

# Business Plan

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24/25 - 26/27



## DOCUMENT CONTROL

**Issue No:** 1

**Date:** February 2024

**Document Title:**  
Business Plan 2024/25 -26/27

**Prepared For:**  
Shareholder

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**BUSINESS PLAN 24/25 - 26/27**







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# 1. Introduction

Welcome to the 3 year business plan for Bristol Waste Company (BWC), covering the years 2024/25 to 2026/27. We are wholly owned by Bristol City Council (BCC). What we do is important; put simply, we're here to help keep Bristol clean and safe – helping to deliver the city's sustainability targets.

We visit every home, clean every street and look after our civic buildings. We provide security support, remove graffiti and fly tips, and even treat the roads in winter. We make the lives of people living and working in our city better.

But we don't do it in isolation. We work as one with BCC – working in partnership to deliver our joint goals.

Like many organisations, the last year has been challenging – for both BWC and BCC – as the impact of inflation and other economic factors outside of our control have created pressures we've had to deal with. This has involved having to adapt and change.

This business plan builds on the great work already undertaken and continues the transformation journey of the business.

Having already made significant improvements, and with the foundations being laid for more, the business is now entering a phase where it can be more positive and look further ahead. BWC aims to be right at the centre of Bristol's drive towards carbon net zero, helping to deliver the sustainability targets, and to be a business that the city can be proud of. We know where we are heading and what it will take to get there.



## 2. Service Levels Achieved

Independent research highlights that BWC delivers high service levels to the end user. For example:

1. DEFRA research continues to show that Bristol is the best performing English core city in terms of recycling rates
2. BCC's Quality of Life Survey shows that the public's satisfaction with the waste and recycling service is the highest for any service:





### 3. Economic, Environmental and Social Value

Delivering real and positive economic, environmental and social benefits to Bristol - one company focused on improving the people of Bristol's quality of life - is a key priority for BWC, and as a BCC owned company, is at the heart of what we do.

During 2024-25 we expect to deliver more than £30m of social value (using the independent National Social Value Portal value added metrics) to Bristol, with 90% of our workforce being residents of Bristol, many of our key supply chains being local and our environmental and social initiatives. We want to meet the highest standards of social and environmental performance, public transparency and to help build a more inclusive and sustainable economy.

#### Key additional benefits include:

- being locally based results in less vehicle movements into/ out of Bristol, with the resultant environmental benefits
- apprenticeships delivered directly and through our supply chains
- local volunteering initiatives – in our reuse shops and community clean-up projects
- community engagement activities to support behaviour change to improve environmental outcomes, including significant work undertaken with schools
- provision of affordable computers to local community organisations and vulnerable citizens through our IT Reuse initiatives
- supporting offenders to deliver meaningful contributions to environmental clean-ups
- contractual environmental and social benefits required from our Avonmouth development suppliers



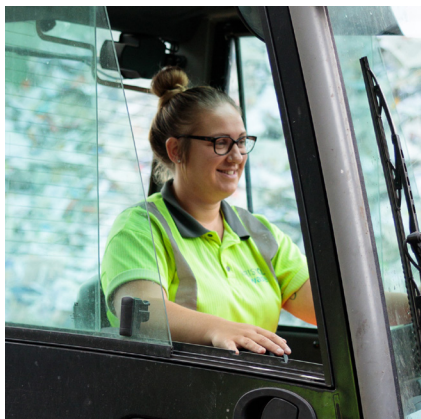
We want to meet the highest standards of social and environmental performance, public transparency and to help build a more inclusive and sustainable economy.



## 4. Benchmarking

BCC has undertaken a benchmarking project, in order to assess the cost-effectiveness of the waste/recycling service provided by BWC, against key cities in England and other local authorities.

The results were extremely positive and show that BWC is the most cost-effective. Although the costs were higher, the level of recycling – and thus recycle income – was also higher. Therefore, BWC came out as No.1 overall. The benchmarking also confirmed that the way BWC operates the service (i.e. the approach to recycling segregation etc) is also the most effective.



## 5. Core Values

A new set of core values have been drafted, with input from the senior leadership team and management. They are now being rolled out across the Supervisor base and back-office colleagues, before being shared across Operations.

