

Report Title:		Board/Committee:	
BHL Board Commentary - BWC Business Plan		Overview and Scrutiny Management Board	
Agenda item:	Meeting date: 03/03/2023	Non-confidential	For information
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Executive Summary			
This Bristol Holding Ltd. (Holdco) Executive report provides a summary of Holdco Board assurance reviews and highlights key priorities, performance, and issues, relating to the Council's companies.			
Recommendations			
The Overview and Scrutiny Management Board is asked to: 1. <i>Note the commentary from the Bristol Waste business plan.</i>			
Link to Corporate Objectives			
<i>Effective governance, performance, and risk management arrangements.</i>			

1. Background and Context

- 1.1 The Business Plan for Bristol Waste ("BWC") is scheduled to be considered by cabinet at a 7th March 2023 meeting. A summary is provided by Holdco as part of the Shareholder reporting process. This is provided in sections 2 below.

2. Bristol Waste

- 2.1 BWC is submitting a business plan for one year only, reflecting the particularly challenging business conditions caused by a combination of factors impacting on the cost of delivering key municipal waste services. A key assumption is that a more detailed review of potential efficiencies and services will be conducted in the coming months as part of a longer-term review beyond for the period beyond this 12 month business plan.

2.2 Please see Exempt Appendix D for more information.

- 2.3 Despite the above, BWC have taken on the key message of 'living within your means' and to achieve this, all services have been scrutinised with a view to delivering them as efficiently as possible. This has resulted in some services being scaled back, with the full engagement and input from the strategic client: indeed, BWC and the strategic client have closely together to reach a balanced cost-effective plan, whilst recognising BCC's requirement not to substantially alter service levels, and we pay tribute to the level of co-operation between both

parties to pull together this plan.

2.4, 2.5 & 2.6 Please see Exempt Appendix D for more information.

2.7 The Business Plan includes an investment in Avonmouth and a new shredding facility. There is an existing cabinet approved loan of £2.85m (March 2021) to part fund updating the facility with a baler and sorter, which will support business growth in the waste recycling arena. This plan assumes the £2.85m will be applied for in the year, with an additional £1.5m investment from existing BWC reserves to be used in conjunction with the £2.85m from BCC.

2.8 Overall, the draft business plan assumptions indicate an overall surplus of £433k for the Company for the Financial Year 2023/24, with a loss of £250k from the Municipal business, offset by a £590k profit from the Commercial business and £93k from Workplace Services. Considering this is based on a total revenue of £61.9m

2.9 Please see Exempt Appendix D for more information.

2.10 Given the requirement to find savings and the need to achieve service reductions, the plan, as noted by BWC, is “extremely challenging and there are significant risks to achievement.” That said there are some opportunities which are not included in the draft Business Plan, such as future new contract opportunities like the ‘Waking Watch’ contract. There is also the potential for betterment against cost savings targets, which will be to the benefit of the BWC’s bottom line.