

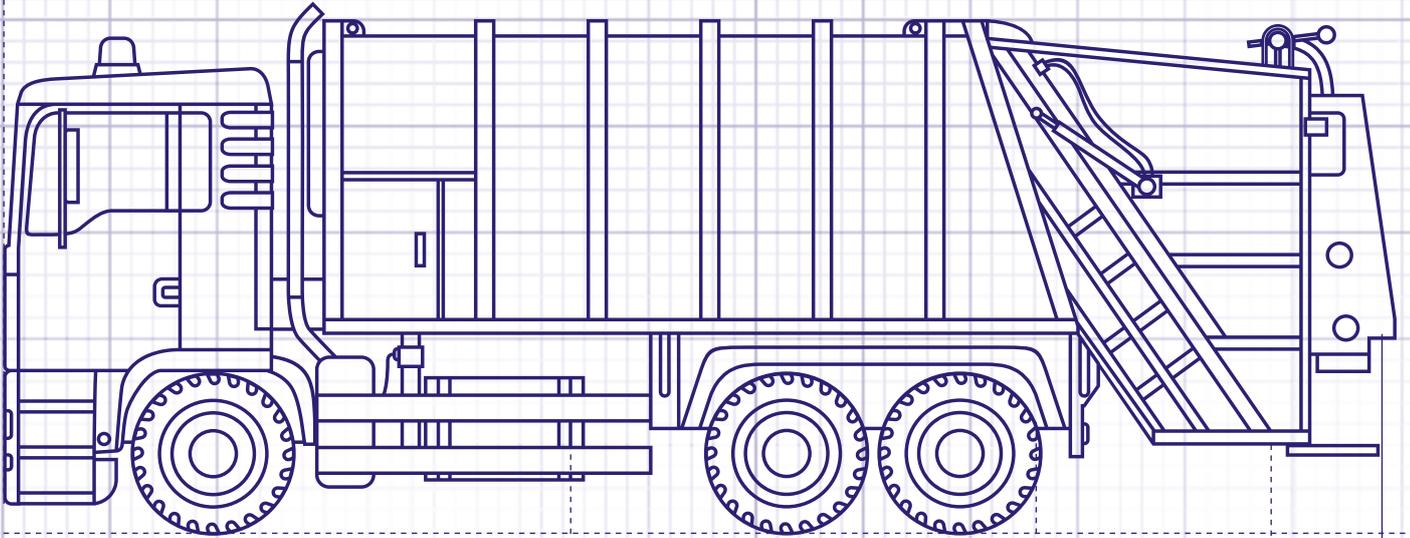
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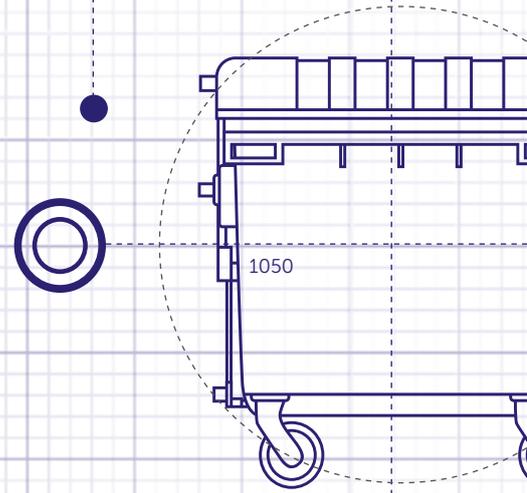
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Business Plan

Financial Year
2021/22

Business Plan on a Page...

Business Overview

<p>Bristol Waste is a Teckal company wholly owned by Bristol City Council</p> <ul style="list-style-type: none"> The company is responsible for: <ul style="list-style-type: none"> Waste collection Street cleansing Graffiti removal Fly tip and bulky waste collection 	<ul style="list-style-type: none"> Bristol's Household Reuse and Recycling centres (HRRCs) Winter road maintenance Community engagement and education Recycling and resource reuse Integrated Facilities Management and Workplace Services 	<ul style="list-style-type: none"> Clean over 800 miles of streets and footpaths and carry out over 180,000 ad-hoc requests annually Collect and handle over 185,000 tonnes of waste annually and divert over 85% away from landfill. Employ over 600 local people who carry out over 17 million scheduled collections to over 200,000 homes in the Bristol area.
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Business Plan Financials	21-22 Current Plan £k	21-22 Previous Plan £k
Revenue	46,033	49,721
Cost of Sales	43,983	47,895
Overheads & Central	1,813	1,469
Surplus (before paymech)	237	357

SWOT Analysis

<p>STRENGTHS</p> <ul style="list-style-type: none"> Strong relationship with BCC, both in our values and operationally. Our People and Senior leadership team with a desire to grow the business, continually drive efficiencies and improve our service. Investment in state-of-the-art fleet and plant equipped with smart technology Our passion for sustainable development and a cleaner Bristol. Quality of our recycle materials and UK based processing network. Award winning Innovations, Communications & Reuse teams. Our "Bristol" brand. Local base with local knowledge. Number 1 English core city for household recycling rate at 47.4 % 18/19 - DEFRA certified (19/20 figures issued Dec 20) 	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> Avonmouth – space to improve waste mining processing facilities and add new waste resource income streams. Ability to educate and influence residents on recycling and waste behaviour. Be an integral part of One City Plan and City Leap. Work for the benefit of Bristol with all surplus being reinvested in our service and the city. Commercial (Non-Teckal) growth for integrated waste services. Continued development of shared services (eg. ICT, SHEQ, Finance & HR). Integration and leverage of technology and systems. Investment in the business to fund improvements. Growing reuse material streams and market demand.
<p>WEAKNESSES</p> <ul style="list-style-type: none"> Competitive market for staff recruitment, particularly drivers. Single point of failure for Albert Road baler facilities. Management capacity to progress innovation schemes, bids and tenders. 	<p>THREATS</p> <ul style="list-style-type: none"> Local and National legislation and regulation changes. Unable to fully influence recycling headline rate due to political constraints. Covid and Brexit. Recyclate market volatility. Competition in the marketplace

Our Company Strategy

<ul style="list-style-type: none"> SHEQ is our number one priority. We will ensure safe working practices are engrained across the business to protect our colleagues, residents and the environment. Deliver a cost-effective, first in class and continuously improving service, in support of BCC and the residents and businesses of Bristol. Deliver our People Strategy to ensure an inclusive Workplace and Diverse Workforce. To promote and embed a culture where all colleagues feel valued, listened to, and treated fairly for the work that they do. Deliver a profitable and innovative Non-Teckal commercial business. 	<ul style="list-style-type: none"> Maximise our Social Value to the city of Bristol. To support the One City Plan and BCC Waste Strategy targets to minimise residual waste per person to less than 150kg by 2025 and to achieve 65% of household waste to be reused, recycled or composted by 2025. Improve Bristol's street scene and work with BCC enforcement to tackle environmental crime. Transition to a Circular Economy with particular focus on reuse and repair. Educate, inform, support and empower communities to improve behaviours.
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<p>Top Business Risks</p> <ul style="list-style-type: none"> Covid Recyclate market / global volatility Brexit 	<ul style="list-style-type: none"> Waste volumes Commercial targets not achieved Baler failure 	<ul style="list-style-type: none"> Legislation changes
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Delivering Social Value

<p>We will deliver our core social value by:</p> <ul style="list-style-type: none"> Keeping Bristol clean Minimising Waste Increasing Reuse Increasing Recycling Minimising our carbon footprint 	<p>We will create wider social value by:</p> <ul style="list-style-type: none"> Training, developing and looking after our employees and volunteers Being a living wage employer Create local employment and provide apprenticeships Providing volunteering and training opportunities with our Reuse and Community Engagement programmes We will apply Social Value in the commissioning and procurement of services.
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Action Plan

<p>Actions:</p> <ul style="list-style-type: none"> Deliver value for money Commercial non-teckal business surplus Grow commercial non-teckal product streams and service offerings Avonmouth HRRRC Phase 2 redevelopment Hartcliffe HRRRC operational Increase recycling rate 	<p>Who:</p> <ul style="list-style-type: none"> BWC SLT/Business Development SLT/All SLT BCC/BWC BWC/BCC/All 	<p>Milestone:</p> <ul style="list-style-type: none"> Ongoing - Innovation Q1 21-22 On-going Q4 21-22 Q4 21-22 Continuous Improvement
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Business Plan

Financial Year 2021/22

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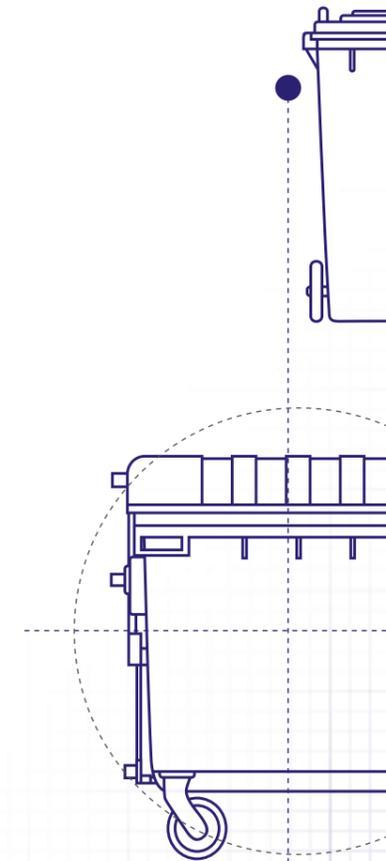
Section 4 Delivering our Service

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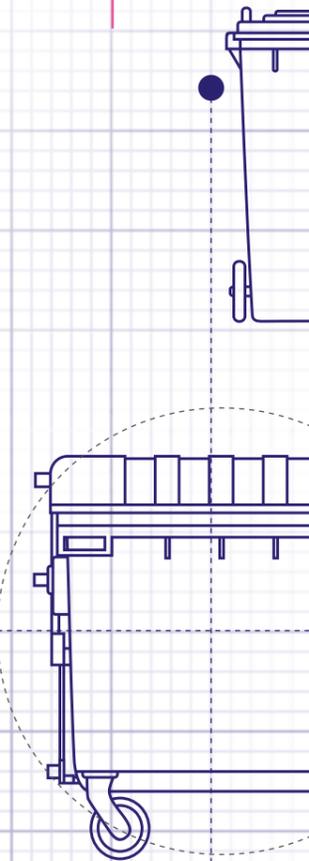


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BUSINESS PLAN	





Section 1
Introduction



Section 1 - Introduction

MD Introduction and Blog

Like many businesses, this year has been an unprecedented one for Bristol Waste. The impact of coronavirus hit every area of our work; we saw an overall increase in recycling and waste, material costs fluctuated and many businesses forced to close their doors.

We had to act swiftly and decisively to ensure our vital services for the city were maintained, and that our staff and residents were kept safe. We **prioritised core services, protected our vulnerable employees** and **supported the local economy** with job opportunities which were highlighted on BBC's The One Show and ITV's This Morning. In what has been a strange year we have achieved and improved our service in many areas:



Our crews became the city's unsung heroes with residents clapping them in the street and children placing posters of thanks in their windows. I echo that sentiment again now and thank each and every one of our workforce for the hard work, commitment and dedication they have shown throughout this pandemic. Despite the disruptions, we still made enormous strides forwards, including helping Bristol maintain its crown as number one English core city for recycling.

- In February we opened the **new Household Reuse and Recycling Centre (HRRC)** in Avonmouth. The site has extra capacity to meet growing demand and more material streams for recycling, meaning materials that would previously have gone to landfill or energy recovery, are now recycled. The new site is also home to **Bristol Waste's first ever reuse shop**. In co-operation with the council **we launched our IT equipment reuse scheme**, salvaging business laptops and working in partnership with BCC to make them available to those who need them most. We also launched a **new scheme for residents to hire an 1100 litre wheelie bin for household clear outs** to reduce trips to the household reuse and recycling centres.
- We **rolled out a reusable bag for cardboard recycling** to every household with a kerbside collection. The 100% recycled and recyclable bags, which are a world first, were introduced to increase recycling rates and enable crews to sort the recycling more quickly, as well as giving residents more space for the growing amount of card used.
- In October we launched the **Big Tidy project** as part of the **Mayor's Clean Streets Campaign**. It calls on residents and businesses to work with our crews to bring the sparkle back to Bristol. The team have already cleaned more than 700 streets, removed 471 tonnes of litter and over 3,000 graffiti tags, 300+ fly-tips and supported 746 volunteers to take part in 61 litter picks.



