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Administration & Governance

Board paper title		Paper 31/10/19 - 1
Administration & Governance		
Report by	Wayne Hubbard	
Job Title	Chief Executive Officer	
Date of decision	Board meeting: 31 October 2019	

Summary
<p>This paper</p> <ul style="list-style-type: none"> • Reports on decisions taken via the written resolution procedure • Makes a recommendation to dissolve the LWARB Investment Committee • Makes a recommendation for the establishment of an LWARB Advisory Committee

Recommendations
<p>The Board is recommended to</p> <ul style="list-style-type: none"> • Note the approval of papers under the written resolution procedure • Dissolve the Investment Committee with effect from 31 October 2019 • Approve the amendments to the Scheme of Delegated Authority shown at Appendix 1 • Record a vote of thanks for the current members of the investment committee for their work. • Establish an LWARB Advisory Committee with terms of reference set out Appendix 2 • Delegate to the LWARB Chief Executive, in consultation with the LWARB Chair, authority to appoint the Chair of the LWARB Advisory Committee. • Delegate to the LWARB Chief Executive, in consultation with the Chair of the LWARB Advisory Committee, authority to appoint further members of the Advisory Committee.

Risk Management	
Risk	Action to mitigate risk
Written Resolutions: Risks were identified for the individual written resolutions. This current paper is for information only.	N/A
Disbanding of the Investment Committee removes a layer of oversight on LWARB's investment activities.	Officers will continue to seek input from Board members, in particular the Chair and current Chair of the Investment

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	Committee if required. Significant decisions which would have been put to the Investment Committee, will be put to the full Board.
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Implications
Legal N/A
Financial Dissolution of the Investment Committee will generate of saving of approximately £12,500 per annum.
Equalities The LWARB Chief Executive will endeavour to ensure that the membership of the newly established LWARB Advisory Committee reflects London’s diversity.

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Why the paper is being presented
The Board’s Standing Orders require that all decisions taken via the written resolution procedure are reported at the next Board meeting. Establishment or dissolution of any committees and their memberships requires a decision of the Board.

Written resolutions
Three papers have been issued under the written resolution procedure since the previous Board meeting: <i>11/06/2019 Scheme of Delegated Authority</i> This paper sought approval for the amendments to the Scheme of Delegated Authority to reflect the recent staff restructure. The recommendation was unanimously approved by those members of the Board who responded. <i>27/6/19 East London Biogas Limited – Settlement</i> This paper sought approval to enter into a settlement agreement with East London Biogas Limited’s owner and the settlement of all outstanding debts to LWARB. <i>24/07/2019 Adoption of LWARB Statement of Accounts 2018/19</i> This paper sought the formal adoption of the LWARB Accounts approval to enter into a settlement agreement with East London Biogas Limited’s owner and the settlement of all outstanding debts to LWARB. All three papers were approved by the Board.

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LWARB Investment Committee

LWARB's Investment Committee was established in 2009 shortly after the establishment of the Board to oversee the Board's investment activities. In recent years the majority of the Committee's work has been to review individual investment proposals and make recommendations to the Board on their appropriateness for LWARB investment.

Current members of the Committee are:

Melville Haggard (Chair, LWARB)
Barbara Anderson (LWARB)
Bassam Mahfouz (LWARB)
Charmian Love (External Member)
Anna Hyde (External Member)
Steve Hacking (External Member)

LWARB's investment programme has now been significantly changed, with an emphasis on investment via other investment vehicles (such as the London Green Fund and Greater London Investment Fund). No significant direct investments into individual businesses or funds are currently being developed and none are anticipated in the developing LWARB business plan for 2020-2025.

There is therefore no current need for an LWARB Investment Committee and it is proposed that it is disbanded with immediate effect.

Any ongoing monitoring of LWARB investments will be carried out by LWARB officers and any decisions required will be made in consultation with the Board chair and former Committee Chair (Melville Haggard), and with the approval of the full Board for investments or amendments to investments with a value greater than £200,000.

Recommended amendments to the Scheme of Delegated Authority to reflect these changes are shown at Appendix 1 (tracked changes on pages 4 & 5).

