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**Chief Executive Officer's Report**

<b>Board paper title</b>		Paper 25/02/21- 2
Chief Executive Officer's Report		
<b>Report by</b>	Wayne Hubbard	
<b>Job Title</b>	Chief Executive Officer	
<b>Date of decision</b>	Board Meeting 25 February 2021	

<b>Summary</b>
This report provides an update on recent activity.

<b>Recommendations</b>
The Board is recommended to note the updates presented.

<b>Risk Management</b>	
<b>Risk</b>	<b>Action to mitigate risk</b>
No specific risks are identified in relation to this report.	

<b>Implications</b>
<b>Legal</b> None
<b>Financial</b> None
<b>Equalities</b> None

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### Why the paper is being presented

The paper is presented in order to provide an update on activities since the last meeting of the Board.

### Report

#### Top issues

##### Commercialisation

**See section below**

##### Recovery / Green New Deal /consumption Emissions work with boroughs

We continue to work effectively with London Councils and the GLA on these issues. A number of groups have been developed to deal with these separate but related issues and LWARB is represented on a number of the relevant ones. The widespread adoption of a low carbon circular economy is crucial to the delivery of many aspects of the current recovery and climate work.

##### Office

Once we have formal approval from the board to move offices, we will need to swiftly inform the landlord and then engage a project manger to help us safely and sustainably dismantle the current office. We will also need to find new accommodation in a shared space. The pandemic is making decisions around this complex. We need to balance getting the best space for our needs against the potential costs of renting space we cannot use.

#### Feedback from board members

Following on from discussions between the Chair and board members we will also update on progress with the following:

- Newsletter to boroughs – in the planning stage currently
- Identification of boroughs lead members – this is currently being compiled as part of our stakeholder mapping exercise and we intend to use the rebrand as a way of reaching out to members
- Borough 'menu' of services – this is being developed currently as party of the commercialisation process

#### COVID-19

Staff are continuing to work from home. Our IT infrastructure has remained robust and our cloud-based infrastructure has enabled us to work from home without any IT disruptions.

Although staff were due to return to the office in October for at least one day per week, the introduction of the tier system and then the national lockdown meant that

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we have been unable to return to the office with any regular pattern since the lockdown in March 2020.

Despite this, and the onboarding of new staff, the team have been managing well and continuing to work through our programme, or to pivot where needed. I continue to be very proud of their resilience and commitment to serving London and Londoners throughout this period.

The government are due to set out a route map out of lockdown on 22 February and we will review our planning once we know more details.

### **Finance/Funding**

We have been unable to accept funding (which was c.£100,000) from WRAP for food reduction measures at Universities. Due to the COVID-19 pandemic it will not be possible to work with students this year and we asked WRAP to defer the project but they declined.

We have been awarded £900,000 from the GLA under the Mayor's Green New Deal programme. As reported at the last meeting, the funding is to deliver support to circular economy SMEs through Advance London. We are working closely with the Better Futures programme (aimed at cleantech businesses). We hope to be signing the contract shortly and launching the fund.

### **Staffing**

#### *Leavers*

- James Close, Head of Programme – Circular London
- Maija Maanavilja, Senior Advisor – Circular London

#### *Joiners*

- Hilda Alinda – Project Coordinator, Advance London
- Purva Tavri – Research Coordinator, Built Environment (CIRCUIT). Fixed term 6 months, part time
- Pauline Metivier – Head of Programme, Circular London (From 31<sup>st</sup> March)
- Sarah Malone – Senior Advisor – Circular Economy Analytics & Knowledge (From 6 April 2021)

#### *Pending confirmation*

- 2 x Circular Economy Advisors (AL/CL) Fixed term, 1yr
- 1 x Business Engagement Lead (AL) Fixed term, 1yr

#### *Current recruitment*

- Business Advisor – Advance London

#### *Future recruitment*

- 1 x Administrator (Central). Permanent, Full time

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- Deletion of 1 Business Development Officer Grade 9 in Resource London team to be replaced with two new posts at lower grades (pending approval by Audit Committee)

A staff structure chart is attached at Appendix 4. This includes all current permanent staff as well as interns and other fixed term positions established help deliver specific projects.

### Organisational Structure review

To support commercialisation, we need to change the way we work to (for example) ensure that knowledge is shared, to encourage a more commercial outlook, to better meet the needs of clients, to be more dynamic. In addition, the way that the organisation rewards employees need reviewing to support the aims of commercialisation.

A tender has been issued for a consultant to review and recommend options for change.

### Communications and publicity

*Press releases:*

Four news releases have been distributed since the last Board meeting:

- 7<sup>th</sup> October 2020 – the launch of our first ever **London Repair Week** was accompanied by a news release which achieved significant coverage, including Evening Standard and two primetime evening news broadcast features (ITV London and BBC London).
- 8<sup>th</sup> October 2020 – the launch of an innovative **e-bike waste collection service** in collaboration with Positively Putney was accompanied by a news release, picked up by Circular Online, Resource magazine and four local media outlets in Wandsworth and south west London.
- 19<sup>th</sup> November 2020 – **Green New Deal** funding for SMEs. The wider release from GLA on the whole funding package got widespread pick-up, but this LWARB release on the £900k pot was not picked up by the media. It did however prompt a request for a [think piece](#) from the LWARB CEO in Elite Business, on why SMEs and a circular economy are vital for a green recovery.
- 2<sup>nd</sup> February 2021 – a release was sent out to specialist titles following the **Hounslow 'Meet the Borough'** event run in collaboration with Advance London. Distribution was supported by the Hounslow communications team with no coverage reported as yet.

LWARB also partnered on an additional release with EcoSurety in December, in which they announced their funding awards to a range of UK environmental projects – including an extension to our flats recycling project, piloting the introduction of separate food, textiles and WEEE recycling to estates in Lambeth.

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A news release on the publication of our research findings on recycling in holiday lets was postponed in autumn due to the impact of the pandemic on holidays.

### *Events:*

During Repair Week in October LWARB hosted two events:

- LEDNet and LWARB hosted 'How to establish (and sustain) **repair and re-use in your community**', a webinar designed for local authorities to learn from others who have delivered successful initiatives in London and beyond.
- '**Circular IT and electricals**: tackling the climate emergency through sustainable procurement' – hosted by LWARB in collaboration with HP Enterprise, this webinar took (mainly borough) attendees through the benefits and opportunities in circular IT and procurement, including an introduction to the circular procurement toolkit. The event had 81 sign-ups and c.50 attendees on the day, with 41 further views on catch-up.

The postponed '**London vs. food waste**' event from March finally took place on 3<sup>rd</sup> December, in collaboration with Winnow and the Embassy of Denmark. The event was sold out (500 tickets were available) with c.250 of those attending the live event on the day, and a further 136 views on catch-up so far. Winnow have since expressed interest in a re-run of the event in spring and are in discussions with us about a collaboration during COP26 as a direct result of the event's success.

A partnership with Movers & Shakers, a construction industry network organisation, was kick-started on 9<sup>th</sup> February with an LWARB-curated and hosted event on the road to COP and the role of circular construction in tackling climate change. The event attracted 119 attendees on the day and is now available to view for a wider audience. It is the first of an event series in collaboration with the network.

The Resource London team ran two webinars to provide insights and support to boroughs: one in November, on the impact of COVID-19 on recycling and waste services; and one in December on using the Flats Recycling Toolkit.

More detail on LWARB's active presence at events – as speakers, panellists, hosts or exhibitors – since the last Board meeting is contained in Appendix 1.

### *Podcast:*

The podcast has been rebooted, starting with an episode on repair to coincide with Repair Week in October, and followed by a number of short-form episodes made up of interviews with individuals talking about their personal and professional work to accelerate a circular economy. Episodes have included interviews with Chantelle Nicholson, on food and sustainable restaurant practices; Miquel Ballester from Fairphone on their purpose to change the smartphone industry by creating a repairable, sustainable and socially responsible phone; and one in production currently with Kate Hand from London Councils on the role of local government in tackling climate change.