- **In April we launched our Litter Hurts campaign.** Based on cutting-edge behaviour change techniques, using pets to appeal to passers-by, making them stop and think about the harm litter could do. It resulted in a marked improvement in cleansing standards and **won Best Campaign at the LARAC Awards**. In partnership with BCC we also won the **Great British Spring Clean Award** at the Keep Britain Tidy Awards. We plan to continue with our pioneering waste reduction campaigns and innovations, building on the success of Slim My Waste, Bindigestion and the Waste Nothing Challenge.
- We **installed more than 200 new bins** across the city, with 110 modern compactor bins placed in high footfall areas and 100 Cup Bins on key commuter routes.



The compactor litter bins hold up to 8 x more waste than a standard litter bin and use solar panels to harness green energy to power the compactor and smart technology.

- They also **reduce the number of collections by over 80%**, saving time and money. The paper cup recycling bins hope to save millions of disposable cups from going to waste, and our **#ForCupsSake project** aims to plant a tree for every 10k cups recycled.
- We have invested in **new technology** to monitor our refuse and recycling operations. The **new software drives efficiencies** and places us at the head of waste industry standards. We also **launched a new website**, making key information easier to access and more user friendly.
- In line with the Mayors commitment to Bristol we have started work on a **new Household Reuse and Recycling Centre (HRRC)**, due to open early in 2022 for South Bristol, bringing a much needed facility to the area and reducing the need for residents to travel across the city.
- As we move into 2021 BWC will continue to innovate and work hard to support the residents and businesses of Bristol.



With the support of our dedicated staff and the continued backing of Bristol City Council we are committed to facing new challenges while continuously improving our service and ensuring we remain a cost effective and fit for purpose business for Bristol.



Award Winning Litter Hurts Campaign

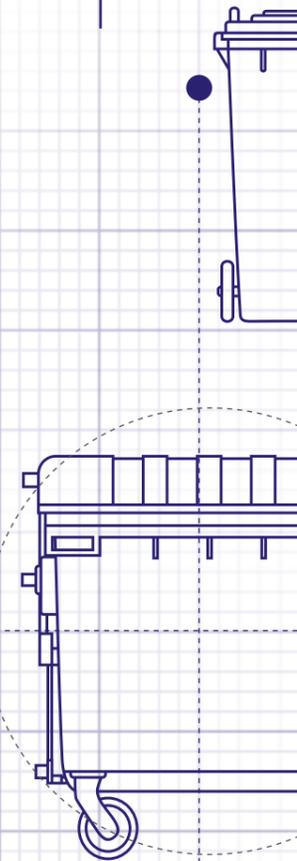
Our award-winning Litter Hurts campaign launched in April 2019. It used cute pets who have appealed to passers-by to think about the harm litter could do to them, combined with playful puns, to make people stop and think.

Based on cutting-edge behaviour change techniques and the knowledge that 90% of decisions are based on emotions, it was placed in littered areas across the city. It improved the cleanliness of our streets and even caught the attention of the Cabinet Office!

[Click here](#) to find out more.



Section 2 Our Purpose





23L Food Caddy Campaign

Our 23L food caddy was created with business development and the business communities of Bristol in mind.

Its smaller size offers businesses the chance to recycle their food regardless of the space that they have available. It raises their recycling rates, saves them money and contributes to protecting the environment. Operating alongside our usual equipment offering, businesses often noticed our marketing for this service and ultimately resulted in requesting additional services. Therefore, it continues to be an overall success for Business Development.

See the campaign here.

Section 2 - Our Purpose

Our Company Strategy

- SHEQ is our number one **priority**. We will ensure **safe working practices** are engrained across the business to protect our colleagues, residents and the environment.
- Deliver a **cost-effective, first in class** and **continuously improving** service, in support of BCC and the residents and businesses of Bristol.
- Deliver our **People Strategy** to ensure an **inclusive Workplace** and **Diverse Workforce**.
- To promote and embed a **culture where all colleagues feel valued, listened to, and treated fairly** for the work that they do.
- Deliver a **profitable** and **innovative Non-Teckal commercial business**.
- **Maximise** our **Social Value** to the city of Bristol.
- To support the **One City Plan** and **BCC Waste Strategy** targets to minimise **residual waste** per person to less than 150kg by 2025 and to achieve **65%** of household waste to be **reused, recycled or composted** by 2025.
- **Improve Bristol's street scene** and work with BCC enforcement to tackle environmental crime.
- Transition to a **Circular Economy** with particular focus on reuse and repair.
- **Educate, inform, support** and **empower** communities to improve behaviours.

Our Values & Behaviours

We consider BWC to be in a significant position of trust and one where we can make a considerable contribution towards supporting the social agenda for our shareholder.

- We are **Dedicated**: We strive to make a difference
- We are **Curious**: We ask questions and explore possibilities
- We show **Respect**: We treat each other fairly
- We take **Ownership**: We accept personal accountability
- We are **Collaborative**: We come together to reach shared goals
- We work **Safely**: We embrace a culture of working together safely at all times.

Our Social Value

As a BCC owned company, creating positive social impact is at the heart of what we do.

We consider BWC to be in a significant position of trust and one where we can make a considerable contribution towards supporting the social agenda for our shareholder. We add wider social value by ensuring the wellbeing of our employees through our mental and physical health initiatives, training and development opportunities.



We strive to support the local economy through local procurement, living wage job creation and apprenticeship opportunities.

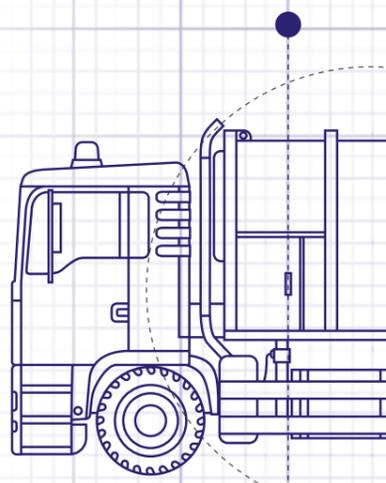
We continue to develop our diversity and equalities agenda and took the opportunity to reflect on our own practices following Black Lives Matter, committing to continuously improve.

One City Plan

We are an inaugural member of the One City Environmental Sustainability Board, which leads on the delivery of the goals set out in the One City Plan to help accelerate the city's progress towards environmental sustainability.



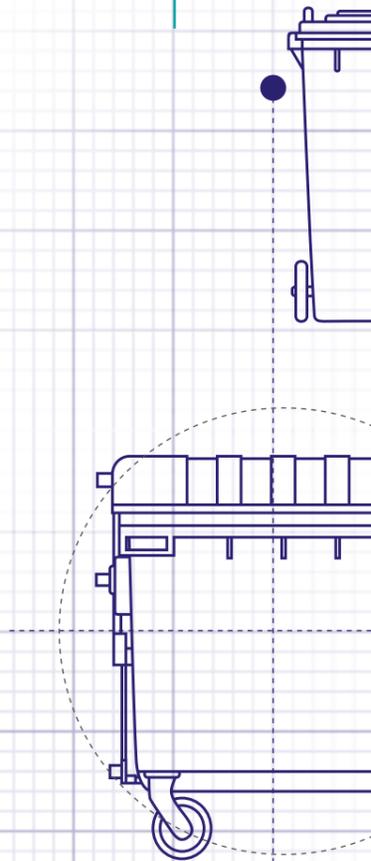
"In our Business Blueprint, we emphasise the added value that BWC can create for the city and the contribution that we can make to the development of the One City Plan, particularly when working collaboratively with our customers, people, partners and shareholder."



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Section 3
**External and
Market Factors**





WEEE Campaign

Again we were approached by the WEEE Fund, a national organisation to become a beacon city for them to launch their WEEE campaign in. Initially there were going to be a number of Beacon Cities at the same time, but by the time it came to be launching the campaign, Bristol was to be the main test city.

There was to be a range of Social, media and printed matter produced and delivered throughout the city. This was done in two parts (mainly down to the effects of the pandemic). The effect of the June social and radio messaging saw a 27.8% increase in the kerbside captured WEEE. A leaflet drop in October has also been delivered to all kerbside households, the results of this are yet to be seen.

Section 3 - External and Market Factors

Covid Impact

For the year 20/21, BWC is forecasting the financial impact of Covid-19 to be in the region of £1.6m resulting from the impact on the recycle market and additional costs of operating our key services.

Labour (including agency) costs are higher due to increased sickness levels and the extra volume of waste being presented at the kerbside. The result of extra volume results in vehicles reaching capacity more quickly than normal thus needing to return to site to unload.

Covid-19 costs have been calculated based on actual and forecast costs to date (October 20) and continue to be closely monitored.

The continued drop in recycle prices and overall income is included in our forecast business plan for 21-22 as it reflects the current and predicted market factors.

We have included additional Covid-19 operational costs for labour, vehicles and equipment of £158k based on the impact extending for the first quarter of 21/22.



Population Growth

Bristol has a population of approximately 465,000 people. This figure is expected to grow to 475,000 in 21/22 and reach 500,000 by 2031. This means the city has the highest percentage increase in projected population out of the English Core Cities.

There are 201,980 homes in Bristol. Since 2006, 23,319 new homes have been built, an average increase of 1,793 a year. The Bristol Local Plan will enable the delivery of at least 33,500 new homes in Bristol by 2036.

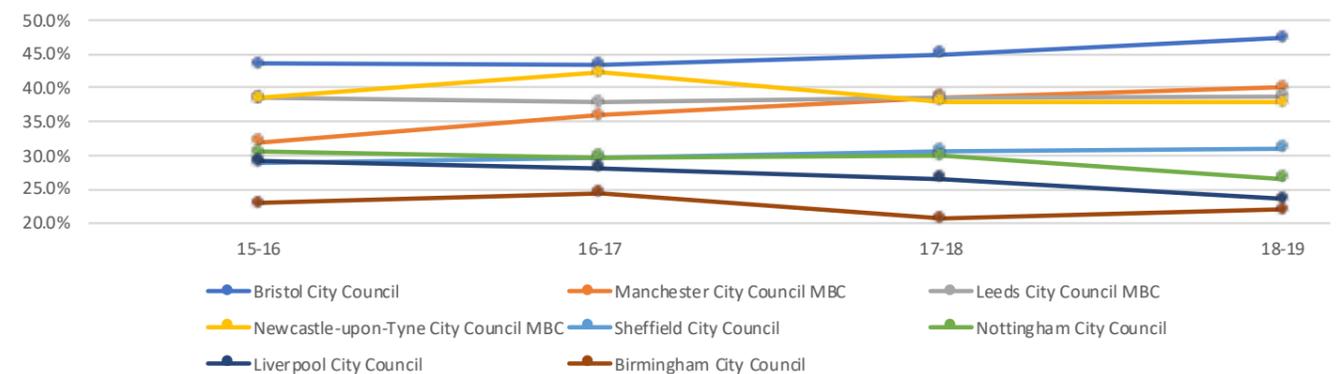
On the basis of the figures reported above, since Bristol Waste took over the council's waste management contract, the number of households is estimated to have increased by 4.6%.

Bristol Waste continues to deliver its core services for the residents and communities of Bristol with inflationary only increases. All population and housing growth has been and are forecast to be absorbed by innovations and efficiencies in the delivery of our service.

Leading core city

Core cities	DEFRA Household Recycling Rate %			
	15-16	16-17	17-18	18-19
Bristol City Council	43.6%	43.4%	44.9%	47.4%
Manchester City Council MBC	31.9%	36.0%	38.6%	40.1%
Leeds City Council MBC	38.4%	37.9%	38.4%	38.7%
Newcastle-upon-Tyne City Council MBC	38.5%	42.3%	38.0%	37.9%
Sheffield City Council	28.9%	29.6%	30.7%	31.0%
Nottingham City Council	30.6%	29.8%	29.9%	26.5%
Liverpool City Council	29.2%	28.1%	26.6%	23.6%
Birmingham City Council	22.9%	24.4%	20.7%	22.0%

DEFRA Household Recycling Rate



Bristol Waste continues to deliver its core services for the residents and communities of Bristol with inflationary only increases. All population and housing growth has been and are forecast to be absorbed by innovations and efficiencies in the delivery of our service.

Section 3 - External and Market Factors

Brexit

At the time of preparation of this Business Plan there remains uncertainty over Brexit trade terms. In particular, this could impact the recyclate market as it may become prohibitive to export, increasing the demand for domestic processing which will push prices down and lead to a supply over the available processing capability in the UK.

Recyclate is essentially a commodity and traded in the UK and Global markets and so is affected by many external factors outside of our control, things such as trade tariffs, global environmental events, exchange rates, etc. Bristol Waste Company has built a reputation for delivering a good quality product without cross contamination (i.e. glass in cardboard bales) which will ensure that we are always able to find a reprocessor to take the product and that we will be able to command one of the better prices within the market place no matter where that marketplace is at the time.

The other key business risk linked to Brexit is vehicle fleets spares and vehicle fleet replacement. Vehicle manufacturers are advising that they may see price increases of up to 20% in the event of a no deal Brexit.



|| We have increased the levels of all fleet maintenance essentials and consumables to mitigate the impact of any future price rises on the business.

