voting Members

- Three members of the London Waste and Recycling Board, one of whom will be Chair of the Committee (the “LWARB Members”).
- Three other individual members recruited for their knowledge and expertise in areas relevant to the work of the committee (the “External Members”).

Non-voting Observers

In addition to the voting members of the Committee, there shall be two *ex-officio* non-voting members from London Councils and the Greater London Authority.

The chair and voting members of the Committee are to be approved by the Board.

The Committee Chair will set the agendas and determine the time and place of meetings which will be notified to membership by the Secretariat. If the Committee Chair is unable to attend a particular meeting he/she may appoint one of the other voting members to chair in his/her place.

Eligibility for External Membership

External Members of the Committee will be recruited via an open recruitment process. The following are excluded from membership of the Committee as External Members:

- Elected members of a London Borough, or the Common Council.



- Elected members of the London Assembly
- Officers of a London Borough Council or the Common Council
- Officers of the GLA
- Officers of London Councils
- Officers of LWARB

If the circumstances of an appointed External Member changes so that they fall into one of the categories above, their membership of the Committee shall terminate.

Remuneration

Voting members of the Committee will be remunerated £2000 per annum (£3000 for the Chair).

Confidentiality

All those attending Committee meetings including *ex-officio* non-voting observers will be required to enter into a non-disclosure agreement.

Quorum

The quorum for the Committee varies depending on the number of voting members currently appointed. If there are six or more voting members, the quorum shall be one third of the voting members, or four, whichever is greater. If there are less than six voting members, the quorum shall be three voting members. In all cases a quorum requires at least two board members and one external member to be present.

Authority

In all other respects (including without limitation with regard to voting and procedural matters) the Committee shall be governed by the Board's Standing Orders.

Responsibilities

The Investment Committee's main roles are:

1. To review investment proposals on behalf of the Board, taking into account the ability of such projects to fulfil the Board's objectives.
2. To make recommendations to the Board, via the Chair of the Committee, on new investment decisions (including decisions on further investment into already invested projects) in line with LWARB's Investment Framework and Business Plan.
3. To provide advice to Officers of LWARB on financial structuring, portfolio strategy and finance documents.
4. To approve changes to LWARB's position on particular invested projects if there is a material adverse change to an investment or commitment.
5. Overseeing the monitoring of approved / funded projects.
6. To report funding decisions to the Board.



7. To provide technical and policy advice to the Board on its investments and their respective performance.

Board – Investment Committee Interactions

The Board retains authority for making all new investment decisions.

For all **new** investment decisions (including requests for follow-on money to portfolio investments), the Investment Committee will appraise and input into proposals. If the Investment Committee is satisfied that a proposal should be invested in, a short summary recommendation is to be provided to the Board, signed by Investment Committee Chair, for a subsequent decision by the Board.

For all **existing portfolio** investment decisions, the Board has delegated authority to the Investment Committee to appraise, input and approve those decisions, to ensure that any issues within a portfolio company can be dealt with quickly to protect value.

However, should the decision result in a negative financial impact greater than £200,000 to LWARB, or if the decision could, in the eyes of the IC Chair, cause significant reputational damage to LWARB then the Investment Committee must make a recommendation to the Board for it to consider and decide.

All decisions made over **existing** portfolio investments to be reported to the Board at its next scheduled meeting.

Frequency of meetings

The Investment Committee will usually meet at least four times and at most twelve times per year.

Reporting Procedures

The Investment Committee will receive and consider, inter alia, the following reports:

- Minutes of previous Investment Committee meetings;
- Information on applications for funding;
- Information in respect of the portfolio of investments made and of their performance;
- Papers for consideration in respect of investment and portfolio strategy from time to time.

The Chairman of the Committee shall provide a report on its activities to each of the full Board meetings.

January 2013
Amended July 2015
Amended Dec 2015 (Quorum)
Amended 3rd August 2017