They are built around the principle that:



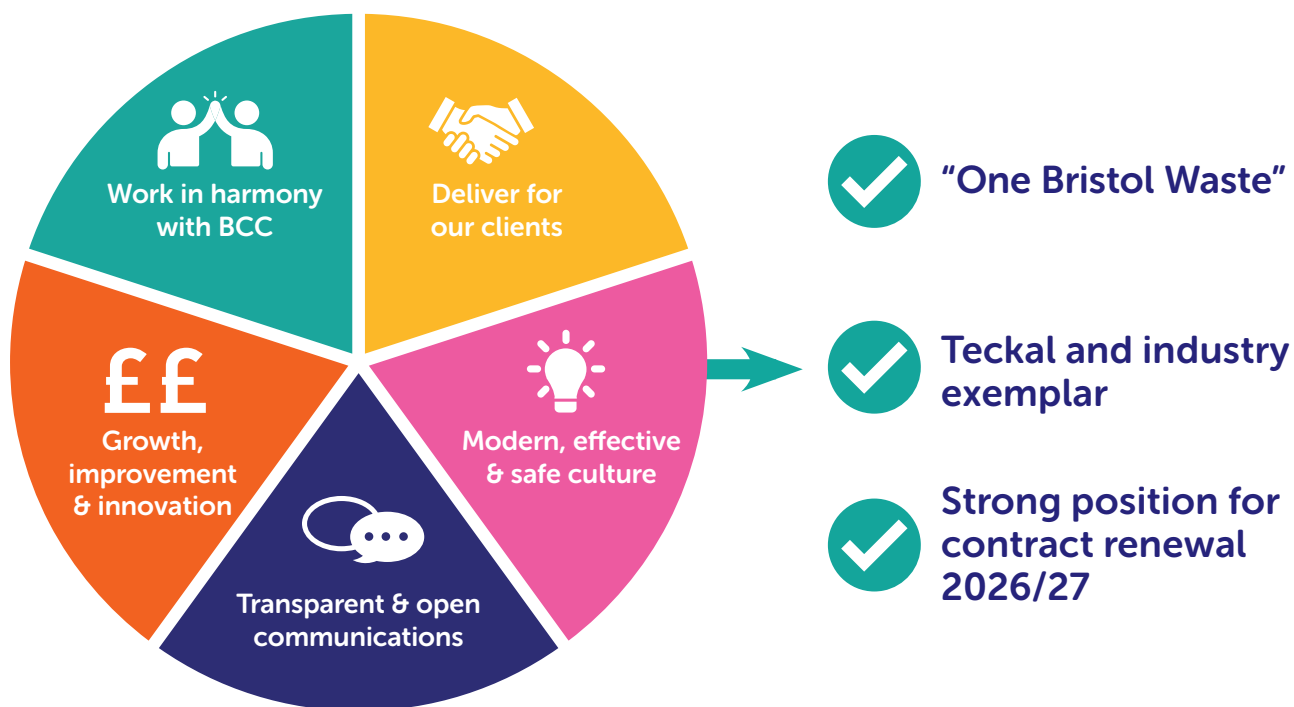
“Everyone goes home feeling good about themselves”

## 6. Core Strategic Objectives

The following broad strategic objectives are driving the direction of the business plan:

- achieve financial stability and meet the BCC core service requirements, supported by appropriate levels of control and governance
- build a successful and effective business, and to be recognised as such
- deliver real economic, environmental and social benefits to Bristol - one company focused on improving the people of Bristol's quality of life (residents, workers and visitors)
- grow the levels of recycling and extend Bristol's position as the No.1 core city for recycling as part of Bristol's carbon net zero target – 55% by 2025, 65% by 2030
- complete all agreed elements of the transformation plans
- maximise the commercial growth opportunity across waste and facilities management
- become a lead player in the 'One City' City Partnership
- become an 'exemplar' example of a teckal business

## 7. Core Strategic Elements



## 8. Working Towards Bristol's Carbon Net Zero and Sustainability Targets

In the recent past, BWC focused on the 'what', i.e. the services it provided, and forgot the 'why'. As part of changing the narrative within the business, we are turning this on its head. Without under-estimating the importance of the 'what', it is the 'why' that is the most significant and is what drives us. Therefore, the whole business will ultimately be focused on being at the centre of Bristol's drive to carbon net zero emissions and achieving sustainability. The 'what' i.e. the business performance, will be a given. This will be tangible and more than simply words, and will include the following:

- **Liveable Neighbourhoods** – we will support this approach by ensuring that all our services contribute to this end, providing the highest level of clean environments deliverable within the funding available
- **Recycling targets** – we will invest in campaigns and activities to encourage changes in behaviour that lead to waste reductions and increased recycling
- **'Village' approach** – we will explore the expansion of the 'village' approach implemented for street cleaning, and assess how other services can also migrate towards this
- **Socially inclusive** – we will expand our partnership approach to recruitment in order to achieve greater diversity in the workforce, including, working with organisations that work with ethnic minority groups, refugees, etc
- **Electric fleet** – our desire is to move to a 100% electric vehicle fleet and we will work with BCC to explore this
- **Albert Road (transfer station, main offices, fleet workshop, vehicle base etc) relocation** – we will use this opportunity to deliver a net zero facility with the highest level of environmental sustainability principles
- **Bristol City Leap** – we will engage with the Bristol City Leap project to explore the potential for sustainable power generation from waste and other potentially far-reaching projects