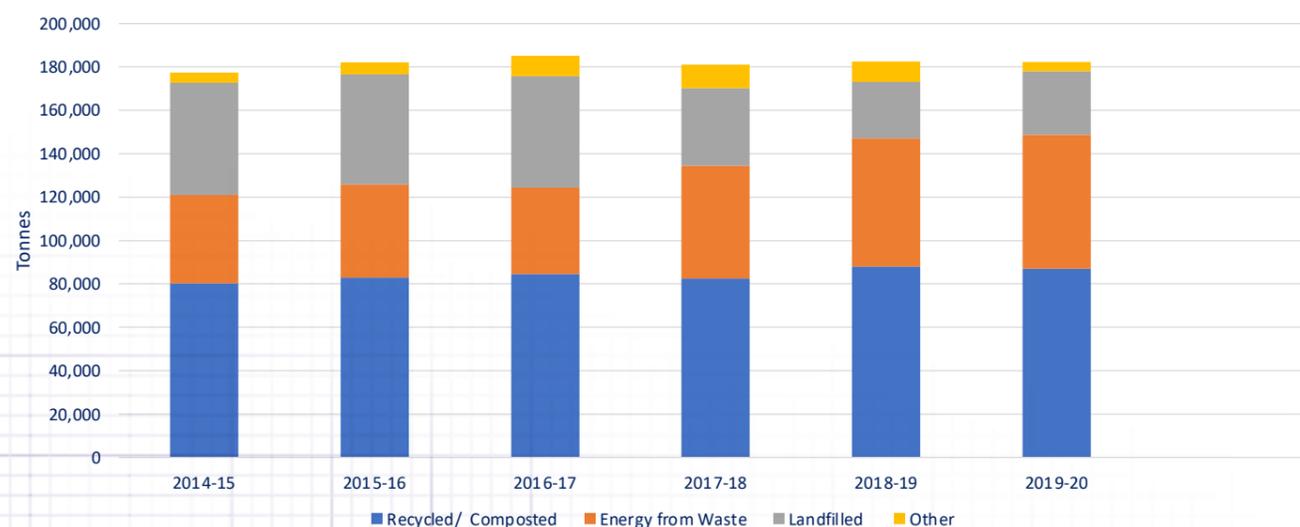
Waste Trends

Whilst there has been an upward trend in the amount of household material, driven primarily through residents being at home more and generating more material at the kerbside, we have been able to mitigate any cost rises through driving efficiencies and innovation that have diverted material from more costly disposal routes to cheaper processing routes.

This has enabled us to handle more material without increasing our costs and has also had the added benefit of increasing our environmental performance through diverting more material away from landfill and into other routes. It is projected that the rise in residual waste will be sustained into 21/22. Operational and behavioural solutions will need to be developed and delivered to continue to manage this challenge.

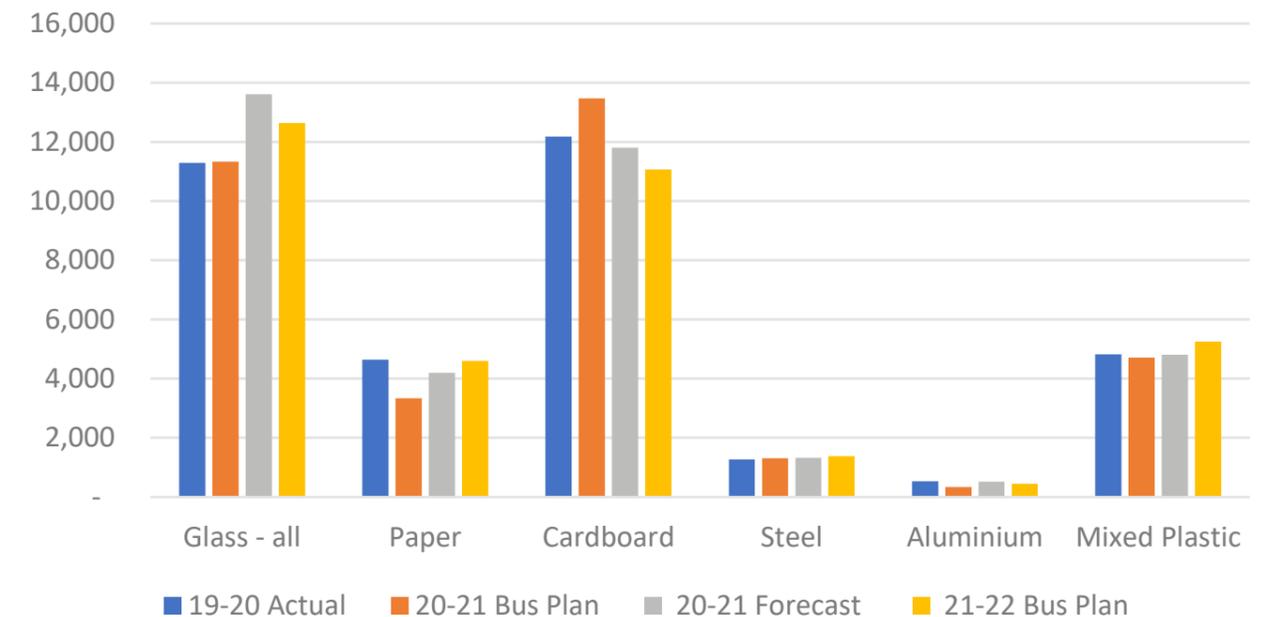
The graph below shows our annual waste destination streams.

It demonstrates the move away from landfill to energy from waste alongside an improving recycling rate.



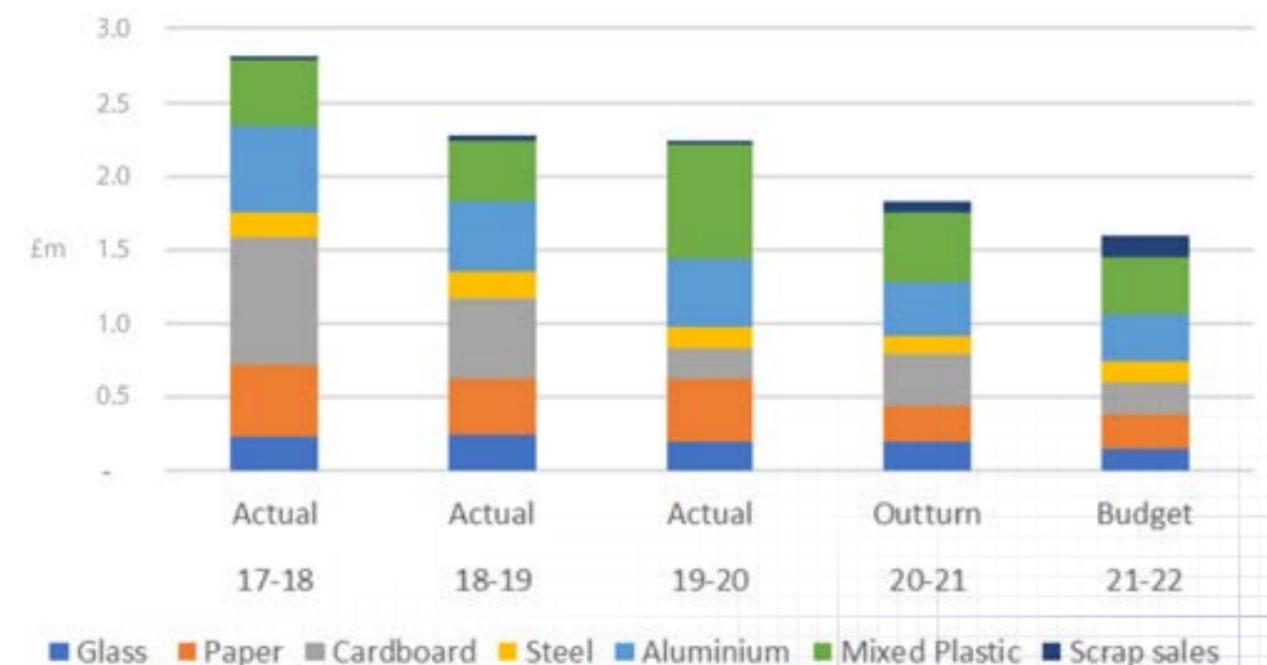
Recyclate Industry Trends

The graph below shows the actual and predicted volume trend in tonnes on an annual basis by product stream.



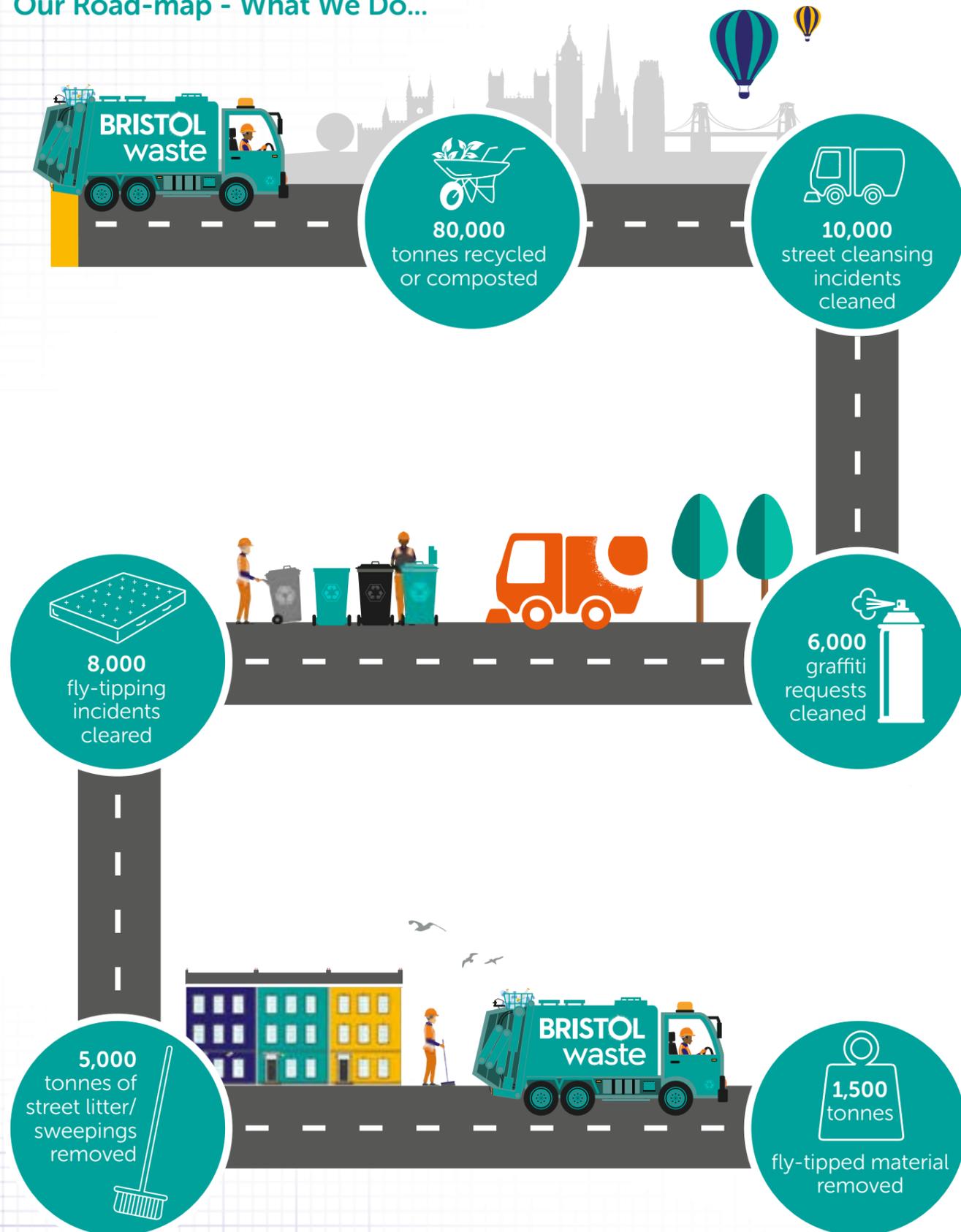
We are not alone in seeing a big surge in glass volumes, which has led to oversupply in the market. There has been an increase in material collected from kerbside not just in Bristol but across the country as result of more people spending time at home and generating more recycling. This has increased the volumes handled across the board with a particular increase the amount of glass being collected. The smallest increase in volume at kerbside has been seen in the card stream. When considering this and extrapolating this forwards we have accounted for the current and future decline in global commerce resulting in less non essential products being purchased, which in turn results in less packaging waste being produced.

The graph below shows the recyclate value per year.



Section 3 - External and Market Factors

Our Road-map - What We Do...