Any new investments will be made through MMC (for the circular economy venture capital fund under the Greater London Investment Fund (GLIF)). LWARB is a member of the Limited Partner Advisory Committee (LPAC) for the equity investments made by MMC and we have observer status on the LPAC for the debt investments made by the debt fund manager. LWARB will also be invited to fund manager presentations provided to the GLIF Board.

LWARB Advisory Committee

In order to increase dialogue between LWARB and its key stakeholders, the London Boroughs and the GLA, it is proposed that an LWARB Advisory Committee be established as a formal LWARB committee. The Committee will provide advice to LWARB in relation to its activities.

Proposed terms of reference for the Advisory Committee are attached at Appendix 2.

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The Committee membership shall include officers from London waste authorities, the Greater London Authority, London Councils and representatives from industry.

It is recommended that the appointment of the Chair of the Committee is delegated to the LWARB Chief Executive in consultation with the Chair of the Board. Appointment of other members is recommended to be delegated to LWARB Chief Executive in consultation with the Chair of the Advisory Committee.

The Advisory Committee's main roles will be to:

- advise LWARB on the effectiveness of its programmes;
- advise on areas of local authority work where LWARB could assist;
- help identify opportunities for collaboration between LWARB and the London boroughs;
- identify and monitor joint commercial opportunities;
- foster better joint working arrangements between waste authorities, London Councils, GLA and LWARB;
- help to co-ordinate LWARB behaviour change messages in London local authorities;
- help to take a unified London approach to data analysis and insights.

Further Information

Appendix 1: Draft amendments to the Scheme of Delegated Authority

Appendix 2: LWARB Advisory Committee draft Terms of Reference.

London Waste and Recycling Board Scheme of Delegated Authority

Preamble

The London Waste and Recycling Board Order allows the Board to authorise an individual member of the Board, an employee of the Board or a Committee of the Board to carry out any of its functions that it chooses.

All decisions are required to be made by the Board if they are not delegated to another person or committee either in this Scheme of Delegated Authority or by a decision of the Board.

This Scheme of Delegated Authority was adopted by the Board on 31 October 2019 and supersedes all previous versions.

Policy

Authority for making all decisions on the Board's policy sits with the Board. LWARB's main expression of policy is the Business Plan which it is required to publish each year.

Staffing and Remuneration

Authority for changes to the staff structure, establishment, pay and pay policy is delegated by the Board to the Audit Committee.

The day-to-day management of all staff (including recruitment of new staff) is delegated to the Chief Executive Officer to operate under the policies and procedures as agreed by the Board and/or Audit Committee (for example, the Pay Policy and other policies agreed in the Employee Handbook).

Resource London (London Waste Authority Support Programme)

The Resource London Partnership Board is responsible for the allocation and monitoring of expenditure within its budget (as set by LWARB and WRAP). Decisions on individual items of expenditure may be made as per the table below. Responsibility for the allocation of the overall budget to particular works streams lies with the Resource London Partnership Board.

Responsibility for monitoring of expenditure previously allocated by the Efficiencies Committee sits with the Resource London Partnership Board.

Circular London Programme

The budget for the Circular London Programme is set by the Board. Decisions on individual items of expenditure may be made as per the table below.

Investments

Authority for all new investment decisions (including decisions on additional investment in already invested projects) is retained 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. 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.

Virements

- Any virements between approved Business Plan budget lines below £50,000 shall require the approval of the Chief Executive Officer and will be reported to the next meeting of the Audit Committee.
- Any virements between approved Business Plan budget lines of between £50,000 and £100,000 shall require the approval of the Audit Committee at the next Audit Committee meeting.
- Any virements between approved Business Plan budget lines over £100,000 shall require the approval of the Board.

Approval of Expenditure

The tables below show the maximum spending authorities (in pounds sterling, including VAT) for different programmes. These limits apply to the ordering of goods and services as well as to the paying of invoices. All figures shown are inclusive of VAT.