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A longer, 'deep dive' episode is currently in planning on the path to COP, the role of consumption-based emissions in climate change and how circular economy can help.

### *Branding:*

The 'go live' date for the launch of our new branding has been moved back by a week to 8th March, due to the timelines around the new website design and build.

Significant progress has been made on all relevant assets, as follows:

- **Templates & core items** – the logo(s) and wider identity guidelines have been developed in detail, including graphic devices, colour palettes, illustrations, PowerPoint templates, stationery, social media visuals, report templates and fonts.
- **Website** – the URL for the new brand has been confirmed with the Cabinet Office and new email addresses are being set up for all employees. The website has been designed and is now being built and will be available for content to be loaded from 22<sup>nd</sup> February. The redirects required from our legacy three sites (LWARB, Resource London and Circular London) are being set up. There is still a challenge around ensuring that content for the website is ready and uploaded on time for the launch, but the team is working extremely hard to ensure the site will be launched on 8<sup>th</sup> March with all high priority content available as a minimum.
- **Advance London website** – we are retaining a separate website for the time being to support the work of the Advance London programme (to be renamed Business Transformation from 8<sup>th</sup> March). Work is underway to 're-skin' the site so that it is brought into line with the new identity, using the correct colours, fonts and logos.
- **Brand messaging** – a messaging book is being developed to support colleagues when presenting or talking to external audiences, covering essential messages about our vision, mission, beliefs, priorities, audiences and desired impacts.
- **Communicating the rebrand** – a comprehensive communications plan has been developed to ensure that the rebrand will be effectively communicated to our stakeholders. Core elements include a communications pack to support face-to-face meetings with key partners in the lead-up to, and immediately following, the launch; a branded email announcement to be sent to all contacts on our CRM system; and a survey with a press release to communicate the rebrand to target media.
- **Case studies** – a set of case studies will be produced over the coming two months to help us market the work we do more widely; three of these will be created by the time of the brand launch, with a further seven to be ready by end April.

### **Progress Against Business Plan Milestones (2020/21)**

Detailed updates on programmes are included in paper 4.

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### Commercialisation

Our objective is to develop LWARB's commercialisation approach to create financial sustainability by the end of the 2020-25 Business Plan.

A commercial manager has been recruited (Rosario Di Dio). Rosario is focusing on the development of a circular economy directory and the creation of a circular economy training academy and looking to conduct some early testing in the first half of 2021.

We have established a commercialisation group to assess opportunities and determine our tactical approach. Joe Murphy has been joining the group discussions. There are a number of issues that are beginning to emerge from the commercialisation group. These cover resourcing, prioritisation, organisational structure, and culture. The commercial manager is establishing a consistent approach to opportunity management and assessing opportunities, including an agile approach to early market testing of business initiatives.

The commercial manager is developing a written document to help steer us and that will be produced by the 1 April. It will set out: Commercial objective, priority commercial developments, ad hoc opportunity assessment and qualification, proposal assessment processes, governance, and outline our approach to resource management and allocation together with any recommendations for future resourcing needs or potential structural changes.

To help steer the development of it would be useful to have a commercial discussion with the board at the next board briefing session. We will canvass board members for suitable dates in March.

### Circular Economy Directory

We have initiated our work on the circular economy directory which will connect citizens to circular products and services (many linked with the Advance London programme). The first phase is market analysis on the current provision, the need for a directory and how it could complement local authority procurement activities.

### Training Academy

We are currently working on the framework of what a 'Circular Economy Training Academy' could entail, as well as developing a circular economy masterclass for London boroughs (to be delivered at cost). We are in the process of deciding how the courses will be developed and delivered and are working on the commercial business model.

### Reduction and Recycling Plans (RRP)

The London Environment Strategy (LES) includes a requirement for all boroughs to develop RRP, the first of which will cover the four-year period from 2018 - 2022. All RRP have now been submitted and signed off. Working with GLA colleagues and based on borough priorities and support is being provided on four key areas:

- Restricted residual (size and frequency) – including three weekly collections;

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- Introduction of commercial food collections;
- Improving kerbside and introducing flats food waste services; and
- Improving flats recycling services.

### COVID-19 Response

When the pandemic hit, LWARB acted quickly to support boroughs, frontline services and support businesses. Given the ongoing pandemic restrictions the team is continuing to deliver COVID19 related project that focus on recovery. Of particular note, the Advance London programme has secured £900k from the Mayor's Green New Deal, to be directed towards London-based, circular SMEs currently facing difficulties due to the pandemic (based on the results of the April-June 2020 SME survey conducted by Advance London).

### **Audit Committee Activity**

The Committee, Chaired by Cllr Guy Senior, met twice on 15 December 2020 and on 11<sup>th</sup> February 2021, since the previous Board meeting and considered the following items.

#### **Finance**

The Committee noted the approval of the Board's Annual Governance and Accountability Return (AGAR) and external Audit Report for the year end 31/03/31. The external auditor raised no issues around the AGAR other than some procedural issues around its approval. As this was the first year that LWARB was audited as smaller authority, a set of accounts was also produced in a comparable format to previous years which was also noted by the Committee.

Q2 and Q3 2020/21 management accounts were approved. (Appendix 2a and 2b).

The Committee was given updates on grant funding secured:

- Foodwave: 340,000 euro food waste project funded by the EU (LWARB has taken over from the GLA as the London partner to this project).
- Flats recycling: £146,000 from EcoSurity to deliver an extension off the flats recycling project.
- Student halls food waste project: £100,000 from WRAP (ultimately it has not been possible to carry out this project due to COVID-19 and funding has had to be declined).
- GLA Green New Deal: £900,000 grant from the GLA to support circular economy SMEs.

#### **HR**

The Committee noted the outcomes of a review of staff grades: External consultants were contracted to undertake a review of all positions within the organisation and their grading to ensure internal consistency and alignment with the prevailing market. External benchmarking showed that LWARB pay was generally in the middle of the market range. One role (one position) was found to be under-graded and one (three



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positions) was found to be over-graded. A regrading of three positions has been undertaken and no issues have arisen among the staff.

The Committee noted recent turnover in staff within the organisation. The latest changes are reported above.

### **Internal Audit Plan**

The Committee approved the internal audit plan as presented by internal Auditors TIAA/Ankura Ltd and noted that under the audit arrangements for a smaller authority, external audit is a much lighter touch so greater reliance must be placed on the internal audit, including by the external auditors.

### **Risk Management**

The Committee reviewed the current corporate risk register. Some minor amendments were made and an entry noting the risks arising from commercial activity was added to the register. The Risk Register is included at Appendix 3 for information.

### **Scheme of Delegated Authority**

The committee reviewed proposals for an amendment to the Board's Scheme of Delegated Authority and agreed they be recommended to the Board for approval (approval is sought in paper 1 at this meeting).