Legislation timeline

- 2020**
 - One City Climate Strategy has been published
 - One City Ecological Emergency Strategy due to be published
 - Defra to work on statutory minimum guidance for collections – frequency etc.
 - EPR for WEEE
 - 50% Recycling rate for Household (UK target)
 - Second consultation on DRS, EPR & Plastic Tax issued
 - DRS being introduced in Scotland
- 2021**
 - Final Business case of CAZ to Sec. of State Feb 2021
 - CAZ implemented October 2021 (TBC)
- 2022**
 - The setting of new legally binding waste and resource targets from the Environment Bill (we have no indication of what these are).
 - Introduction of Plastic Tax – on all products that contain less than 30% recycled content (£200/T)
 - Scotland bring in their DRS in July – on single use drink containers (PET, glass, Al or Steel)
- 2023**
 - First Zero Waste Zone in Bristol (moved from 2025)
 - Potential new government measures:
 - Roll out of DRS – up to 3L bottles, cans and tins and other packaging – push to include cups, cartons and pouches
 - Consistency implemented
 - Separate weekly food waste collection mandated
 - Separate free garden waste collections
 - Defra looking to mandate business have separate food and dry recycling collections
 - EPR to be rolled out
- 2024**
 - Revision of the Waste Strategy
- 2025**
 - Reduce residual household waste below 150kg per person
 - Reduce food waste in residual waste to 10%
 - Ensure that 65% of all household waste is reused, recycled or composted (Bristol target)
- 2026**
 - Ensure that 75% of Bristol's public sector are battery electric vehicles
- 2027**
 - All Bristol organisations have introduced sustainable travel policies
- 2029**
 - 65% Household waste is sent for reuse, recycling or composting (UK target)
 - Nobody in Bristol thinks that litter is a problem in their community
- 2030**
 - All streets in Bristol free from litter
 - 75% recycling rate for packaging
 - Bristol is a Carbon Neutral and Climate Resilient city

- UK targets
- One City Targets – Waste
- One City Targets – Street scene
- One City Targets - Fleet

Section 3 - External and Market Factors

Definitions

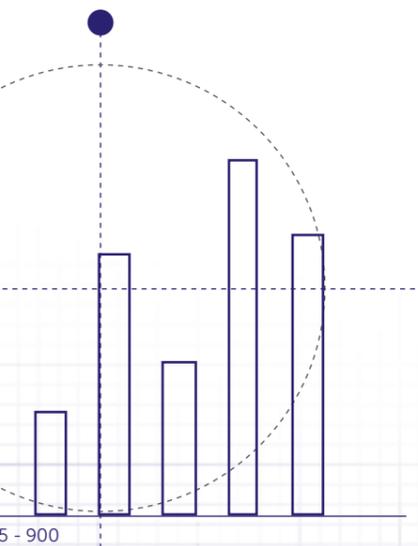
DRS - Deposit Return Scheme – its where each containers will have a deposit placed within its purchase price and therefore upon return to a participating system this deposit will be returned to the purchaser. For us the relevance is that plastic bottles/pots, glass bottles, tins, cans etc may not be presented into the kerbside collection – therefore the vehicles will be empty and our income from these valuable products gone. The plus side is that the 40% of the general waste will also be removed – therefore we will have less general waste!

Consistency - this is when a standard specification of materials have to be collected from the kerbside - glass, paper, card, plastic bottles, tubs & trays and tins and cans, they may also have a minimum frequency specified as well.

EPR - Extended Producer Responsibility – this could mean that the producers of the products and packaging are made to pay the 'full net costs of its recycling' – this includes its collection – but this will have to be demonstrate to be reasonable costs

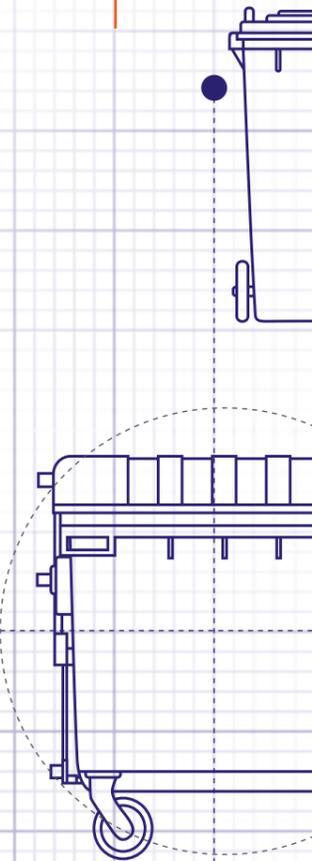
Clean Air Zone (CAZ) - is being relooked at due to the pandemic, it was approved in Cabinet on 1st September in its current iteration – to look at a medium sized CAZ C zone (no charge for non compliant vehicles) and a smaller CAZ D zone (charge for non compliant cars) – there will not be a diesel ban now – it was suggested that there were too many legislative requirements of the government to deliver this in the timescale required.

It is noted that Cabinet has not yet made a decision about whether a CAZ will be in place or what sort of CAZ it would be.





Section 4
**Delivering
our Service**



Section 4 - Delivering our Service

Safety, Health, Environment and Quality (SHEQ)

The health & safety of our people, customers and everyone visiting our sites is paramount to everything we do. Over the past year we put increasing measures in place, focussed on compliance, managing risk and ensuring safety at every level.

During the COVID-19 pandemic we set up a business continuity team to assess and implement the continual changes we needed to make to stay healthy and help prevent the spread of coronavirus.

These have included:

- Communication to all staff on potential symptoms, support in self-isolating and getting tested
- Supporting our clinically vulnerable staff and those who shielded with bespoke assessments to allow them to work safely
- Redesign of depots, sites and offices to achieve 2m social distancing
- Equipment and training on necessary PPE and hygiene to clean hands and surfaces to prevent transfer of the virus, both on sites and on the road
- Reduced numbers of people gathering on sites. Including controlling public at HRRCs, enabling staff to work from home, operations going straight to cab in depot and crew meet out on route
- Working with Regulators, BCC, Trade Unions, Customers, Suppliers, Contractors and many other stakeholders to continue our activities in a COVID secure manner.



This year has been important on our health & safety journey to embed the basics, progress workplace standards and improve culture. Some of the key elements have included:

- Maintaining our Business Management System certified to ISO 45001 (Occupational Health & Safety), ISO 9001 (Quality), ISO 14001 (Environmental) and for IT Reuse achieved ISO 27001 (Information Security)
- Embedding Near Miss reporting on devices to increase use and become a user-friendly tool for improvement
- Sustained lower accident and severity rates
- Working closely with the Environmental Services Association (ESA) and Waste Industry Safety and Health (WISH) on industry standards
- Set up accident prevention group to review and learn where things went wrong
- Focusing on leading indicators to ensure supervision, monitoring, inspection, training and corrective action to achieve our standards
- Looking at new tools to achieve safe and efficient workplaces, including 5S and Six Sigma
- Core training and refreshed toolbox talks and Safe Working Procedures
- Wellbeing group, mental health training, stress risk assessments, free MOT health checks, on site physiotherapy and Citizens Advice
- Other SHEQ focus: chemical safety, PPE and workwear, emergency plans, fire, noise, vibration, traffic safety, work at height, manual handling, environmental permits and consent, route risks, and contractor safety.

SHEQ will never stand still and we will always strive to improve. To continue with these improvements, we plan to:

- Promote and lead a positive health & safety culture
- Work with industry bodies including ESA and WISH to understand and achieve best practices
- Embed core health & safety skills through training and coaching, prioritising; onboarding staff, risk assessment, monitoring and accident investigation.
- Focus on road and property incidents investigation, working with insurance and transport experts
- Continue risk improvement and safe working practices
- Working groups to achieve safe and efficient workplaces, equipment and tools
- Promote Health and Wellbeing of staff.

Community Engagement

Community Engagement Work 2020/21

- The Community Engagement team adapted over Covid by working more closely with Operations dealing with issues raised by Crews, Supervisors, Residents and Councillors. The team have focused on engaging by delivering over 5000 letters and educational materials to encourage waste reduction, improved recycling and reduction in fly-tipping, as well as taking bins and boxes off the streets.
- The team moved talks and forums online and hosted a monthly 'ask the waste experts' webinar.
- BWC ran the Autumn Litter Blitz in accordance with Government Guidelines which was a great success.
- The team continue to work proactively with stakeholders including BCC's Neighbourhood Enforcement Team, Street Cleansing, Operations, Housing Associations and Community Groups.
- A Waste Nothing School Project has been designed and will be launched in 2021.
- A Student Strategy will continue to be developed and rolled out.
- The team plan to work closer with landlords, encouraging responsible practices in waste and recycling.
- Innovative ways to improve residents behaviour targeted to reduce waste across the whole city.

Nearly 300 litter pick kits have been loaned out between April 20 – October 20

Over 800 streets visited and engaged with

Over 5000 letters distributed

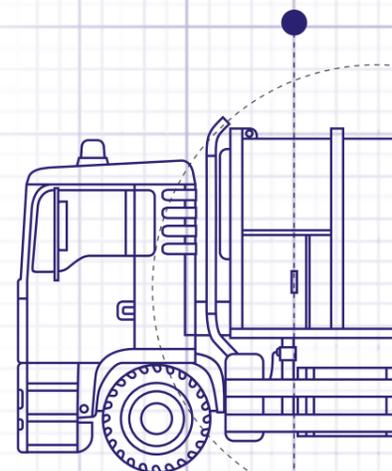
Nearly 2000 boxes/bags and caddies distributed



Plastic fishing in the harbour

Working with community organisations, we successfully won a visit from the Poly Roger, an electric boat made from 99% recycled plastic, designed by the architect behind the Queen's barge.

During her fortnight long stay in Bristol's historic harbour she carried 300 litter-picking passengers, who collected 36 bags of litter and got people talking, making no less than 5 broadcast appearances! Read more about the work here!



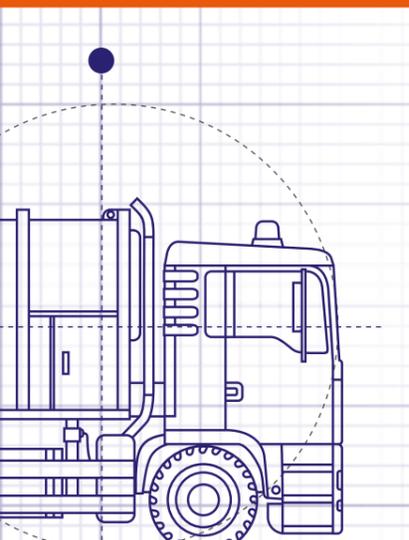
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Resource West Campaign

This brings a range of collaborative partners to aim to reduce the level of resource usage. The less usage of resources, the less consumed and the less we have to collect and process.

Bringing the linked up messages through the environmental elements ties in with the ambition and targets of the One City Plan as well as the businesses targets.



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Section 4 - Delivering our Service

Our People

The impact of Coronavirus proved challenging operationally, especially with increased tonnages during lockdown and the loss of staff to sickness and isolation. We are immensely proud of all our frontline staff who moulded to new working practices whilst delivering core waste services for the city, and our support staff who had to adapt swiftly to working away from the office and devise and implement ways to manage the impact of the virus.

The significant loss of workforce through sickness and isolation had to be addressed quickly and effectively. In response we implemented the 'Friends & Family' initiative which offered temporary work opportunities to local people who had lost work due to the pandemic. We advertised through social media and in four days inducted over 60 people who could be called upon to help us deliver our services.

We also saw the introduction of a cab cleaning team who sanitize vehicles daily to ensure we meet WISH cleaning requirements in the workplace as a result of the pandemic.

We acknowledge that we are dependent upon our staff, and that a **healthy and productive workforce** is a recipe for peak performance. We have dedicated significant resources to mental health & wellbeing throughout 2019 and our strategy has been to develop a three-pronged approach. This is to:

- Promote wellbeing and a healthy working culture
- Tackle the causes of mental ill health
- Support staff with mental health problems.

Normalising discussions about mental health is key, and as part of Mental Health Awareness week, we launched 'Time to Talk' in 2019, a film featuring our employees which encouraged them to spot the signs and support each other.

We now have dedicated resources on our extranet, signposting to specific support for issues such as bereavement and depression and all line managers have been trained on supporting staff with mental health problems. In addition to this we have implemented fully trained Mental Health First Aiders across the business, giving wellbeing support direct to employees.

We understand that financial wellbeing is a key part of overall 'wellness' and a growing employee need. We have partnered with the Citizens Advice Bureau to offer on-site surgeries for staff. As well as debt and money management, on-site advice will be available on a spectrum of topics such as; housing, neighbourhood disputes, immigration, legal advice and family issues.

We continue to offer free on-site physiotherapy to staff through 'Back in Action' and in addition we have been offering employees on-site 'physical MOT' checks.

An employee engagement survey completed in September 2020 will direct and guide activities in 2021. It covered a number of areas including reward, understanding of vision and values, communication, health & safety, wellbeing and interaction with line management.