## 9. "Changing the Narrative"

A key focus will be on "changing the narrative". There are three aspects to this:

- **Changing the way we see ourselves, position ourselves and describe ourselves**

This will involve operating at a higher level, emotionally and practically. For example:

- we will move away from basic 'waste' language and into a more life enhancing positioning i.e. not a waste business but one that improves the quality of people's lives. This is justified because clean streets, for example. can improve mental and physical wellbeing, and increased recycling improves the environment
- moving beyond a consolidation and cost reduction mentality, and into growth and improvement
- working as one business with many parts, rather than separate divisions.
- continuing the move towards a more personal and less corporate approach, especially in terms of internal communications

- **Making a commitment to the One City principles**

BWC is a major organisation within the city and we need to act like it. Given the desire to improve lives, we can be positively influential. Therefore, we will (in fact, we have already started) adopt a completely different approach to the city and our engagement with it. This will include the following:

- we will be very active and have a high profile within One City/City Partners activities
- we will work at a strategic level with other city organisations in terms of waste management, including seeking to act as 'waste consultants', advising others on their waste strategies. For example, the NHS, education providers, government departments and major companies
- we will work with government and local charities to provide employment opportunities, improve our recruitment and improve the diversity of our workforce
- we will provide more guidance re waste collection/street cleaning for new housing developments
- we will use the above to help to develop new commercial opportunities







## Partnership with BCC

We are entering a new and positive phase of joint working for the common good, and great progress has already been made. Key elements include the following:

- we will work in harmony with BCC, harnessing the strengths that this public ownership brings, whilst recognising commercial differences
- we will continue to provide the right level of core services that funding allows, but will aim to beat expectations

## 10. Developing Our Culture

Considerable work is being undertaken to improve the culture and this is being spread across the business, although it will take time to become embedded. Therefore, we will continue to build a modern and effective culture, including the following elements:

- keeping all stakeholders fully informed and engaged
- key information openly shared
- teams empowered to make their own decisions

In short, we will create a values driven business.

## 11. Back Office Reorganisation

In January 2024, BWC started the implementation of a reorganisation of the back office and support functions. This is not simply a cost cutting exercise. It is based on the right people / right role / right structure principle and will lay the structural foundation for the business to move forward.

## 12. Growing the Commercial Business

The commercial/non teckal part of the business has delivered significant growth - tripling in size over the last three years. A new and expanded sales team is now in place, supported by a full sales and marketing plan, who will continue this growth.

(See Exempt Section 3, page 4 for more details)

## 13. Innovation/'Invest to Save'

We will seek to innovate on an 'invest to save' basis:

- **External:** we will pioneer new campaigns with residents to increase recycling rates and to get food waste out of black bins. This will build on previous successful campaigns - including students on the move, flats recycling, and 'on the go' recycling - as well as adopting new approaches and ideas. Adopting a test/prove/expand principle, these should be self-funding and so we will be much more pro-active than in the past. Within this, we will seek partners to also co-fund the activities. The strengthened and restructured marketing and sustainability teams will be better able to do this than in the past.
- **Internal:** we will look to learn from competitors, other local authority operations, and completely different industries to explore how we can innovate to add value and reduce costs. For example:

- expanding up and down the process value chain
- working with partners to create recycled materials applications
- improving our waste sorting capabilities to increase the quality and quantity of the recycle

## 14. Reuse Shops / IT Reuse

We will exploit the potential to generate income and reduce waste by expanding our Reuse operations. Dedicated management resource will be allocated to create a new and specific business plan which will include:

- staff resources required, including expanding the use of community volunteers as a way of assisting people back into employment
- improving stock control and supporting systems
- improving display options
- generating publicity and resident awareness
- building IT Reuse into our commercial service offering



## 15. Albert Road Relocation

The Albert Road relocation is currently expected to take place within this business plan period. This is not something that BWC can afford to be passive or reactive with. The challenges of finding a suitable site – in terms of location, size, infrastructure, environment issues, etc are not to be under-estimated. However, the potential benefits of having a site that is truly fit for purpose will be maximised. This will include the target of creating a carbon neutral site.

## 16. Management Information

In the past, too much resource has been spent over-reporting and reporting in inefficient ways. Therefore, we will continue to apply the move towards a 'less but better' approach to company reporting, in order to improve engagement and free up management time. This will focus on turning data into more usable information which can be used, not only to measure performance, but to enhance decision making. The digitalisation programme will be a key part of this focus.