### **Supporting papers/appendices**

Appendix 1 – Events List  
Appendix 2a – Finance Report Q2 2020/21  
Appendix 2b – Finance Report Q3 2020/21  
Appendix 3 – Risk Register  
Appendix 4 – Staff structure diagram

**Appendix 1: Events List**

Date	Event	Organiser	Type of event	Topic	Attended by	Audience	Role
01/10/2020	Sports positive summit	Sports Positive Summit	Conference	Sustainable Events	Natalia Agathou, Ryan Clark	Sports organisations, corporates, SMEs	Presenter, Booth host
06/10/2020	Defra/Industry data working group n	Defra	Working group	Data	Sarah Craddock	Government, waste management	Presenter
08/10/2020	MRF and markets conference	Let's Recycle	Conference	Tackling contamination in London	Beverley Simonson	Waste management	Presenter
08/10/2020	TFL Sustainability Staff Network	TFL	Guest speaker event	Waste matters	Antony Buchan and James Close	TFL staff	Presenter
08/10/2020	Fashion Revolution Community Meet	Fashion Revolution	Working group	Fash Rev update	Hannah Carter	Fashion Industry activist groups	Participant
08/10/2020	Camden CleanAir + Cup Club	Camden Clean Air Initiative	Webinar / panel	Circular economy and climate change	Natalia Agathou	Business, individuals	Presenter
12/10/2020	How to establish (and sustain) repair and reuse in your community. A London Repair Week 2020 Webinar	LWARB	Webinar	Repair	Ali Moore	Waste management, local authority and businesses	Presenter
14/10/2020	LARAC virtual conference	LARAC	Conference	Flats	Gemma Scott, Cathy Cook	Waste management	Chair and presenter
14/10/2020	APPG - climate change and fashion	UK Gov	Consultation	Fashion	Andrea Crump	Fashion	Participant
16/10/2020	Circular IT and electricals: tackling the climate emergency through sustainable procurement webinar	LWARB	Webinar	Circular economy in the electricals sector	James Close	Waste management, local authority and businesses	Host
27/10/2020	Climate change needs behaviour change	Future of London	Webinar	Behaviour change	Ali Moore	Local Authorities, NGOs and businesses.	Presenter
27/10/2020	City Hubs Link	Connected Cities Catapult	Webinar	Green incubators and hubs	Natalia Agathou	Incubators, Accelerators, Business support organisations	Participant
30/10/2020	International circular cities week	Circular economy club	Round table	How to mainstream Circular Economy in London in the wake of Covid.	Wayne Hubbard	Government, business, NGOs, local authority	Presenter
30/10/2020	International circular cities week	Circular economy club	Panel debate	How to mainstream Circular Economy in London in the wake of Covid.	James Close	Government, business, NGOs, local authority	Presenter
03/11/2020	Climate change and circular economy	Welsh gov	Conference	Climate Change and the Circular Economy in Wales	James Close	Government, business, NGOs, local authority	Presenter
11/11/2020	Adapting waste services to COVID-19	LWARB	Webinar	Adapting waste services to COVID-19	Antony Buchan, Cathy Cook and Sarah Craddock	Waste management, local authority and businesses	Host and presenter
18/11/2020	New York recycling conference	New York city	Webinar	London's Transition to a Circular City	Antony Buchan	Waste management, local authority and businesses	Presenter
19/11/2020	Wandsworth and West London Alliance Climate Summit	Wandsworth council	Webinar	An Introduction to the Circular Economy	Doug Simpson, Rosario Di Dio	Waste management, local authority and businesses	Presenter, RDD as attendee
19/11/2020	Consumption based emissions - plastics workshop	London Councils	Workshop	Plastics	Beverley Simonson, Andrea Crump, Alexander Von Joest	Local authorities	Presenters and facilitators
20/11/2020	London climate action week	E3G	Webinar	Sustainable Net Zero London	James Close	Government, business, NGOs, local authority, citizen	Presenter
24/11/2020	Navigating Procurement	Advance London	Webinar	Navigating Procurement	Jean Billant	SME businesses	Host and presenter
25/11/2020	London and the Circular Economy: The Role of Higher Education	Ellen MacArthur Foundation	Webinar	London and the Circular Economy: The Role of Higher Education	Doug Simpson, Maija Maanavilja, Jean Billant, Rosario Di Dio	Higher education	Presenter
25/11/2020	Circular Economy Statements Guidance Consultation	London gov	Consultation	Circular economy in the built environment	Andrea Charlson	Built environment, local authority	Presenter
27/11/2020	Fashion Revolution Industry Calling	Fashion Revolution / Fashion Roundtable	Working group	Fashion Industry stakeholders update meeting	Hannah Carter	Policy, activism, Textiles 2030, Cop 26 etc.	Participant/Presenter
30/11/2020	Circular Economy Statements Guidance Consultation - Boroughs	London gov	Consultation	Circular economy in the built environment	Andrea Charlson	Built environment, local authority	Presenter
01/12/2020	A4S Summit	Deloitte	Panel	Accelerating climate action	James Close	Business	Presenter
01/12/2020	Understanding the costs and benefits associated with LWARB's Flats Recycling Package	LWARB	Webinar	Understanding the costs and benefits associated with LWARB's Flats Recycling Package	Antony Buchan and Gemma Scott	Local Authorities	Host and presenter
03/12/2020	ASBP Reuse summit	ASBP	Conference	Circular economy in the built environment	Andrea Charlson	Built environment actors	Presenter
03/12/2020	London vs Food waste	LWARB	Webinar	London vs. food waste: acting now on SDG 12.3	Liz Goodwin, Rosario Di Dio	Food businesses	Host and presenter, RDD as attendee
03/12/2020	Policy mapping advisory group workshop	LWARB	workshop	Policy Mapping workshop	Andrea Crump, Doug Simpson	Route Map advisory group members (government, C40, EMF, Universities etc)	Host and presenter
04/12/2020	Public Procurement in Cities #2	Ellen MacArthur Foundation	Workshop	Public Procurement in Cities #2	Doug Simpson	Government, business, local authority,	Participant
09/12/2020	Meet the Buyer - Food Innovations event	Advance London	Networking	Meet the Buyer - Food Innovations event	Jean Billant, Rosario Di Dio	Food businesses	Host, RDD as attendee
10/12/2020	The Communications Conference	Environment Media Group	Conference	HOW HAS COVID-19 CHANGED THE WAY WE COMMUNICATE?	Violetta Lynch	Recycling and waste management, local authorities	Presenter

15/12/2020	Meet the Borough	Advance London	Networking	Meet the borough	Lamia Sbiti, Rosario Di Dio	Local authority, businesses	Host, RDD as attendee
15/12/2020	CircE workshop	Lombardia	workshop /panel discussions	CircE action plan progress presentations to cities	Andrea Crump	government, regional government	presenter
16/12/2020	Practical Ways to Tackle Household Recycling Contamination	CIWM Midlands	Webinar	Practical Ways to Tackle Household Recycling Contamination	Beverley Simonson	Waste mangement	Presenter
18/01/2021	CIRCulT London Urban Decision Maker Forum	LWARB	Forum	London Urban Decision Maker Forum 2	Andrea Charlson	Built environment actors and local authority	Host
21/01/2021	LROG meeting	LROG	Forum	Tackling contaminaiton in London	Beverley Simonson	Local authorities	Presenter
21/01/2021	Smart Sustainable Cities Workshop	Glasgow City, FCDO	workshop /panel discussions	identifying city approaches to circular econor	Andrea Crump	Global cities	presenter
27/01/2021	Increasing participation in food waste collections	GLA	Webinar	Increasing participation in food waste collections	Cathy Cook	Local Authorities	Co presenter
02/02/2021	Drapers Sustainable Fashion Awards Judging session	Drapers	working group	Discussing/Selecting winners of the various awards categories	Hannah Carter	Private event - other judges are fashion industry professionals	Judge
09/02/2021	The road to COP: circular construction	LWARB / Movers & Shakers	Webinar / panel	What is circular economy? What does it mean for construction? What are key players doing to tackle climate change?	Andrea Charlson	Built environment professionals: architects, developers, construction companies etc.	Host and presenter
10/02/2021	Single-use plastics workshop	LWARB	Workshop	Activities to reduce single-use plastics in London, impact of COVID-19 and lessons from elsewhere	Beverley Simonson, Rachel Shairp, Anya Trivedi	Closed event - included local authorities, GLA, businesses, third sector	Host and presenters
10/02/2021	Virtual Connections Cafe	Connected Cities Catapult	Webinar	Circular economy and SMEs	Natalia Agathou	SMEs, government organisations, individuals, academics, corporates	Presenter
25/02/2021	Circular Business Masterclass - in partnership with Bexley	Advance London	Workshop	What is a circular business? How can businesses apply circular principles to their own business?	Lamia Sbiti, SMEs, Bexley representatives	Closed event - includes SMEs in Bexley and a small number of representatives from Bexley	Host and presenters
23/02/2021	Green Innovation Policy Meeting	Co-hosted by UCL, Climate-KIC and Sustainable Venture in partnership with CleanTech London.	Workshop	Green Innovation Policy: Fostering place-based innovation for net zero in London and beyond	Lamia Sbiti	Sustainability network in London	Attendee

## London Waste & Recycling Board

### Finance Report Q2 2020/21

#### Profit & Loss Summary

For the 6 months to September LWARB was ahead of budget on income and underspent on overheads leading to a net spend of £1.3m compared to a forecast net spend of £2.0m.