We have undertaken Essential People Management training and have rolled out training specific to employment processes.

We value the input of the three Trade Unions (TU) across the business and have worked with them to create a union structure, with senior TU Stewards Regional representatives and all the unions, UNITE, Unison & GMB signed the Trade Union Recognition agreement.

As an organisation we recognise the need for on-going work in relation to **Equality, Diversity & Inclusion** so we can better represent the diverse cultures and communities of Bristol.

We have set up a working group, chaired by the Managing Director, which looks at; identifying what support is required for minority groups within the organisation; how we can better attract a more diverse range of applicants and better ways of providing staff with increased knowledge and confidence around diversity and inclusion. The group informed our diversity and inclusion strategy, and we are working on several initiatives and actions to support it, such as identifying local community groups, reviewing our online application process and highlighting barriers to for underrepresented groups. We will also be rolling out training across all levels of the business throughout 2021, embedding diversity and inclusion as our DNA as an organisation.

In addition to a diverse workforce, we also need an inclusive environment where people's differences are valued, everyone feels that they belong without having to conform and they are able to perform to their full potential.

We are constantly looking at ways to reach out and connect to our workforce. We also led on the iTrent project, an online employee self-serve system due to be rolled out in 2020 which will allow staff to book holiday online, change bank details and view vacancies and sickness records.

The interactive Bristol Waste Company employee handbook is nearing completion and will enable employees to remotely access all policies, procedures and frequently asked questions in line with their employment.



Learning and Development

Our Learning and Development team have implemented a first-class training programme across the company. Every member of staff received a full reinduction, including Health and Safety training and a Directors' Roadshow, meeting the Managing Director or Finance Director personally.

We also planned to deliver over 14,000 hours of training this year. However the impact of coronavirus meant there were supplier cancellations and logistical challenges around face-to-face learning. Despite this, we quickly reworked our plans to ensure compliance and regulatory work could continue and we delivered 10,000 training hours via smaller groups and seamlessly moved to online learning. We appointed four new apprentices in IT, Fleet, MarComms and Project Management. These roles support the business and the local community, through high quality learning opportunities.



Help Stop Bin-digestion Campaign!

20,000 tonnes of food waste is thrown into Bristol's black bins every year. That's about a quarter of every black bin in the city which is being filled with food. Of that, almost three quarters is completely avoidable food waste.

The average Bristol family throws away £730 of edible food every year! Making sure all food waste goes in your caddy is great for the city and our planet, but you can also save money by taking simple steps to reduce avoidable food waste. Check out our Food Waste Reduction Tips for ideas and bin-spiration.

#stopbindigestion

Section 4 - Delivering our Service

Core Services

Streets

Street Cleansing took what could have been a turbulent year and harnessed it to make impactful improvements across the service. With the requirement to move location to allow for the development of the new Recycling Centre in South Bristol, they took the opportunity to revisit cleansing routes.

The revised routes use Days Road and Avonmouth as sub depots, reducing travel and increasing cleansing time. Smaller areas for barrow beats (dillies), with local access to welfare facilities for crews are being introduced and additional barrow beats have been implemented, giving operatives better ownership over their patch and offering residents a regular presence in the community.

Covid brought challenges such as social distancing and unprecedented levels of littering as lockdown eased. However, the lockdown also provided an unexpected opportunity to deep clean areas of the city too.



In line with the Mayor's Clean Streets pledge, work has focussed on reducing detritus and graffiti. The positive impact can be seen in the Local Environmental and Quality Surveys which demonstrate improvements in these areas.

We also delivered the Mayor's Big Tidy project which has brought the sparkle back to targeted areas of the city. The team have already cleaned more than 700 streets, removed 471 tonnes of litter and over 3,000 graffiti tags, 300+ fly-tips and supported 746 volunteers to take part in 61 litter picks. We are working with BCC on plans to continue this work in to 2021/22.



Cleaned over
700
streets

Removed over
3,000
graffiti tags

Removed
471
tonnes of litter



Supported over
746
volunteers to take part
in 61 litter picks

Removed
300+
fly-tips

Refuse and Recycling

The challenges presented by Covid-19, including increased tonnages and social distancing look likely to remain for the foreseeable future. In order to continue delivering a first-class service to Bristol residents, we will maintain our continual improvement work to regulate the service and absorb the fluctuations and additional properties and tonnages that come with the city's growth.

In the year ahead we plan to work on a re-routing project to ensure we are maximising productivity and reducing travel times and carbon emissions.

Avonmouth Phase 2

We will continue to deliver the second phase of our Avonmouth project. The work will allow us to accommodate collection crews who service the north and parts of the east of the city.

We will also be implementing a waste sorting line. This will enable us to improve our MRC facilities around the city and ensure material can be sorted and blended into our kerbside collections without contaminating what is regarded as a good quality product.

A much need baler will be installed to sort and process the material from the North (and East) recycling collections.



It will also build resilience into our operations by offering a back-up during any mechanical failures at Albert Road. This will reduce transporting cost for loose waste during breakdowns.

Household Recycling and Reuse Centres (HRRCs)

We are supporting BCC with the construction of a new Household Reuse and Recycling Centre. It will bring a much needed facility to the South of the city and will also house our second reuse shop.

We will progress our work to discourage black bag waste, 70% of which our research shows could be recycled. We have introduced sorting tables to help residents sort bags if they bring them to site. We will seek to introduce more single material waste streams like mattresses and non-ferrous metals, reducing the bulky waste material that needs processing.

We are also looking at innovative solutions and opportunities for managing customer experiences at the HRRCs and further waste reduction.



This will have a significant positive benefit on the environment and air quality and improve the customer experience.

BRISTOL Clean Streets

BIG TIDY

MAKE THE BIG TIDY PLEDGE!

WE'RE BRINGING THE SPARKLE BACK TO THIS NEIGHBOURHOOD.

Go online to make your pledge!
bristolwastecompany.co.uk/big-tidy

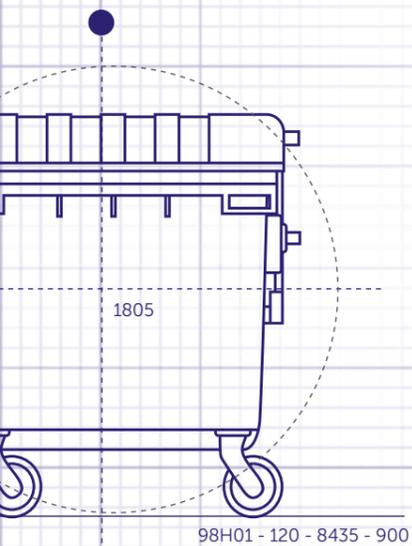
#BristolCleanStreets
#BigTidy



Educational Videos

A big part of providing the business communities of Bristol with support has been to create videos that enable them to learn the importance of recycling.

It can be beneficial to provide them with the knowledge of where their waste and recycling ends up in hope that they will make the right decisions to maximise their recycling rates. We have created and advertised videos focussing on food waste, glass and plastic so far with the hope to cover all waste and recycling streams. Here's our **food waste video!**



Section 4 - Delivering our Service

Business Services

Business Waste

We will continue to build on our strong relationships across the city by offering waste solutions that are good for businesses, good for the environment and good for Bristol. We will target partnerships with large, Bristol-based organisations, where we can deliver the message of waste reduction, sustainable waste services and good value, whilst also bringing in smaller work to compliment the service.

We are also launching the BHive - a new and innovative home-from-home office recycling system, designed to help businesses recycle more and waste less.

Our ambition is to be the waste supplier of choice for all Bristol businesses. We have introduced innovative CRM marketing systems and segmented the Bristol business market potential to deliver our sales strategy (See Exempt Appendix Part C).

PLEASE SEE EXEMPT APPENDIX I1 FOR PART C

Bristol Workplace

We have successfully mobilised our Integrated Workplace Service business and entered a new market. We will continue to grow this area of our non teckal business.

IT Reuse

After a successful programme start, we will continue to develop strategic relationships with neighbouring local authorities and partners within the city and beyond to deliver great opportunity and profit for the sector.

Residential 1100 Bin Hire

During the summer of 2020 we launched a new commercial product for residents. It has proved a good solution for customers, offering a low cost solution to waste that cannot be collected from the kerbside, city and beyond to deliver great opportunity and profit for the sector.

We have successfully launched the service as campaigns on both LinkedIn and Facebook, resulting in orders in excess of £10,000 in value thus far. We will continue to advertise this service through the winter.

By sorting the bins, we can increase recycling and garner further efficiencies, whilst providing a great service to customers. We seek to build on the success of this by rolling it out to customers beyond the current area.

Key Performance Indicators

BWC is focussed on continuous improvement and innovation through the provision of data insight and intelligence.

Key performance indicators are now reported against using Power BI dashboards. This has enabled management information to be provided in real time and in a more accessible format, improving insight and performance awareness.

Service Key Performance Indicators

Service Area	Measure of Success	20/21 Target	Proposed 21/22 Target
Performance	% Municipal waste diverted from landfill	88%	90%
Performance	% Household waste that is reused, recycled or composted	50%	54%
Performance	Reduce residual household waste per person per year	185kg	175kg
Reuse	% increase in waste diverted to reuse	+10%	+10%
Bulky Waste	Collected on scheduled day of collection	95%	95%
Container / Bin Delivery	Delivery of containers and bins within 15 working days	95%	95%
Recycling	Missed collections per 100,000 collections (*Sep 20)	N/A	100
Refuse	Missed collections per 100,000 collections (*Sep 20)	N/A	100
Street Cleansing	Reduction in litter as measured by independent Local Environment Quality (LEQ) (Grade B and above)	N/A	95%
Street Cleansing	Reduction in detritus as measured by independent LEQ (Grade B and above)	N/A	97%
Street Cleansing	Reduction in graffiti as measured by independent LEQ (Grade B and above)	N/A	93%
Street Cleansing	Reduction in fly posting as measured by independent LEQ (Grade B and above)	N/A	99%
Performance	% food waste in the waste stream	<20%	<20%
Street Cleansing	Removal of offensive or racist graffiti within SLA (8 working hours)	100%	100%
Street Cleansing	Removal of graffiti metres per month	N/A	TBA
Street Cleansing	Fly-tip removal within SLA (48 hours)	95%	95%

Company Key Performance Indicators

Service Area	Measure of Success	20/21 Target	Proposed 21/22 Target
Health & Safety	RIDDOR rate (measured on a 12 month rolling basis) ESA 2019 industry average was 4.1	<0.71	<2 incidents
Health & Safety	Total accident frequency rate (measured on a 12 month rolling basis)	<56.4	-10%
Health & Safety	Lost time injury severity rate (measured on a 12 month rolling basis) ESA 2019 industry average was 0.15	<0.05	-10%
Health & Safety	Lost time injury frequency rate (measured on a 12 month rolling basis)	<11.3	-10%
Health & Safety	Number of road traffic accidents (BWC responsibility)	<138	-10%
Health & Safety	Maintain Near Miss reporting levels	>446	+/-10%
Health & Safety	Third party property damage	<29	-10%
Complaints	Reduction in service complaints	<1757	-10%
Complaints	Response time within BCC customer service SLA (within 21 days)	N/A	100%
Staff Turnover	Reduction in staff turnover	<11.6%	TBA
Staff Sickness	Sickness (including long term sickness, 12 month rolling)	<4%	TBA
Environment	Carbon neutral and climate resilient by 2030 (in support of BCC Vision)	N/A	TBA
Engagement	Resident – participation monitoring	N/A	TBA
Customer Satisfaction	Quality of life surveys / BWC residents surveys / complaints data	N/A	TBA
Client Satisfaction	360 feedback / service performance	N/A	TBA
People	Colleague engagement & wellbeing	N/A	TBA
People	Diversity, BAME representation, inclusivity, equal opportunities	N/A	TBA
People	Training, workforce development and apprenticeships	N/A	TBA
Social Value	Annual measure and annual increase	£24.8m	£27.5m

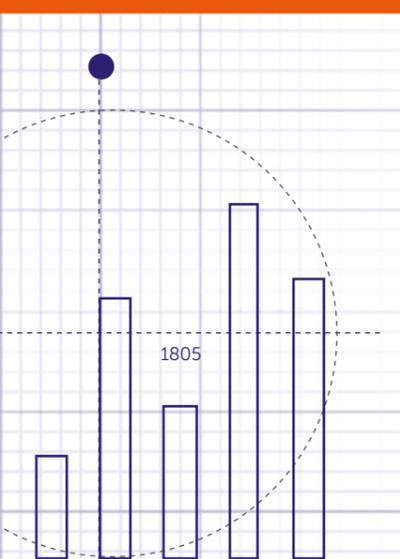
Note: KPIs to be agreed with BCC Waste Client Team.