Staff & Remuneration														
Activity	Note	Board	Board Chair	Audit Committee/Chair of Audit Committee	Investment Committee	Resource London Partnership Board	CEO	Head of Finance & Operations	Head of Programme - Resource London	Head of Programme – Circular London	Business Development Officers Local Authority Support Managers	Advance London Project Coordinator	Advance London Business Advice Manager	Governance Officer
		(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)
External Appointments	Standard contracts only.			>100,000 (Cttee)			100,000							
Agency or Seconded Staff (FTE annual cost)	Subject to approval of the AC for any increase in staff number for longer than 3 months.			>100,000 (Cttee)			100,000							
Annual Pay Increments	Within approved pay policy only.		CEO 's				All							
Other Remuneration (including ex-gratia payments, Loans, PRP)	Loans other than transport season ticket loans may not be approved other than with the explicit approval of the Board Chair.			>5,000 (Cttee)			5,000							
Expenses Claims		>10,000	10,000	1,000 (Cttee Chair*)			1,000	1,000	500	500		500	500	
	<p>Note:</p> <ul style="list-style-type: none"> All expenses claims must be approved by the claimant's line manager or the Head of Finance & Operations, unless for an amount greater than that manager's delegated authority, in which case they are to be approved by the CEO, the Board Chair or the Board. Board Members' expenses are to be approved by the CEO or the Chair of the Board, unless for an amount greater than the CEO 's delegated authority, in which case they are to be approved by the Board Chair, or the Board. Expenses incurred by Committee members who are not Board members are to be approved by the CEO or the Chair of the Board, unless for an amount greater than the CEO 's delegated authority, in which case they are to be approved by the Board Chair, or the Board. The CEO 's expenses must be approved by the Board Chair. All expenses must be in accordance with the Board's expenses policy as contained in the Operations Manual. <p>*The Board Chair's expenses must be approved by the Audit Committee Chair.</p>													

Circular London Programme														
Activity	Note													
		Board	Board Chair	Audit Committee/ Chair of Audit Committee	Investment Committee	Resource London Partnership Board	CEO	Head of Finance & Operations	Head of Programme - Resource London	Head of Programme – Circular London	Business Development Officers	Advance London Project Manager	Advance London Business Advice Manager	Governance Officer
		(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)
CE Programme Costs (Ex Investment & Advance London)		>100,000					100,000	100,000		50,000	10,000			
Advance London SME Support Programme Costs.		>100,000					100,000	100,000		50,000		5,000	25,000	
New Investment Proposals		All					<u>100,000</u> or Approval on behalf of the Board <u>if greater*</u>	Signature on behalf of the CEO or Head of Programme – Circular London		Approval on behalf of the Board*				
Amendment to existing investments		>200,000			200,000		<u>200,000</u> or Approval on behalf of the Board <u>if greater*</u>	Signature on behalf of the CEO or Head of Programme – Circular London		Approval on behalf of the Board*				

Investment Development , Evaluation and Monitoring Costs					>50,000		50,000	50,000		25,000	10,000			
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Note: Investment Programme

NB: ~~T~~he Board shall approve any new investment proposals, or amendments to existing ones, with a value greater than £200,000, based on recommendations from ~~the Investment Committee officers, which will be informed by outline proposals for investment~~. Unless specifically decided otherwise, the detailed negotiations and contracting are delegated by the Board to the Head of Programme – Circular London who shall seek further approval from the Board -should there be a material adverse change to the proposal as originally agreed. The Board may delegate to the Head Programme – Circular London, and the CEO the authority to negotiate and sign contracts on its behalf subject to the qualification above. Other investment proposals or amendments to existing ones with a value less than £200,000 will be approved by the Chief Executive in consultation the Head of Programme – Circular London and also with the Chair of the Board and former chair of the Investment Committee if greater of greater value than £100,000.