Advanced London underspend £41k, Resource London underspend £255k, Circular London under budget by £102k.

#### LWARB P&L summary to 30/09/2020

	2020/21 H1 Actual	2020/21 H1 Budget	Variance	%	FY Budget 2020/21	%
<b>P&amp;L</b>						
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
<b>Income</b>						
Bank Interest and other income	61.83	-	61.83	-	-	-
Funding	326.73	163.93	162.80	99%	338	97%
Asset sale/revaluation	(74.04)	-	(74.04)	-	-	-
<b>Total income</b>	<b>314.52</b>	<b>163.93</b>	<b>150.59</b>	<b>99%</b>	<b>338</b>	<b>97%</b>
<b>Advance London</b>	<b>(170.07)</b>	<b>(211.15)</b>	<b>41.08</b>	<b>-19%</b>	<b>(422)</b>	<b>40%</b>
<b>Resource London</b>	<b>(595.74)</b>	<b>(850.41)</b>	<b>254.67</b>	<b>-30%</b>	<b>(1,683)</b>	<b>35%</b>
<b>Circular London</b>	<b>(233.90)</b>	<b>(335.82)</b>	<b>101.92</b>	<b>-30%</b>	<b>(658)</b>	<b>36%</b>
<b>Total Programme spend</b>	<b>(999.71)</b>	<b>(1,397.38)</b>	<b>397.67</b>	<b>-28%</b>	<b>(2,763)</b>	<b>36%</b>
<b>Overheads</b>						
Rent & rates	(180.43)	(179.71)	(0.73)	0%	(401)	45%
Staff Costs*	(281.36)	(376.14)	94.79	-25%	(731)	38%
Other Overheads	(161.72)	(220.85)	59.14	-27%	(400)	40%
<b>Total Overheads</b>	<b>(623.51)</b>	<b>(776.70)</b>	<b>153.20</b>	<b>-20%</b>	<b>(1,532)</b>	<b>41%</b>
<b>Profit/Loss</b>	<b>(1,308.69)</b>	<b>(2,010.15)</b>	<b>701.46</b>	<b>-35%</b>	<b>(3,958)</b>	<b>33%</b>

\* Core staff cost – excludes most dedicated Resource London, Advance London and Circular London staff, whose costs are included in relevant programme budget lines

#### Expenditure Summary

LWARB's cash position at the end of Q2 was £603k better than budget due to £701k better P&L for the period and lower investment expenditure (the opening cash position was adverse to the original budget as a result of accelerated investment in the GLIF in 2019/20).

LWARB expenditure summary to 30/9/2020	H1 Actual	H1 Budget	Var.	%	FY Budget	%
Opening cash	18,537	19,429	(892)	-5%	19,429	95%
Net Income / (Expenditure)	(1,309)	(2,010)	701	-35%	(3,958)	33%
(Increase)/decrease in project loans	-	-	-	-	-	-
(increase)/decrease in equity investments	(361)	(1,203)	842	-70%	(2,405)	15%
Other	(48)	-	(48)	-	-	0%
<b>Net Income / (Expenditure)</b>	<b>(1,718)</b>	<b>(3,213)</b>	<b>1,495</b>	<b>-47%</b>	<b>(6,363)</b>	<b>27%</b>
Closing cash	16,819	16,216	603	4%	13,066	129%

LWARB Income and Expenditure detail

Income & Expenditure (£000s)														
London Waste and Recycling Board														
For the 3 months ended 30 September 2020														
	Period							YTD						
	Actual	Budget	Variance	%	Prior Year	Variance (Actual to Prior Year)	%	Actual	Budget	Variance	%	Prior Year	Variance (Actual to Prior Year)	%
<b>Income</b>														
Bank interest receivable	61.70	-	61.70		55.08	6.63	12%	61.83	-	61.83		55.35	6.48	12%
C&A Foundation	22.24	-	22.24		122.00	(99.76)	-82%	22.24	-	22.24		85.00	(62.76)	-74%
Grant income	172.77	66.97	105.80	158%	47.11	125.66	267%	172.77	133.93	38.84	29%	50.31	122.46	243%
Loan interest income	-	-	-		-	-		-	-	-		-	-	
Other income	131.72	15.00	116.72	778%	28.96	102.76	355%	131.72	30.00	101.72	339%	28.96	102.76	355%
<b>Total Income</b>	<b>388.44</b>	<b>81.97</b>	<b>306.47</b>	<b>374%</b>	<b>253.15</b>	<b>135.29</b>	<b>53%</b>	<b>388.56</b>	<b>163.93</b>	<b>224.63</b>	<b>137%</b>	<b>219.62</b>	<b>168.94</b>	<b>77%</b>
<b>Programme Expenditure</b>														
Advance London programme expenditure	96.70	105.58	(8.87)	-8%	121.36	(24.66)	-20%	170.07	211.15	(41.08)	-19%	231.77	(61.70)	-27%
C&A Foundation costs	-	-	-		85.00	(85.00)	-100%	-	-	-		85.00	(85.00)	-100%
Circular Economy - Reusable Buildings	-	-	-		-	-		-	-	-		-	-	
Circular Economy Accelerator programme	-	-	-		117.20	(117.20)	-100%	-	-	-		147.33	(147.33)	-100%
Circular Economy programme expenditure	108.99	161.04	(52.05)	-32%	43.67	65.33	150%	233.90	335.82	(101.92)	-30%	149.40	84.50	57%
Investment programme costs	-	-	-		5.63	(5.63)	-100%	-	-	-		8.03	(8.03)	-100%
Impairment losses	74.04	-	74.04		(391.53)	465.57	119%	74.04	-	74.04		(391.53)	465.57	119%
Resource London programme expenditure	315.29	416.31	(101.02)	-24%	330.56	(15.27)	-5%	595.74	850.41	(254.67)	-30%	688.28	(92.54)	-13%
<b>Total Programme Expenditure</b>	<b>595.02</b>	<b>682.93</b>	<b>(87.90)</b>	<b>-13%</b>	<b>311.89</b>	<b>283.13</b>	<b>91%</b>	<b>1,073.75</b>	<b>1,397.38</b>	<b>(323.63)</b>	<b>-23%</b>	<b>918.28</b>	<b>155.47</b>	<b>17%</b>
<b>Administrative Expenditure</b>														
Staff costs	146.58	177.61	(31.02)	-17%	148.53	(1.95)	-1%	281.36	376.14	(94.79)	-25%	297.52	(16.16)	-5%
Serviced Accomodation	-	-	-		-	-		-	-	-		-	-	
Professional fees	23.56	12.50	11.06	88%	7.55	16.01	212%	33.17	25.00	8.17	33%	7.56	25.61	339%
Professional Fees - Office Move	-	-	-		5.94	(5.94)	-100%	-	-	-		5.94	(5.94)	-100%
Office Rent	90.22	89.85	0.37	0%	60.29	29.93	50%	180.43	179.71	0.73	0%	120.28	60.16	50%
Office expenses	3.99	10.48	(6.48)	-62%	5.66	(1.67)	-29%	7.53	20.95	(13.42)	-64%	15.42	(7.89)	-51%
Other overheads	85.35	87.45	(2.10)	-2%	20.15	65.20	324%	121.02	174.90	(53.88)	-31%	48.72	72.30	148%
<b>Total Administrative Expenditure</b>	<b>349.70</b>	<b>377.89</b>	<b>(28.19)</b>	<b>-7%</b>	<b>248.12</b>	<b>101.58</b>	<b>41%</b>	<b>623.51</b>	<b>776.70</b>	<b>(153.20)</b>	<b>-20%</b>	<b>495.44</b>	<b>128.07</b>	<b>26%</b>
<b>Net Income / (Expenditure)</b>	<b>(56.28)</b>	<b>(978.85)</b>	<b>422.56</b>	<b>43%</b>	<b>(306.87)</b>	<b>(249.42)</b>	<b>-81%</b>	<b>(1,308.69)</b>	<b>(2,010.15)</b>	<b>701.46</b>	<b>35%</b>	<b>(1,194.10)</b>	<b>(114.59)</b>	<b>-10%</b>