Batteries

This was a project in collaboration with Ecosurety to trial and demonstrate the success of a nudge to collect household batteries from the kerbside.

In 2019 they chose to partner with us and trial a new intervention campaign with 4000 households. The following 2 weeks after the delivery of the 'nudge' leaflets saw an increase of 117% in capture of batteries. Over the following 7 months after the initial leaflet delivery one of the areas demonstrated a 26% increase in capture compared to other areas.



Section 4 - Delivering our Service

Technology and Systems

During 20-21 we updated several core systems and introduced new software to further develop our operations and support the day to day running of BWC

- **Sage 200 financial system has been upgraded to now include** automatic Paperless invoice scanning
- **iTrent HR and Payroll system** – Introduction of Employee Self Serve (ESS) and Manager Self Serve (MSS) allowing Employees and manager to perform tasks within the system, rollout to continue into 21-22
- **Weightron** – new weighbridge system replacing two legacy systems, bringing all of our weight information and data onto one platform
- Our IT team have deployed **Microsoft Autopilot** and **Android Enterprise** across the business providing improved security and software deployment for all business electronic devices.
- **Zoho CRM** – New commercial CRM to help manage leads and customers
- **CMS Supatrak** - vehicle tracking, weight data and CCTV which is integrated with our new fleet, Data is then made available via a permissioned and reportable dashboard.
- **Microsoft Autopilot** and **Android Enterprise has been deployed** by our IT team across the business providing improved security and software deployment for all business electronic devices.
- **Multi Factor Authentication** has also been rolled out by our IT team to further improve our security when accessing company files.

Website

We launched our new website. Despite this project starting a week after lockdown it was still delivered on time and within budget and delivered the following benefits:

- Removed the risk of having one person manage the hosting (single point of failure)
- Much greater prominence to our commercial offering
- Create the ability to manage and improve the site ourselves to future proof (moved from CMS (Django) to Wordpress)
- Improved accessibility to meet Web Content Accessibility Guidelines (WCAG)
- Improved navigation for our users – residents and businesses
- Fresher Search Engine Optimization (SEO) optimised design.

Our focus for 21-22 is to leverage the power and efficiencies we can gain from these systems by concentrating on system integration and further development of their capabilities to enhance our services. We will fully integrate our weighbridge, commercial Customer Relationship Management (CRM) and financial systems using their API protocols. We will continue to build on the work we have done introducing Microsoft Forms to our processes and procedures removing the need for printed paper and physical signatures.



ALLOY

The successful roll out of Alloy will allow us to fully integrate our workforce through the use of devices.

We will receive real time information from tablets to support the operational running of the business, allowing us to respond accordingly.

Alongside this we anticipate efficiency savings both in time, resource and paper, through the automation of repetitive tasks.



There is flexibility within the system to support any future operational changes.

The integrations available within Alloy will allow further development to join up other key systems such as tracking and weighing, further supporting our target architecture and the desire to be data led.

The infancy of the system will allow us to have influence on how the product develops allowing us to stay ahead of the curve and pioneer new ideas.

Top 10 benefits of ALLOY:

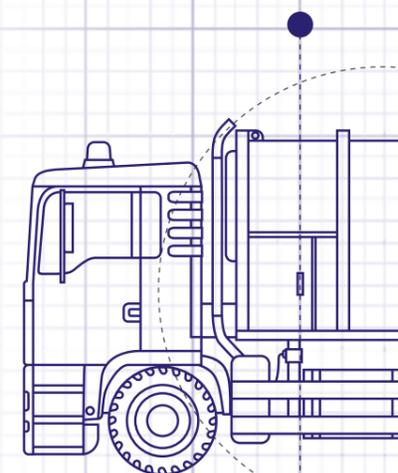
- Ability to track and effectively manage services in real-time
- Automated workflows and alerts and introduction of mobile devices to frontline crews
- Missed collections and container request validation
- Connect and integrate service delivery
- Dynamic work re-assignment
- Enhanced reporting including workflows
- Webform development and improvements
- Admin and operational efficiencies
- Capability to incorporate current BWC systems
- Enhanced data insight and reporting



Nordic Partnership

We have recently established a business partnership with Nordic Products and Services Ltd (NPS) to deliver sustainable anti-graffiti and streetscape services to the streets of the UK.

In servicing areas across the South West, we will constantly work towards providing high-quality standards, transparency and flexibility throughout service, in line with NPS' priorities. Through this partnership, we will build key business relationships, broaden our horizons and increase our range of services in which we offer.



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Section 4 - Delivering our Service

Reuse

Our reuse work continues to go from strength to strength.

Since opening in June the Reuse Shop has:

REUSE



Customer and volunteer feedback has been fantastic:

"I can't believe all of these things would have been thrown away, there are some great items in the Reuse Shop!"

"I really enjoy volunteering at the Reuse Shop, my tasks are varied and there's always something interesting to work on."



2020 so far...



Total tonnage diverted
50 tonnes

Items diverted from waste



7 tonnes
of paint



26 tonnes
of books



232
bikes



500
mobility aids

Partners:

- SOFA Project – Community Repaint Scheme
- World of Books
- PhysioNet – charity collecting mobility aids
- Medequip – supply NHS with mobility aids
- St Mungos – donated items for people moving from homelessness into accommodation
- Independent People 16-25 – donated items for people moving from homelessness into accommodation
- Bristol City Council – Voids project
- ReColour – selling remanufactured paint
- Green waste reprocessor – we buy and sell soil conditioner made from garden waste collected at BWC HRRC sites.

REUSE

Looking to the Future

- Hartcliffe Reuse Facility being built
- Expanding products for sale (reuse paint diverted from Avonmouth HRRC, bikes, white goods)
- Expanding collaboration with BCC – voucher scheme, void clearances, more reuse across departments.

Bristol's third HRRC at Hartcliffe will have reuse at its core – with a dedicated and purpose built Reuse Facility including workshop, storage and large shop floor. The site will also be equipped to carry out repairs on items – either in house or in collaboration with partners. Building on the experience of opening the Avonmouth Reuse Shop, the Hartcliffe site will be Bristol Waste Company's flagship for reuse and repair.

#Wastenothingcampaign

The 50HH campaign has been shortlisted for 2 awards now, and is a clear demonstration of what could be done with individual engagement with households over 12 months.

This campaign has been expanded this year to include a wider range of households within Bristol, 100 households that have a range of commitments to how much action have they already taken to try and reduce your waste, with nearly half of them admitting that they are 5 or less on a score of 0-10 in terms of changes to reduce their waste.



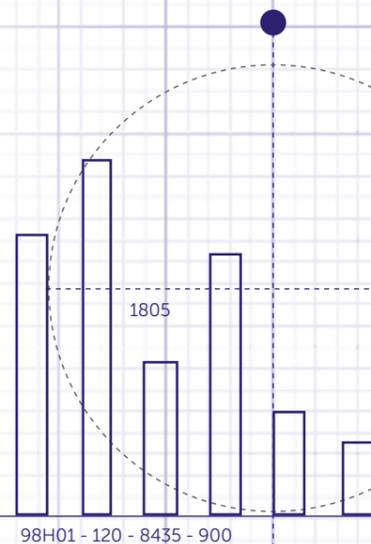
Drive down unnecessary mileages through advanced route planning technology and enhanced communication.



Hubbub

In September 2019 we were selected as being a winner of The Cup Fund by Hubbub and Starbucks - One of 12 projects awarded across the UK.

We launched the campaign in January 2020 with a rather special lighting up of City Hall. We have been awarded funding for 100 cup bins to be delivered across the city. We are currently working with a network of on street bins, shopping malls, Universities and potentially the NHS.

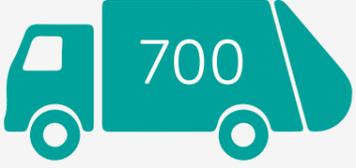


Section 4 - Delivering our Service

Big Tidy headline stats...

Between October 2019 and September 2020, the Big Tidy has achieved some great results for Bristol:

471
tonnes of litter, fly-tip and detritus removed (including 3 toilets and a trampoline!)


More than **700**
streets cleaned by the Big Tidy crew


More than **3,000**
graffiti tags removed from walls, bridges, benches and bollards

250
investigations into fly-tipping by our enforcement team


600
legal warnings issued

87
fixed penalty notices handed out


13,000
additional hours of street cleansing and 4,000 community engagement hours so far


22
community events held across Bristol


500+
Big Tidy pledges made by residents and businesses


£1M+
invested in street cleansing and community engagement

2,365
community engagement letters delivered
746
volunteers took part in 61 litter picks


300
fly-tips cleared

Clean Streets headline stats...

Since launching in November 2016, the Bristol Clean Streets campaign has seen some remarkable results. Together we have:

Distributed 30,000
dog poo bags to pet owners across the city


Run **7** awareness raising campaigns, including the much-loved #LitterHurts and hard-hitting Operation Waste Watch


Invested an additional **£2 million** in street cleansing


Supplied tonnes of paint to Community Repair; helping residents tackle graffiti


Rolled out **110** rubbish crunching, solar powered, super hungry bins across the city


Won the Great British Spring Clean Award 2020

Donated **520** litter pickers given to 52 primary and secondary schools across Bristol

Established the **Clean Streets forum**, connecting active residents with each other and us.

Loaned over **5,000** litter picking kits to residents

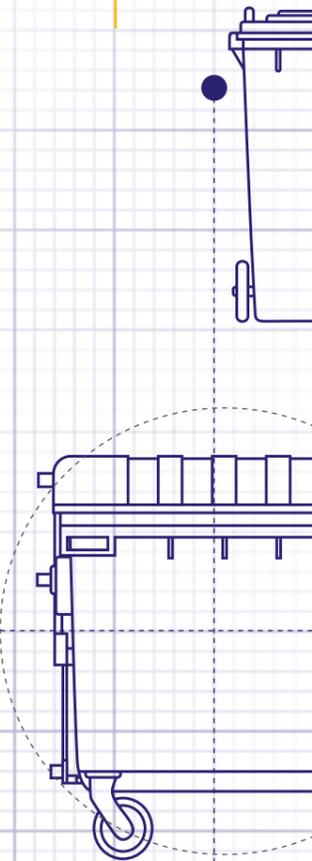

Increased the number of streets which can be classified as clean to **95%**


Hosted **8** city wide clean ups

Collectively **7,000** volunteers have volunteered for a whopping **44k hours** collecting **8656 bags of litter**



Section 5
Our Plan
of Action



Section 5 - Our Plan of Action

Bristol Waste Company remain committed to driving efficiency and value for money for our customers and shareholder. We are equally committed to delivering a successful, growing and profitable commercial "non-teckal" side to our business.

Financial Year 21-22

Table 1 - 21-22 Business Plan Summary

A high-level summary of our updated financial business plan is given below. This compares our updated plan for 21-22 against the 21-22 numbers forecast in last year's Business Plan.

	21-22 Current Plan		21-22 Previous Plan		Variance	
	£k	% of Income	£k	£k	£k	%
Revenue						
BCC - core services	39,144	85%	39,144	-	-	-
BCC - other services	630	1%	540	90	17%	17%
Commercial - business	1,864	4%	1,252	612	49%	49%
Commercial - waste processing	850	2%	-	850	-	-
Other income - blue sky	-	-	6,000	(6,000)	-100%	-100%
Other income	1,955	4%	503	1,452	289%	289%
Recyclate revenue	1,590	3%	2,281	(691)	-30%	-30%
Total Revenue	46,033	100%	49,721	(3,688)	-7%	-7%
Cost of Sales						
Labour	22,640	49%	25,539	2,899	11%	11%
Waste Disposal	13,980	30%	14,238	259	2%	2%
Premises	1,244	3%	1,269	25	2%	2%
Vehicle & Fleet	4,158	9%	3,972	(186)	-5%	-5%
Fuel	1,264	3%	1,402	138	10%	10%
Equipment & Materials	698	2%	1,474	776	53%	53%
Total cost of sales	43,983	96%	47,895	3,911	8%	8%
Overheads & Central	1,813	4%	1,469	(344)	-23%	-23%
Surplus / (deficit) (pre paymech)	237	1%	357	(120)	-34%	-34%
Paymech	278	-	-	-	-	-
Surplus / (deficit) (after paymech)	515	-	-	-	-	-

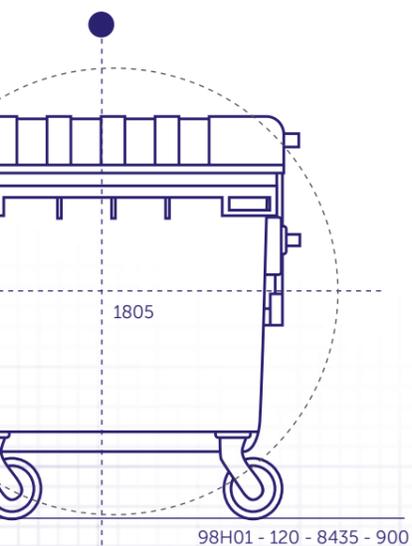
Overall we are forecasting a surplus for the year of £237k. There are a number of key factors to consider when comparing this years plan with last year:

Covid Costs

In addition to the impact of the recyclate income drop the 21-22 Business Plan includes a further £158k of operational costs for Covid based on three month spend for 20/21.