*Where a commitment has previously been made by the Board

Resource London (London Waste Authority Support Programme)														
Activity	Note	Board	Board Chair	Audit Committee/ Chair of Audit Committee	Investment Committee	Resource London Partnership Board	CEO	Head of Finance & Operations	Head of Programme - Resource London	Head of Programme – Circular London	Head of Communications/Local Authority Support Managers/ Project Development Manager – Commercial Recycling	Communications and Campaigns Officer	Advance London Business Advice Manager	Governance Officer
		(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Project Funding Agreements						>50,000	50,000		25,000					
Project Development , Evaluation and Monitoring Costs						>50,000	50,000		25,000					
Programme Costs						>100,000	100,000	100,000	50,000		10,000	1,000		

General/Central/Admin Costs															
Activity	Note														
		Board	Board Chair	Audit Committee	Investment Committee	CEO	Head of Finance & Operations	Head of Programme (Resource London)	Head of Programme – Circular London	Head of Communications	Corporate Communications Officer	Business Development Officers	Advance London Project Coordinator	Advance London Business Advice Manager	Governance & Secretariat Officer/Community & Office Manager
		(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Operational Costs		>100,000	100,000			50,000	50,000	25,000	25,000	50,000	1,000	1,000			1,000
Other expenditure/tenders/contracts	Expenditure in accordance with contracts already approved at an appropriate level may be approved by the CEO or the Head of Finance & Operations.	>100,000	100,000			50,000	50,000								
Settlement of Legal Proceedings		>20,000	20,000			10,000									

Bank Mandates

Cheque Payments	Up to £5000 two signatories one of which must be Group A or B; > £5000 two signatories one of which must be Group A					
Standing Orders and Direct Debits	Up to £5000 two signatories one of which must be Group A or B; > £5000 two signatories one of which must be Group A					
Electronic banking (internal transfers)	WH or EC only					
BACs Run	Up to £1,000,000 any two signatories one of which must be Group A or Group B; above £1,000,000 any two signatories one of which must be group A (individual items to be initialled in line with Cheque Payments)					
CHAPs	Up to £5000 two signatories one of which must be Group A or B; > £5000 two signatories one of which must be Group A					
Changes to mandate	Two Group A signatories					
Signatory	BM	WH	AB	JC	EC	AL
Signatory Group	A	A	B	B	B	C
BM - Board Member						
WH - Wayne Hubbard						
EC - Eddie Confoy						
AB - Antony Buchan						
JC- James Close						
AL - Adam Leibowitz						

Terms of Reference for the LWARB Advisory Committee

The London Waste and Recycling Board (the “Board”) was established under section 356A of the Greater London Authority Act 2007 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 Advisory Committee is a committee of the Board under article 8 of the Order.

The Advisory Committee was established by a decision of the Board on 31 October 2019.

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

Membership

The Committee membership shall include officers from London waste authorities, the Greater London Authority and London Councils and representatives from industry.

Appointments to the Committee are made by the LWARB board and are specific to the particular individuals specified. Appointment of the Chair of the Committee is delegated to the LWARB Chief Executive in consultation with the Chair of the Board. Appointment of other members is delegated to LWARB Chief Executive in consultation with the Chair of the Advisory Committee.

In the absence of the Chair at a meeting the members of the Advisory Committee present may nominate a committee member to deputise in his or her place for the duration of the meeting.

Under Section 18 of The London Waste and Recycling Board Order 2008 committee meetings are open to the public: this is subject to paragraphs 18 (2) and (3) which refer to the exclusion of the public where confidential information may be disclosed.

Quorum

A quorum will be constituted provided that at least one third of the members or four (whichever is the greater) are present.

Governance

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

Purpose

The Committee’s main purpose will be to provide advice to LWARB in relation to its activities and provide a forum for dialogue between LWARB, the London Boroughs and the GLA.

The Advisory Committee's main roles are to:

- advise LWARB on the effectiveness of its programmes;
- advise on areas of local authority work where LWARB could assist;
- help identify opportunities for collaboration between LWARB and the London boroughs;
- identify and monitor joint commercial opportunities;
- foster better joint working arrangements between waste authorities, GLA and LWARB;
- help to co-ordinate LWARB behaviour change messages in London local authorities;
- help to take a unified London approach to data analysis and insights;

Frequency of meetings

The Advisory Committee will meet at least four times a year.

Reporting Procedures

At each of its meetings, the Advisory Committee will receive and consider, inter alia, the following reports:

- Minutes of previous Advisory Committee meetings;
- Updates on LWARB programmes.

The Chair of the Advisory Committee will present a report on the committee's activities to each LWARB Board meeting.

October 2019.