## **LWARB Income and expenditure commentary**

1. Grant income for the 6 months to September was £173k. This consists of accrued EU funding under the Advance London ERDF programme.
2. £32k of interest on reserves with the GLA were received in the year (Q1) and £30k accrued for Q2 (to Sep)
3. Resource London programme expenditure is £596k which is 30% (255k) under budget for the full year. Included in this figure is staff £278k and discretionary expenditure of £318k). The current underspend against forecast is primarily due to delays in project deployment as a result of the disruption caused by the COVID pandemic. Additionally, some underspend relates to saving in the staffing budget, where one post has remained unfilled. Resource London forecast recovering some of the underspend as a number of commitments have been made in the third quarter.
4. Advance London programme expenditure at £170k is 20% (£41k) under budget for the year (in-line with income accrued). This is a result of staffing vacancies and reduced spending from the workshops which were moved on-line. The expenditure has been reprofiled so the end of the year will be close to the budget.
5. Circular London programme expenditure at £234k is 30% (£102k) under plan. The expenditure for the year is back end loaded as a result of recruitment during the year and significant procurement taking place in the second half of the year. Although the outturn will be marginally below the original budget the run rate is now consistent with the original budget.
6. The net effect of the above is overall programme expenditure of £1m which is 28% (£398k) under budget for the 6 months to September 2020.
7. Impairment losses of £74k relate to the downward revision of the LGF investment in the June and September fund managers' reports.
8. Central staff costs at £281k are £95k below budget mainly due to the commercial manager not yet being hired £50k, lower than budgeted cost of Fundraiser £25k, and board costs £10k (due to no RL partnership board and timing of appointments).
9. Professional fees at £33k are over budget by £8k due to advise on commercialisation from RSM.
10. Rent is in line with budget at £181k.
11. Other overheads and office expenses are £128k which is £68k under budget, mainly due to underspend on marketing & communications £35k and contractor/consultancy costs £30k).
12. Overall Operating expenses are 20% (£153K) under budget for the year at £624k.
13. Net Expenditure at £1.3m overall is 35% (£701k) under budget for the period.

LWARB Balance Sheet detail and commentary

<b>Balance Sheet (£000s)</b>		
<b>London Waste and Recycling Board</b>		
<b>As at 30 September 2020</b>		
	<b>Movement YTD</b>	<b>Closing Balance</b>
<b>Fixed Assets &amp; Investments</b>		
Cycle	-	-
Equity investments	360.71	6,137.35
<b>Current Assets</b>		
RL grants receivable	- 44.75	64.72
Debtors	43.95	228.54
C A Foundation	- 22.25	-
Prepayments	- 171.75	1.98
Total Current Assets	- 194.79	295.24
Total Bank	- 1,717.58	16,819.37
<b>Total Current Assets</b>	<b>- 2,107.17</b>	<b>17,409.86</b>
<b>Current Liabilities</b>		
Accruals	- 244.71	- 23.58
Credit Card - Confoy	- 0.00	- 0.00
Deferred income	- 118.52	339.69
Provision for committed project expenditure	-	182.00
Trade creditors	121.64	265.64
Virtual Card	- 1.38	- 0.16
Total Current Liabilities	<b>- 242.97</b>	<b>763.58</b>
<b>Net Assets</b>	<b>- 1,308.69</b>	<b>22,488.39</b>
<b>Equity</b>		
Current Year Earnings	2,219.32	- 1,308.69
General fund	- 3,528.01	23,797.08
<b>Total Equity</b>	<b>- 1,308.69</b>	<b>22,488.39</b>

- Equity investments increased by £0.36m in the half-year to date (£0.43m GLIF, and - £0.07k write down for LGF).
- Debtors stand at £228k, of which £177k is outstanding claims with ERDF, and £44k Circe.
- Prepayments of £2k relate to insurance cost. The prior year included £167k April drawdown for Circularity Capital.
- The RL grants receivable line is a debtor of £64k ECAP

5. Total Bank – net £1.7m decrease in cash over the year is reconciled to the net cash outflow figure in the Cash Flow statement.
6. Trade Creditors - balance of £266k relates mainly to outstanding invoices of £217k the majority of which cleared in the following month, additionally there was £26k PAYE and NI related.
7. Provision for committed expenditure reflects outstanding contractual funding commitments. The £182k relates to funding agreements with Local Authorities made under the Resource London programme.



## LWARB Cashflow analysis and commentary

### Cash Flow (£000s) London Waste and Recycling Board for the 6 months ended 30 September 2020

	YTD
<b>Net Income / (Expenditure)</b>	<b>-£1,308.69</b>
(Increase)/decrease in fixed assets	
(Increase)/decrease in project loans	£0.00
(Increase)/decrease in grants receivable	£67.00
(increase)/decrease in equity investments	-£360.71
(increase)/decrease in debtors	-£43.95
(increase)/decrease in prepayments	£171.75
increase/(decrease) in creditors	£120.26
Increase/(decrease) in accruals	-£244.71
Increase/(decrease) in deferred income	-£118.52
Increase/(decrease) in stamp duty	
increase/(decrease) in provision for committed project expenditure	£0.00
<b>Net cash inflow (outflow)</b>	<b>-£1,717.58</b>
<b>Opening cash</b>	<b>£18,536.95</b>
<b>Closing cash</b>	<b>£16,819.37</b>

1. Net income/expenditure is as per the Income and Expenditure detail above
2. The cash outflow for equity investments in the period are £0.4m GLIF offset by the LGF write-down.
3. Debtors increased by £44k due to a £56k increase in the EDRF grant receivable offset by the £22k reduction in the CIRcE grant.
4. Creditors increased by £102k in the 6 months to September 2020 mainly due to a payable at the end of September 2020 to Greater London Investment of £145k.
5. Accruals have reduced by £244k as the March 2020 balance includes a number of large balances for invoices expected but not received including Ogilvy and Greenmiles.
6. Deferred income relates to Circuit income of £118k which was recognised in the period.

## London Waste & Recycling Board

### Finance Report Q3 2020/21

#### Profit & Loss Summary

For the 9 months to December LWARB was ahead of budget on income and underspent on overheads leading to a net spend of £2.1m compared to a forecast net spend of £3.0m.

Advanced London underspend £57k, Resource London underspend £438k, Circular London under budget by £101k.