For the first seven months (to the end of October) of the 20-21 financial year the additional Covid related costs incurred by the company totalled £774k comprising additional labour, waste disposal, fleet costs, materials and PPE. In addition to the additional operating costs there is a £243k reduction in recyclate income. For the full financial year 20/21 we are predicting additional operating costs of £1,218k and a reduction in recyclate income of £332k, giving a total financial impact of Covid for 20-21 on the business of £1.6m. Naturally, given the uncertainties and unprecedented times we are all operating in there may be further variation in the full year numbers for 20-21.

Provision has been made within the BCC budget to cover the Covid impact on our 20-21 business plan. It is assumed that no additional funding is available for 21/22.



Recyclate Income

A reduction in forecast recyclate revenue from last years plan of £691k. We are able to maintain a good position in the market place through product quality and consistency in comparison to our competitors, however, recyclate is a global commodity market and largely influenced by external factors including Covid, Brexit and global uncertainty. (See Exempt Appendix Part C). PLEASE SEE EXEMPT APPENDIX I1 FOR PART C

Hartcliffe HRRC Operational Costs

Hartcliffe HRRC operational costs of £1m were included for a full year in the prior year's business plan. We have now modelled the annual operating costs to be £902k per annum and this level of costing is included in our updated forecast from March 22.

Bristol Waste are providing a contribution of £1m of capital from reserves towards the build costs of the new HRRC.

Blue Sky

Blue Sky income now re-categorised and shown as new income streams that have been developed over the last two years.

Other Income

Other income is planned to increase by 289%. This is also reflected in higher forecast labour costs. (See Exempt Appendix Part D). PLEASE SEE EXEMPT APPENDIX I1 FOR PART D

Paymech

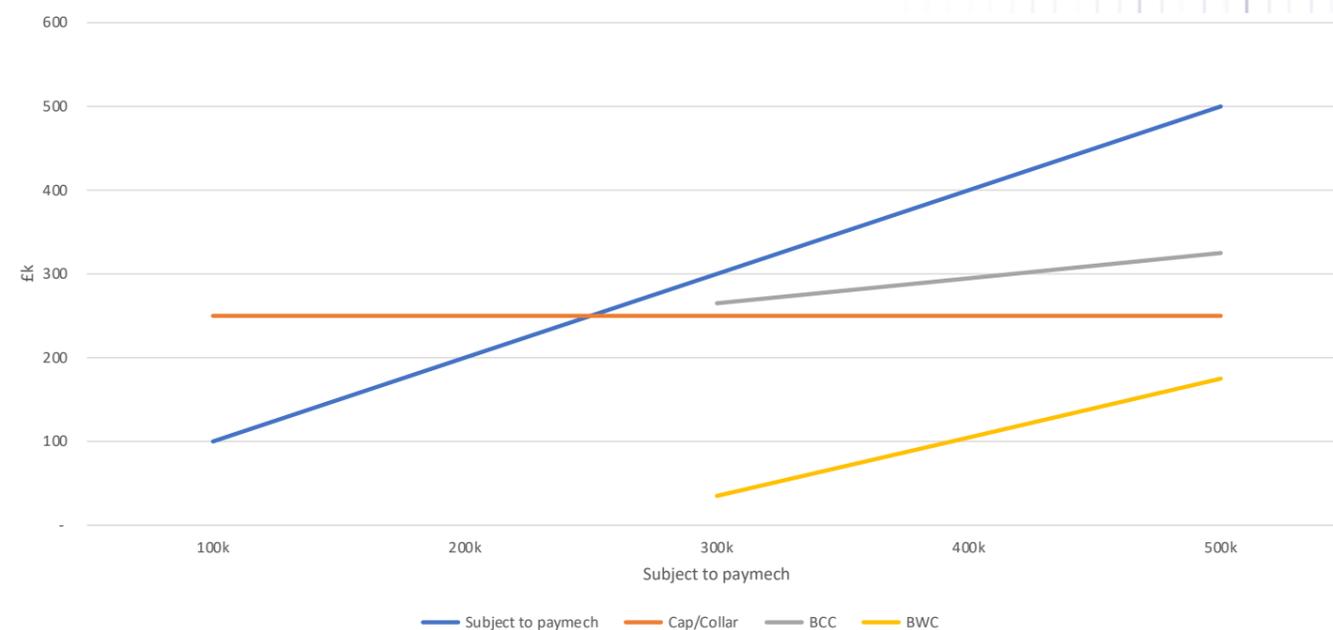
The pay mechanism in place is a risk/reward arrangement between BCC and BWC. It was established to provide a mechanism for BWC to give a proportion of surplus profits to our shareholder BCC, whilst at the same time providing BWC with an element of support, if required, given the volatility of the recyclate market.

It is a cost plus calculation that takes our Teckal core service revenue and compares that with the direct costs of delivering the service plus a margin of 15%. If the gap between the two figures is less than £250k (surplus or deficit) this stays with BWC. If the gap exceeds £250k (either way) then the first £250k is either paid to BCC or received from BCC. Amounts exceeding £250k are split in the proportion BCC 30%, BWC 70%.

Illustrated below are the payments under the Paymech calculation at various levels of profit. Negative variances would be a "mirror image" of the graph.

Paymech	100k	200k	300k	400k	500k
Subject to paymech	100	200	300	400	500
Cap - Collar	250	250	250	250	250
BCC - Collar +30%	-	-	265	295	325
BWC - After Collar 70%	-	-	35	105	175
Total	-	-	300	400	500

Paymech Progression



Section 5 - Our Plan of Action

Table 2 - 21-22 Teckal Summary

This table splits out the Teckal side of the business in the same format as the previous table.

Teckal Summary	21-22 Current Plan		21-22 Previous Plan		
	£k	% of Income	£k	£k	%
Revenue				Variance	
BCC - core services	39,144	90%	39,144	-	-
BCC - other services	630	1%	540	90	17%
Commercial - business	-	-	-	-	-
Commercial - waste processing	-	-	-	-	-
Other income	1,955	5%	503	1,452	289%
Recyclate revenue	1,590	4%	2,281	(691)	-30%
Total Revenue	43,319	100%	42,468	851	2%
Cost of Sales					
Labour	22,034	51%	20,336	(1,699)	-8%
Waste Disposal	12,468	29%	13,516	1,047	8%
Premises	1,170	3%	1,269	99	8%
Vehicle & Fleet	4,017	9%	3,883	(134)	-3%
Fuel	1,204	3%	1,345	141	11%
Equipment & Materials	698	2%	877	179	20%
Total cost of sales	41,591	96%	41,225	(366)	-1%
Overheads & Central	1,706	4%	1,422	(284)	-20%
Surplus / (deficit) (pre paymech)	21	0%	(179)	200	112%

The reduction in our recyclate forecast has been partially offset by an increase in our other Teckal income which includes waste mining.

Waste mining was introduced this year to separate general waste received into component waste streams which can then be disposed of at more favourable prices. It is a key area for us to innovate on and improve as a business to deliver significant financial value as well as reducing waste to landfill. (See Exempt Appendix Part D) PLEASE SEE EXEMPT APPENDIX I1 FOR PART D

Table 3 - 21-22 Non-Teckal Summary

The table below shows are Non-Teckal forecast for 21-22.

Non-Teckal Summary	21-22 Current Plan		21-22 Previous Plan		
	£k	% of Income	£k	£k	%
Revenue				Variance	
BCC - core services	-	-	-	-	-
BCC - other services	-	-	-	-	-
Commercial - business	1,864	69%	1,252	612	49%
Commercial - waste processing	850	31%	850	-	-
Other income - blue sky	-	-	6,000	(6,000)	-100%
Other income	-	-	-	-	-
Recyclate revenue	-	-	-	-	-
Total Revenue	2,714	100%	7,252	(4,538)	-63%
Cost of Sales					
Labour	605	22%	5,203	4,598	88%
Waste Disposal	1,511	56%	722	(789)	-109%
Premises	74	3%	-	(74)	-
Vehicle & Fleet	141	5%	89	(52)	-58%
Fuel	60	2%	57	(3)	-5%
Equipment & Materials	-	-	597	597	100%
Total cost of sales	2,392	88%	6,669	4,277	64%
Overheads & Central	107	4%	47	(60)	-127%
Surplus / (deficit)	216	0%	536	(321)	-60%

Like all commercial businesses we have been affected by Covid. The lockdown restrictions and the impact on our business customers naturally flowed through to us and the growth of our commercial business.

We reacted by focussing on profitability and tight cost control, pausing business development recruitment growth plans as well as pivoting to new income streams. The most significant of these being our commercial waste processing service at Avonmouth.

One of the fundamental reasons for Bristol Waste Company being a Teckal company is to deliver a commercial profit that can be reinvested in the business and used for the benefit of the residents of Bristol.

Forecast Non-Teckal surplus for 21-22 of £216k. (See Exempt Appendix Part D) PLEASE SEE EXEMPT APPENDIX I1 FOR PART D

Table 4 - 20-21 Forecast Outturn

Forecast Outturn	21-22 Budget				20-21 Forecast Outturn				Variance			
	Teckal	Non-Teckal	Covid	Total	Teckal	Non-Teckal	Covid	Total	Teckal	Non-Teckal	Covid	Total
	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k
Revenue												
BCC - core services	39,144	-	-	39,144	38,104	-	-	38,104	1,040	-	-	1,040
BCC - other services	630	-	-	630	674	-	-	674	(44)	-	-	(44)
Commercial - business	-	1,864	-	1,864	-	1,361	-	1,361	-	503	-	503
Commercial - waste processing	-	850	-	850	-	687	-	687	-	163	-	163
Other income	1,955	-	-	1,955	1,140	-	-	1,140	815	-	-	815
Recyclate revenue	1,590	-	-	1,590	2,097	-	(332)	1,765	(507)	-	332	(175)
Total Revenue	43,319	2,714	-	46,033	42,015	2,048	(332)	43,731	1,304	666	332	2,302
Cost of Sales												
Labour	21,883	605	152	22,640	20,080	206	779	21,065	1,803	399	(627)	(1,575)
Waste Disposal	12,468	1,511	-	13,980	12,408	1,457	428	14,293	60	54	(428)	314
Premises	1,170	74	-	1,244	1,217	77	-	1,294	(47)	(3)	-	50
Vehicle & Fleet	4,013	141	4	4,158	3,777	161	18	3,956	236	(20)	(14)	(202)
Fuel	1,204	60	-	1,264	1,298	47	-	1,346	(95)	13	-	82
Equipment & Materials	696	-	2	698	856	59	(7)	908	(160)	(59)	9	210
Total cost of sales	41,434	2,392	158	43,983	39,637	2,007	1,218	42,861	1,797	385	(1,060)	(1,122)
Overheads & Central	1,706	107	-	1,813	1,686	26	-	1,712	21	81	-	101
Surplus / (deficit) (pre paymech)	179	216	(158)	237	692	15	(1,550)	(843)	(513)	201	1,392	1,080

- Forecast outturn is based on eight months actual and four months forecast before paymech or additional Covid funding.
- Core services revenue increase of £1.0m budgetary inflation assumption of 2.65%
- Commercial business and waste processing expected to increase in 21-22 as recovery from Covid take places
- Other income 21-22 includes increase for Big Tidy (BCC) campaign
- Covid 20-21 includes estimate for losses in recyclate recovery and increase in waste disposal costs, these are absorbed into business as usual in 21-22
- Covid labour costs are expected to reduce in 21-22 as sickness reduces due to introduction of vaccinations
- Labour increase includes inflation assumption and increase for Big Tidy additional work
- Waste disposal costs increase lower than inflation due to greater disposal efficiencies

Overhead Analysis

Overhead Analysis	21-22 Current Plan		21-22 Previous Plan	
	£k	% of total	£k	Variance £k
Dep'n - land and buildings	203	11%	88	(115)
Loan Interest	494	27%	200	(294)
Holding Company Charges	280	15%	245	(35)
ICT	221	12%	264	43
Professional fees	127	7%	119	(7)
Central costs, projects & marketing	488	27%	551	63
Total Overheads	1,813	100%	1,468	(345)

- Increase in depreciation and loan interest is from Phase 2 plan at Avonmouth (not in prior year plan)
- Reduction in ICT through moving from external contract support to in-house provision.
- Reduction in central costs due to introduction of projects and procurement board giving central control to projects spend and moving from individual departmental budgets.