#### LWARB P&L summary to 31/12/2020

P&L	Actual Q3 2020/21	Budget Q3 2020/21	Variance	%	FY Budget 2020/21	%
£000	£000	£000	£000			
<b>Income</b>						
Bank Interest and other income	72	-	72	-	-	-
Funding	309	251	58	23%	338	91%
Asset sale/revaluation	(74)	-	(74)	-	-	-
<b>Total income</b>	<b>307</b>	<b>251</b>	<b>56</b>	<b>23%</b>	<b>338</b>	<b>91%</b>
<b>Advance London</b>	<b>(259)</b>	<b>(317)</b>	<b>57</b>	<b>-18%</b>	<b>(422)</b>	<b>61%</b>
<b>Resource London</b>	<b>(829)</b>	<b>(1,267)</b>	<b>438</b>	<b>-35%</b>	<b>(1,683)</b>	<b>49%</b>
<b>Circular London</b>	<b>(396)</b>	<b>(497)</b>	<b>101</b>	<b>-20%</b>	<b>(658)</b>	<b>60%</b>
<b>Total Programme spend</b>	<b>(1,484)</b>	<b>(2,080)</b>	<b>597</b>	<b>-29%</b>	<b>(2,763)</b>	<b>54%</b>
<b>Overheads</b>						
Rent & rates	(271)	(270)	(1)	0%	(359)	75%
Staff Costs*	(456)	(554)	97	-18%	(731)	62%
Other Overheads	(238)	(331)	94	-28%	(442)	54%
<b>Total Overheads</b>	<b>(965)</b>	<b>(1,155)</b>	<b>190</b>	<b>-16%</b>	<b>(1,532)</b>	<b>63%</b>
<b>Profit/Loss</b>	<b>(2,141)</b>	<b>(2,984)</b>	<b>843</b>	<b>-28%</b>	<b>(3,958)</b>	<b>54%</b>

\* Core staff cost – excludes most dedicated Resource London, Advance London and Circular London staff, whose costs are included in relevant programme budget lines

#### Expenditure Summary

LWARB's cash position at the end of Q3 was £1.2m better than budget due to £843k better P&L for the period and lower investment expenditure (the opening cash position was above the original budget as a result of accelerated investment in the GLIF in 2019/20).

LWARB expenditure summary to 30/9/2020	Q3 Actual	Q3 Budget	Var.	%	FY Budget	%
Opening cash	18,537	19,429	(892)	-5%	19,429	95%
Net Income / (Expenditure)	(2,141)	(2,984)	843	-28%	(3,958)	54%
(Increase)/decrease in project loans	-	0	-	-	-	-
(increase)/decrease in equity investments	(378)	(1,804)	1,426	-79%	(2,405)	16%
Other	(139)	0	(139)	-	-	0%
<b>Net Income / (Expenditure)</b>	<b>(2,658)</b>	<b>(4,788)</b>	<b>2,130</b>	<b>-44%</b>	<b>(6,363)</b>	<b>42%</b>
Closing cash	15,879	14,641	1,238	8%	13,066	122%

LWARB Income and Expenditure detail

Income & Expenditure (£000s)														
London Waste and Recycling Board														
For the 3 months ended 31 December 2020														
	Period							YTD						
	Actual	Budget	Variance	%	Prior Year	Variance (Actual to Prior Year)	%	Actual	Budget	Variance	%	Prior Year	Variance (Actual to Prior Year)	%
<b>Income</b>														
Bank interest receivable	10	-	10		53	(42)	-80%	72	-	72		108	(36)	-33%
C&A Foundation	-	-	-		(1)	1	100%	22	-	22		84	(62)	-74%
Grant income	(33)	67	(100)	-149%	109	(142)	-130%	140	201	(61)	-30%	160	(20)	-13%
Loan interest income	-	-	-		-	-		-	-	-		-	-	
Other income	1	20	(20)	-98%	14	(14)	-96%	147	50	0	194%	43	104	241%
<b>Total Income</b>	<b>(22)</b>	<b>87</b>	<b>(109)</b>	<b>-125%</b>	<b>175</b>	<b>(198)</b>	<b>-113%</b>	<b>381</b>	<b>251</b>	<b>130</b>	<b>52%</b>	<b>395</b>	<b>(14)</b>	<b>-3%</b>
<b>Programme Expenditure</b>														
Advance London programme expenditure	89	106	(16)	-16%	122	(32)	-27%	259	317	(57)	-18%	353	(94)	-27%
C&A Foundation costs	-	-	-		-	-		-	-	-		85	(85)	-100%
Circular Economy - Reusable Buildings	-	-	-		-	-		-	-	-		-	-	
Circular Economy Accelerator programme	-	-	-		36	(36)	-100%	-	-	-		183	(183)	-100%
Circular Economy programme expenditure	162	161	1	0%	45	116	258%	396	497	(101)	-20%	195	201	103%
Investment programme costs	-	-	-		-	-		-	-	-		8	(8)	-100%
Impairment losses	-	-	-		-	-		74	-	74		(392)	466	119%
Resource London programme expenditure	232	416	(184)	-44%	595	(363)	-61%	829	1,267	(438)	-35%	1,283	(455)	-35%
<b>Total Programme Expenditure</b>	<b>483</b>	<b>683</b>	<b>(200)</b>	<b>-29%</b>	<b>797</b>	<b>(314)</b>	<b>-39%</b>	<b>1,558</b>	<b>2,080</b>	<b>(523)</b>	<b>-25%</b>	<b>1,716</b>	<b>(158)</b>	<b>-9%</b>
<b>Administrative Expenditure</b>														
Staff costs	175	178	(2)	-1%	146	29	20%	456	554	(97)	-18%	443	13	3%
Serviced Accomodation	-	-	-		-	-		-	-	-		-	-	
Professional fees	1	13	(11)	-89%	1	1	70%	35	38	(3)	-8%	8	26	312%
Professional Fees - Office Move	-	-	-		7	(7)	-100%	-	-	-		13	(13)	-100%
Office Rent	90	90	0	0%	61	30	49%	271	270	1	0%	181	90	50%
Office expenses	6	10	(4)	-39%	6	0	5%	14	31	(18)	-56%	21	(8)	-35%
Other overheads	66	87	(21)	-25%	41	25	59%	189	262	(73)	-28%	90	99	110%
<b>Total Administrative Expenditure</b>	<b>339</b>	<b>378</b>	<b>(39)</b>	<b>-10%</b>	<b>262</b>	<b>77</b>	<b>29%</b>	<b>965</b>	<b>1,155</b>	<b>(190)</b>	<b>-16%</b>	<b>758</b>	<b>207</b>	<b>27%</b>
<b>Net Income / (Expenditure)</b>	<b>(844)</b>	<b>(974)</b>	<b>129</b>	<b>13%</b>	<b>(884)</b>	<b>40</b>	<b>4%</b>	<b>(2,141)</b>	<b>(2,984)</b>	<b>843</b>	<b>28%</b>	<b>(2,078)</b>	<b>(63)</b>	<b>-3%</b>

## **LWARB Income and expenditure commentary**

1. Grant income for the 9 months to December was £140k. This consists of accrued EU funding under the Advance London ERDF programme. Note the Q2 figure was overstated by £86k due to the total cost numbers being used rather than 50% reclaimable)
2. £72k of interest on reserves with the GLA were received in the year and £30k accrued for Q3 (to Dec). Note the interest received has reduced from 0.69% at the start of April to 0.38% at the end of December in-line with interest rates generally. The rate of return is still comparatively good when compared to deposit accounts available.
3. Resource London programme expenditure is £829k which is 35% (438k) under budget for the full year. Included in this figure is staff £415k and discretionary expenditure of £414k). The current underspend against forecast is primarily due to delays in project deployment as a result of the disruption caused by the COVID pandemic. Additionally, some underspend relates to saving in the staffing budget, where one post has remained unfilled. Resource London forecast recovering some of the underspend as some commitments have been made in the third quarter. However the forecast is that the outturn will be lower than the original budget.
4. Advance London programme expenditure at £259k is 18% (£57k) under budget for the year (in-line with 50% income accrued). This is a result of staffing vacancies and reduced spending from the workshops which were moved on-line. The expenditure has been reprofiled so the end of the year will be close to the budget.
5. Circular London programme expenditure at £396k is 20% (£102k) under plan. Some significant procurement is forecast for quarter 4, delayed from quarter 3 due to staff changes, and capacity issues resulting from COVID. However, these will bring spent back to budget. The outturn will be therefore be lower than the original budget.
6. The net effect of the above is overall programme expenditure of £1.5m which is 29% (£597k) under budget for the 9 months to December 2020.
7. Impairment losses of £74k relate to the downward revision of the LGF investment in the June and September fund managers' reports. December report not yet available.
8. Central staff costs at £456k are £97k below budget mainly due to the commercial manager not yet being hired £50k, lower than budgeted cost of Fundraiser £25k, and board costs £10k (due to no RL partnership board and timing of appointments).
9. Professional fees at £35k are under budget by £3k, main cost has been advice on commercialisation from RSM.
10. Rent is in line with budget at £270k.
11. Other overheads and office expenses are £203k which is £91k under budget, mainly due to underspend on marketing & communications £30k as well as savings in a number of other areas due to the office not being opened. As a consequence, IT costs have hit the full year budget number.