Section 5 - Our Plan of Action

Investment Plans

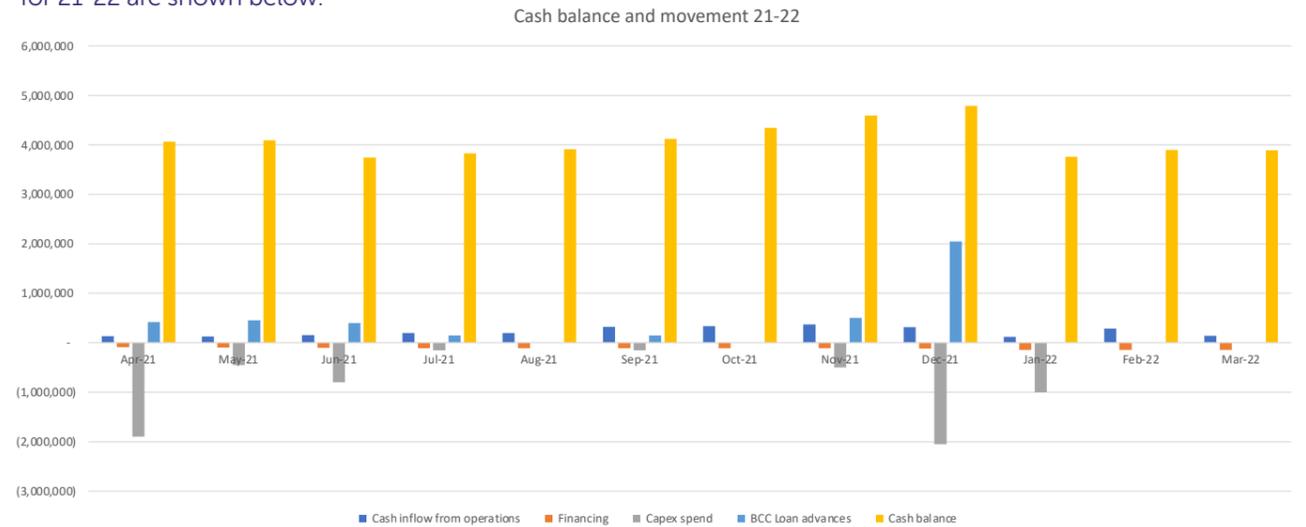
Detailed below are the proposed capital projects included in 21-22. Items 1 and 4 are reserved matters for shareholder approval.

Investment Initiatives							
No	Subject	Cost £	Life Years	Benefits	Timescale	In Plan	Value Added
1	Avonmouth "Phase 2" Transfer Station, Baler and new sorting lines	£2.8m	10	<ul style="list-style-type: none"> Second baling facility – Reduced risks to business Increased site operational efficiency – Bespoke site design to suit needs Reduced travel time for crews – Boosts productivity, saves fuel, fewer emissions and less overtime required Tipping queues at Albert Road transfer station reduced Increased Trade capacity – Growth in revenue and materials run through site Permanent mining facility (360) – Extracting value Improved quality of commodities – Sorting line / Covered bays Ability to sort more waste streams – Black Bag, HRRC material Reduction in waste sent to landfill, increase in Cities recycling rate Long term operational flexibility – Site can adapt to the ever-changing waste environment Ability to support other West of England authorities with disposal – Added revenue Improved site Health and Safety – Walkways, lighting, signage, removal of uneven surfaces Renewable energy sources included in design – Solar panelling Improved office spaces for BWC staff. 	Apr21 – Nov 21	Yes • BCC loan funding sought.	• £300k to £450k per annum not including resilience benefits of removing the single point of failure within the business of having one baler.
2	Mini Recycling Centres (MRC) Fleet replacement	£910k	7	<ul style="list-style-type: none"> Plastic collections moved onto compaction Reduced number of daily tips – Toploaders – more time collecting Reduced maintenance costs Reduces financial risk as a result of toploader failure Cleaner, more efficient Euro 6 Diesel engines Two CNG vehicles – reduced emissions and fuel costs Geneco Financial support for CNG vehicles Additional capacity to help with MRC recycling project Secures existing manufacturer discounts – avoids possible post Brexit tariffs. 	Apr21 – Nov 21	Yes • Fully funded from BWC reserves.	• Delivery of Service.
3	Street Cleansing Fleet – replacement of vehicles at end of life	£627k	7	<ul style="list-style-type: none"> Greatly reduced maintenance costs Reduction in unplanned maintenance. Removes reliance on rental vehicles Increased operational payload – less risk of overloading 	Apr21 – Nov 21	Yes • Fully funded from BWC reserves.	• Delivery of Service.
4	CAZ Fleet Replacement	£1,668k	7	<ul style="list-style-type: none"> Remove vehicles of high and unpredictable maintenance costs, through strategic investment in a modern collection fleet. Remove hired vehicles where business owned and managed vehicles reduced operational costs and are specific to BWC needs. Remove the dependency on diesel as our core source of fuel, with BWC own fuelling stations and staff to reduce collection times. Reduce the carbon foot print through introducing vehicles of low and zero emissions. Change vehicle fuel from crude oil based Diesel to low emission gas based product. 	Oct 21	Yes • BCC loan funding sought.	• £200k per annum
5	Hartcliffe HRRC	£1m	10	<ul style="list-style-type: none"> Agreed capital contribution from BWC reserves towards the build costs of the new Hartcliffe HRRC. 	Dec 21	Yes	• Delivery of service

A total capital investment programme 21-22 of £7m with £2.5m from BWC reserves and £4.5m proposed BCC loan funding. Seperate capital cases provided.

Cash Reserves

After providing the agreed £1m contribution towards the Hartcliffe HRRC this financial year our forecast cash reserves for 21-22 are shown below:



The opening reserves position for financial year 20-21 was a profit and loss reserve of £4.3m and a cash balance of £5.2m

Financial Efficiencies Delivered and Forecast

As part of Bristol Waste's corporate strategy, we have focused on efficiencies and innovation to improve our service and productivity aligned with reinvestment into the business. The table shows a range of savings against these efficiencies and innovations. Controlled investment into the business has benefited areas such as the construction and operation of the new Avonmouth HRRC, the increase in training and support for SHEQ and the increase in operational supervision to improve safety and productivity.

There has been a step change within the leadership team that has encouraged the view that we operate as a commercial business and investment should be well thought through, approved and must add value. These principles have stimulated managers to continually seek out best value, look for ways to generate income through renegotiation of existing contracts and better targeting of resources. Although some are one off savings many of these initiatives will continue to have a positive impact on our income and we will continually evaluate and seek opportunities both inside and outside of the business to incorporate as continual improvements.

	18-19	19-20	20-21	21-22	Total
	£k	£k	£k	£k	£k
Demand Management/ Absorbed Costs	-	226	659	624	1,509
Income Generation	-	627	667	707	2,001
New Delivery Models	-	-	211	211	422
Better Targeting of Resources	18	18	730	20	786
Procurement / Commissioning	1,171	181	121	141	1,614
Digitisation and process automation	-	20	65	150	235
End to end process improvement	-	-	200	200	400
Total	1,189	1,072	2,653	2,053	6,967

For the full detailed breakdown see Exempt Appendix Part E. PLEASE SEE EXEMPT APPENDIX I1 FOR PART E

Section 5 - Our Plan of Action

Risks and opportunities within 21-22 plan

Risks:

- **Covid** - uncertain but mitigated through experience
- **Recyclate market / global market volatility** – mitigated as far as possible through quality of product and UK customer base.
- **Brexit** - UK supply chain as far as possible and essential stock levels increased.
- **Waste volumes**
- **Baler** - single point of failure
- **Legislation** changes

Opportunities:

- Our **Bristol Brand** and being the waste supplier of choice for all Bristol businesses
- **Waste processing and waste mining** (subject to Avonmouth investment)
- Leveraging **technological systems** to drive efficiencies across all areas of the business.
- Innovative and new **Niche Service Products** (NSPs)
- **Residents** and **Community** engagement and education.

Looking ahead - Financial Years 22-23 to 25-26

Table 5 - Five Year Business Plan Outlook

	21-22		22-23		23-24		24-25		25-26	
	£k	% of income								
Revenue										
BCC - core services	39,144	85%	40,181	84%	41,246	82%	42,339	81%	43,461	80%
BCC - other services	630	1%	617	1%	633	1%	750	1%	870	2%
Commercial - business	1,864	4%	2,231	5%	2,883	6%	3,460	7%	3,801	7%
Commercial - waste processing	850	2%	1,100	2%	1,210	2%	1,363	3%	1,535	3%
Other income	1,955	4%	2,006	4%	2,058	4%	2,111	4%	2,166	4%
Recyclate revenue	1,590	3%	1,899	4%	1,986	4%	2,074	4%	2,166	4%
Total Revenue	46,033	100%	48,033	100%	50,016	100%	52,097	100%	54,000	100%
Cost of Sales										
Labour	22,640	49%	23,571	49%	24,383	49%	25,404	49%	26,078	48%
Waste Disposal	13,980	30%	15,056	31%	15,869	32%	16,481	32%	17,322	32%
Premises	1,244	3%	1,277	3%	1,284	3%	1,318	3%	1,353	3%
Vehicle & Fleet	4,158	9%	4,269	9%	4,371	9%	4,487	9%	4,606	9%
Fuel	1,264	3%	1,297	3%	1,331	3%	1,367	3%	1,403	3%
Equipment & Materials	698	2%	702	1%	758	2%	878	2%	901	2%
Total cost of sales	43,983	96%	46,171	96%	47,997	96%	49,935	96%	51,663	96%
Overheads	1,813	4%	1,875	4%	1,901	4%	1,930	4%	1,981	4%
Surplus	237	-	(14)	-	119	-	231	-	356	-
Paymech	278	-	555	-	702	-	922	-	1,007	-
Surplus / (deficit) (after paymech)	515	-	541	-	820	-	1,153	-	1,362	-



We are supporting the BCC Waste Client team to appraise future potential savings and efficiencies.

Recyclate Income

The current market prices for recyclate streams are reflected in future years alongside a stepchange in income in 22-23 resulting from Avonmouth further investment.

Hartcliffe Operational Costs

The five year projections include the forecast operating costs for the new Hartcliffe HRRC. No funding from BCC is included but we are in discussions with BCC over the best way to ensure this is appropriately funded either by a variation to the Waste Services Agreement or via the Payment Mechanism (which is shown in the above table)

Future efficiencies and cost delivery savings

There are a number of initiatives that could be implemented in future years to generate significant savings and help us meet our company waste reduction and recycling targets. We are supporting the BCC Waste Client team to appraise these potential savings and efficiencies. A number of the measures being discussed would require political approval and may be included in BCC's Waste Strategy which will be separately considered for approval in due course.

General

Bristol Waste is showing sustained and constant growth of financial returns, building on the solid platform developed since the establishment of the company.

Table 6 - Five Year Teckal / Non-Teckal Breakdown

	21-22		22-23		23-24		24-25		25-26	
	Teckal	Non-Teckal								
	£k	£k								
Revenue										
BCC - core services	39,144	-	40,181	-	41,246	-	42,339	-	43,461	-
BCC - other services	630	-	617	-	633	-	750	-	870	-
Commercial - business	-	1,864	-	2,231	-	2,883	-	3,460	-	3,801
Commercial - waste processing	-	850	-	1,100	-	1,210	-	1,363	-	1,535
Other income	1,955	-	2,006	-	2,058	-	2,111	-	2,166	-
Recyclate revenue	1,590	-	1,899	-	1,986	-	2,074	-	2,166	-
Total Revenue	43,319	2,714	44,702	3,331	45,923	4,093	47,274	4,823	48,663	5,337
Cost of Sales										
Labour	22,034	605	22,950	621	23,745	638	24,750	655	25,405	672
Waste Disposal	12,468	1,511	13,032	2,024	13,377	2,492	13,529	2,953	13,985	3,337
Premises	1,170	74	1,202	75	1,208	76	1,240	78	1,273	80
Vehicle & Fleet	4,017	141	4,124	145	4,223	149	4,335	153	4,449	157
Fuel	1,204	60	1,235	62	1,268	63	1,302	65	1,336	67
Equipment & Materials	698	-	702	-	758	-	878	-	901	-
Total cost of sales	41,591	2,392	43,244	2,927	44,579	3,417	46,033	3,903	47,351	4,312
Overheads & Central	1,706	107	1,779	96	1,802	99	1,829	102	1,877	104
Surplus / (deficit) (pre paymech)	21	216	(321)	307	(458)	577	(587)	818	(565)	921
Paymech - due from BCC	278	-	555	-	702	-	922	-	1,007	-
Surplus after paymech	299	216	234	307	243	577	335	818	441	921
Total surplus	-	515	-	541	-	820	-	1,153	-	1,362

Notes

helping **Bristol Waste** nothing



Bristol Waste is a Bristol City Council Company

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