12. Overall Operating expenses are 16% (£190K) under budget for the year at £965k.

13. Net Expenditure at £2.1m overall is 28% (£843k) under budget for the period.

#### LWARB Balance Sheet detail and commentary

<b>Balance Sheet (£000s)</b>		
<b>London Waste and Recycling Board</b>		
<b>As at 31 December 2020</b>		
	<b>Movement YTD</b>	<b>Closing Balance</b>
<b>Fixed Assets &amp; Investments</b>		
Cycle	0	0
Equity investments	378	6,154
<b>Current Assets</b>		
RL grants receivable	(45)	65
C A Foundation	(22)	0
Debtors	(60)	125
Project loans	0	0
Prepayments	(170)	3
Total Bank	(2,658)	15,879
<b>Total Current Assets</b>	<b>(2,955)</b>	<b>16,072</b>
<b>Current Liabilities</b>		
Accruals	(232)	(11)
Credit Card - Confoy	(0)	(0)
Deferred income	(134)	325
Provision for committed project expenditure	0	182
Trade creditors	(69)	75
Virtual Card	(1)	(0)
Total Current Liabilities	<b>(436)</b>	<b>570</b>
<b>Net Assets</b>	<b>(2,141)</b>	<b>21,656</b>
<b>Equity</b>		
Current Year Earnings	1,387	(2,141)
General fund	(3,528)	23,797
<b>Total Equity</b>	<b>(2,141)</b>	<b>21,656</b>

- Equity investments increased by £378 in the half-year to date (£430k GLIF, and -£70k write down for LGF).
- Debtors stand at £125k, of which £96k is outstanding claims with ERDF, £6k Circe, and £22k on the debtors control a/c. (£13k LB Islington, £8k NLWA)

3. Prepayments of £3k relate to insurance cost. The prior year included £167k April drawdown for Circularity Capital.
4. The RL grants receivable line is a debtor of £65k ECAP. Note possible write down £25k due to default by another member.
5. Total Bank – net £2.7m decrease in cash over the year is reconciled to the net cash outflow figure in the Cash Flow statement.
6. Accruals low due to expected income for GLA bank interest to Dec £17k and expected credit from Ogilvy £28k
7. Trade Creditors - balance of £74k relates mainly to outstanding invoices of £23k, additionally there was £18k PAYE, £26 NI, and £11k pension payments.
8. Provision for committed expenditure reflects outstanding contractual funding commitments. The £182k relates to funding agreements with Local Authorities made under the Resource London programme.

## LWARB Cashflow analysis and commentary

### Cash Flow (£000s)

#### London Waste and Recycling Board

For the 9 months ended 31 December 2020

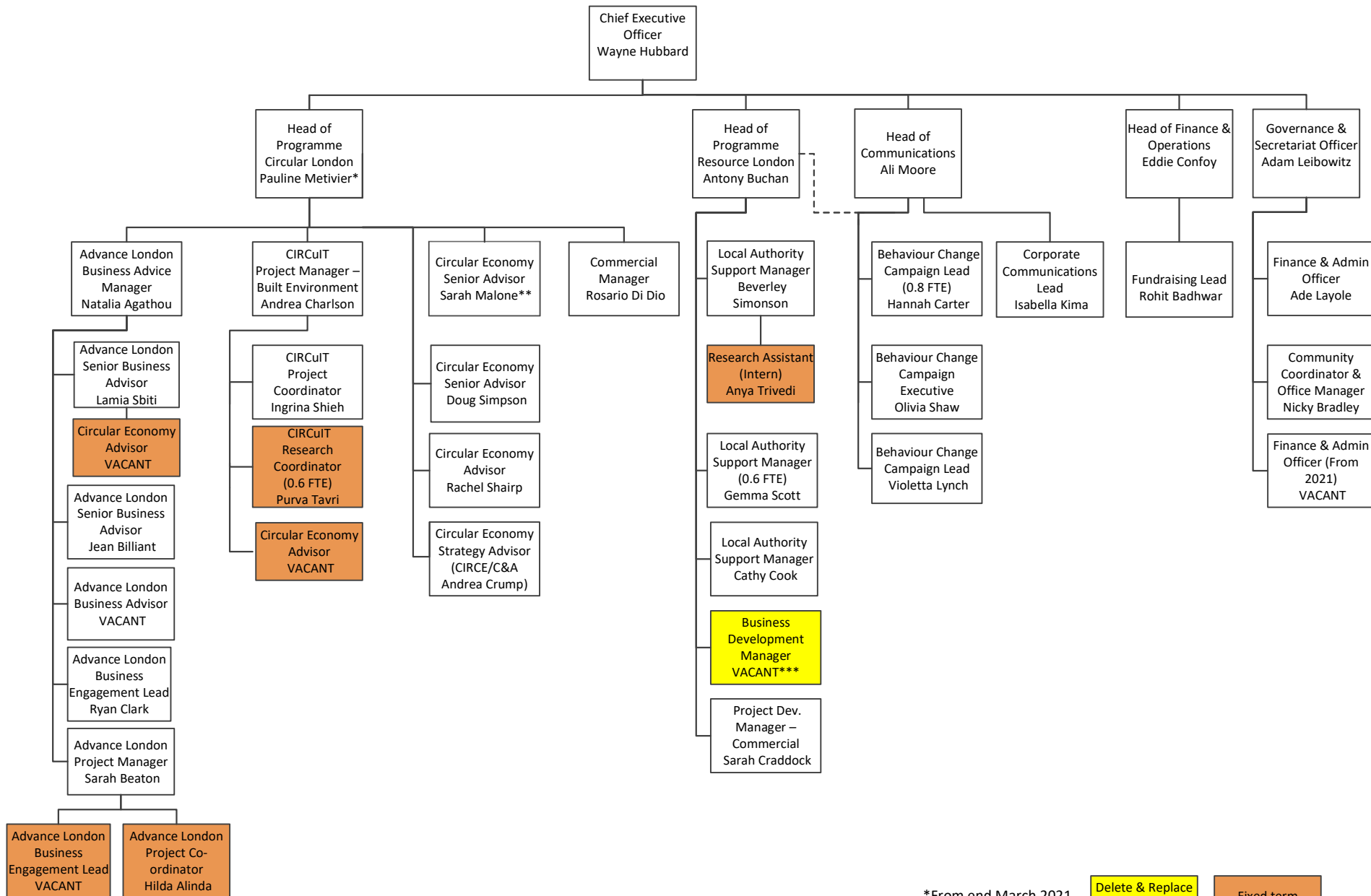
	YTD £000's
<b>Net Income / (Expenditure)</b>	<b>(2,141)</b>
(Increase)/decrease in fixed assets	-
(Increase)/decrease in project loans	-
(Increase)/decrease in grants receivable	67
(increase)/decrease in equity investments	(378)
(increase)/decrease in debtors	60
(increase)/decrease in prepayments	170
increase/(decrease) in creditors	(71)
Increase/(decrease) in accruals	(232)
Increase/(decrease) in deferred income	(134)
Increase/(decrease) in stamp duty	
increase/(decrease) in provision for committed project expenditure	-
<b>Net cash inflow (outflow)</b>	<b>(2,658)</b>
<b>Opening cash</b>	<b>18,537</b>
<b>Closing cash</b>	<b>15,879</b>

1. Net income/expenditure is as per the Income and Expenditure detail above
2. The cash outflow for equity investments in the period are £0.4m GLIF offset by the LGF write-down.
3. Debtors have decreased by £60k due to receipts from EDRF and CIRcE.
4. Creditors have decreased by £71k in the 9 months to December 2020.
5. Accruals have reduced by £232k as the March 2020 balance included a number of large balances for invoices expected but not received including Ogilvy and Greenmiles.
6. Deferred income relates to Circuit income of £134k which has been recognised in the period.

LWARB Risk Register - February 2021										Current Period			Prior Period			Appetite	Appetite Rational	Route to Matching Appetite (Commentary)
Ref.	Risk	Classification	Link to Objectives	Impact on Objectives	Causes Of Risk	Preventative Controls	Mitigating Controls	Commentary	Likelihood Score (1-5)	Impact Score (1-5)	Risk Score	Likelihood Score (1-5)	Impact Score (1-5)	Risk Score				
1	Insufficient financial resources to deliver the 2021-24 business plan/strategic goals:	Financial	A, B	Objectives would not be fulfilled. Focus of LWARB's mission might need to change; its effectiveness will be affected.	Reduced local authority finances; Failure to attract private capital for co-investment. Failure to attract further funding from DEFRA. Limited access to EU funding. Linked with restricted investment, threat to sustainability. Over-reliance on investment activity to the detriment of other income streams. LWARB's commercial activities fail to return a profit.	Demonstrate the value of LWARB's programmes to attract funding. Manage resources efficiently. Lobby government for additional funds; Nurture current projects and monitor investments; Funderiser Lead appointed. Commercial Manager to be recruited to oversee and lead commercial activities. Ongoing change management process to ensure that all staff are aware of need to pursue commercial returns.	Revise LWARB programmes in light of actual financial situation.	Wording of Risk amended to refer to 2021/25 plan.	2	4	8	2	4	8	Averse (5)	Should adjust programmes to match budget		
2	Reputational risk through not achieving London's recycling targets:	Strategic	A	LWARB held accountable for failure to achieve target. Reputational risk to LWARB; LWARB loses support of LA's.	Limited influence over LA's / local politics / Long-term borough contracts / Failure of boroughs to engage in RL support offerings  Impact of global market conditions. Household recycling stagnates despite Resource London's programme activities; London demographics  Resource London fails to deliver its expected benefits	- Compare London with other big UK and world cities - Specific programme of activity with Local Authorities providing tailored and bespoke communications and service support as well as London-wide programmes. - Regional and local communication and behaviour change activity to promote recycling among residents. Raising the profile of projects.	Rigorous evaluation of everything done - to have strong evidence LWARB is doing everything in its power.	Note that LWARB may still be able to deliver successful programmes but it is possible that these do not translate to measurable changes to recycling rates.	5	4	18	5	4	18	Cautious (15)	LWARB actually has limited ability to address recycling rates.		
3	Failure to influence key stakeholders in delivering the circular economy:	Strategic	A	LWARB objectives not met; reputational damage; failure to secure funding.	Limited influence over businesses Need to balance views of multiple stakeholders Programmes fails to deliver tangible benefits	LWARB is part of different global networks which brings them into contact with large business stakeholders. Establishing collaboration to engage with stakeholders. Leading the debate on the circular economy Influencing big policy changers. Board members to use their influence more	Ensure LWARB has the skills required to engage appropriately with key stakeholders, though staff recruitment and/or development.	Likelihood reduced - Head of Circular Economy Programme now recruited. Due to start end March 202.	3	4	12	4	4	14	Cautious (15)	CE programme predicated on ability to get others to deliver change		
4	Lack of skills / experience to deliver LWARB objectives / vision.	Operational	A, B	Insufficient skills to deliver LWARB objectives	. Over-reliance on personal relationships with key stakeholders . Potential loss of key staff . Lack of appropriate in-house skills . Lack of succession planning and development pathways . Organisational growth	Competencies are being introduced to the HR system to help map requirements and identify gaps. Required skills and competencies are specified in job descriptions for positions to be filled; Whenever possible a handover period between incoming and outgoing staff is sought; Operational procedures are recored in an operations manual to aid continuity.	External consultants are engaged if required;	Successful recruitment of Head of Programme (Circular Economy), Project Coordinator (Advance London); Senior Advisor (Circular London) reduce likelihood.	2	3	6	4	3	12	Averse (5)	LWARB should be able to secure and manage the expertise it requires.		
5	Failure to deliver externally funded programmes:	Strategic	A, B, C	Reputational damage among key stakeholders. Could result in penalties.	Projects do not deliver the expected benefits	Robust governance, good skills and practice, good project methodology.			3	4	11	3	4	11	Minimal (10)	Failure to deliver risks 'claw back' and jeopardises ability to secure future funding.		
6	Serious risk to delivery as a result of change in political environment.	Political-External	A, B, C	LWARB loses its capability to influence (at a local level and beyond) thereby threatening the achievement of its objectives.	. GLA elections. . Reliance on key stakeholders, e.g. mayor, GLA. London Councils changes. Macro-political change.	Demonstrate performance and show record of success. Regularly meet with government, councils and stakeholders to communicate this. Make sure government recognise the success of the LWARB model. Maintain relations with London Councils. Open channel of communication (communication strategy). Survey stakeholders to understand their view of LWARB	Close relationships with GLA and London Councils are maintained at an officer level.		4	3	12	4	3	12	Cautious (15)	LWARB can do little to change local political environment.		
7	(Deleted - no current risk)																	
8	LWARB is unable to demonstrate measurable impact:	Strategic	A, B, C	LWARB loses its capability to influence, thereby threatening the achievement of its objectives.	. Poor data, muddled drivers, etc. . Profile - people who need to, know may not know LWARB are . LWARB not seen as relevant, i.e. to LA's, mayor, GLA, etc. . Communication risk - if something is going well people don't know about it.	Measure outputs and contribution from the programme. All projects and programmes are closely monitored and regularly reported to the Board.			2	4	8	2	4	8	Averse (5)	LWARB should not be embarking on projects and programmes if impact is not measurable.		
9	Investments fail to deliver sufficient returns to fulfil LWARB's objectives	Strategic	A, B, C	Projects do not return LWARB's invested capital nor interest. Board objectives not achieved. Reduced funds available for future investment.	. Small scale of investments means LWARB has insufficient leverage with fund managers / investments. . Lack of alternative fund managers. . Financial failure of projects. . Investments underperform. . Increased focus on start-ups in investment and consultancy support programmes brings increased risk of failure. . Failure to have a significant scale impact.	No new direct investments made. Any investment activity into 3rd party funds. Portfolio performance reported to AC.	Budget is being reviewed in light of COVID impacts.		4	4	16	4	4	16	Open (20)	Investment programme is now closed to new investments. Little influence		
10	Disruption arising from the UK leaving the European Union at the end of the current transition period. The scale and scope of the risks remain uncertain as the form of the UK's future trading relationship with the EU is unknown.	Various	A, B, C	Adjustment required to new regime; Staff retention; potential financial downturn affecting LWARB investments and businesses with which it works; Potential environmental regulatory changes.	Uncertainty over future arrangements post Brexit.	LWARB is a flexible organisation, as evidenced in the flexibility in its business plan. This flexibility should allow LWARB's programmes to adjust to the as yet uncertain post Brexit environment.		Trading agreement agreed between UK and EU, likelihood and impact scores reduced. The overall risk remains significant as the full implications are yet to become apparent.	3	3	9	4	4	16	Averse (5)	Can't put in preventative controls.		
11	LWARB unable to deliver its programmes due to the COVID-19 pandemic.	Various	A, B, C	Staff unable to work due to restrictions on travel and access to the office or illness. Key stakeholders similarly affected and attention focussed on pandemic; Economic downturn affecting investment and collaboration potential.	Covid-19	All staff are able to work from home with full access to LWARB IT systems. Online technology is being used extensively for communication and collaboration. Board and Committees are able to meet via online systems.	LWARB delivery plan is kept under review and will be adjusted as appropriate.		5	3	15	5	3	15	Minimal (10)	LWARB will have to continue to function through the pandemic, so must find solutions.		







\*From end March 2021

\*\* From April 2021.

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positions