## 17. EDI Plan

The BWC commitment to diversity and inclusion goes further than our moral and legal responsibility. We recognise we are uniquely placed to offer support and opportunities to those who may face barriers in entering, or returning to, the workforce. We are committed to a culture that celebrates diversity and promotes belonging and respect, irrespective of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation, neurodiversity or socio-economic status. We aim to foster a culture where any form of exclusion or discrimination is not tolerated.

### **Our commitment stems from our belief that:**

- we will best serve our community if our workforce is representative of that community
- protecting the psychological safety, as well as physical safety of our colleagues is paramount
- the greatest ideas and innovation come from embracing different ways of thinking, viewpoints and perspectives
- the most attractive culture will be one of acceptance, where colleagues are confident being themselves at work and are supported to realise their potential

### **Going forward, there are 8 key strategic EDI aims:**

1. build our knowledge base and understanding
2. increase the proportion of women in our Waste, Recycling and Street Cleansing Services
3. have greater ethnic diversity in the senior leadership across the organisation, and improve our ethnicity pay gap
4. ensure that we are better at meeting the needs of under-represented groups within our workforce
5. create opportunities for groups that traditionally struggle with entering the workforce
6. address and support our aging workforce
7. ensure EDI considerations are forefront of service delivery
8. better celebrate and promote our diversity

# 18. Strengthened Governance and Control

Governance and control have been strengthened across the business during 2023, including new/ revised policies, an increased level of internal audit and some short-term interim roles. Most of the additional costs have been in this year, but some extend into 2024/25. These are included in the financials.

# 19. Financial Summary

The table below shows the high-level financial summary of the financials:

	Forecast	Budget		
Profit & Loss Statement	2023-24	2024-25	2025-26	2026-27
Sales (£000's)	62,241	64,415	66,035	67,998
Operating profit / (loss)	(2,014)	(825)	(532)	27

This includes additional funding from BCC from 2024/25 onwards. This funding includes an increased payment on the core contract, plus an additional payment, giving a total increase of c.£4m in 2024/25. It is recognised that this is provided within an overall challenging financial situation for BCC.

(See Exempt Section 2, page 3 for more details)

## Capital Investment Plans

### Avonmouth Phase 2

The Avonmouth redevelopment will conclude during 2024/25. This includes a can sort and picking line.

### Vehicle and Fleet

The majority of our fleet are now approaching year 6 of an anticipated lifespan of 8 years, and we are already experiencing the financial cost of increased maintenance requirements. During the year ahead we will need to work closely with our Shareholder to agree the nature of service that is required to be delivered post 2026 and the implications for the financing of a new fleet.

### Cash Reserves

We have reviewed our medium-term cash flows taking account of the need to utilise cash reserves to part finance Avonmouth and key plant and machinery, plus the need to cover accumulated losses. This plan assumes there are sufficient cash reserves to cover the projected losses and, therefore, there are no 'going concern' issues.





## 20. Summary of Key Drivers by Department

Each department will develop team plans for 24/25 to support the following key priorities:

### Health, Safety and Environment

- continue to keep health & safety as the highest priority across the business
- improve methods of communication to increase effectiveness of campaigns and general activity
- ensure compliance with all environmental standards
- embed quality standards within the general working of the business – adding value without creating additional workloads



### Finance/IT

- improve the quality of financial reporting – open, simple and transparent
- digitalise key processes
- improve Payroll systems and processes
- improve the Purchase Order process
- minimise the cost of overheads, whilst ensuring effective corporate governance arrangements
- finance business partners to be fully embedded into the core business sectors



### Procurement

- new plan and structure to be fully implemented and embedded, delivering in excess of core savings targets

### Operations

- drive benefits from Avonmouth investment, as part of the drive to increase recycling levels
- deliver improvements in driving standards
- continue to improve cleaning efficiencies
- consider migrating towards a 'village' approach for services beyond street cleaning
- create a 'continuous improvement' programme across the business
- review the replacement vehicle requirements
- identify ways to drive growth in recycle income



## People

- complete the full integration of Facilities Management and Waste into one company
- creation of available 'pools' of potential employees for key roles
- enhance the new colleague induction programme
- deliver a high speed and cost-effective recruitment process – adopting a marketing, brand led style
- enhance the appraisal process
- continually develop the people management capabilities of all managers and supervisors
- create highly effective learning and continuous development programmes
- drive an effective and achievable and effective EDI programme



## Transformation, Stakeholder Relations and Marketing

- build a far greater focus on marketing - improving the profile of the business with key stakeholders, businesses and the public in general
- grow recycling rates and reduce waste through highly targeted campaigns/activities – adopting a 'test/prove/expand' model – innovation and community engagement
- create a pro-active PR strategy
- strengthen the bid management capability
- drive improvement projects across the business
- review branding across the business
- constant improvement in two-way internal comms
- redevelop a key stakeholder engagement plan







waste  
ace  
helping BRISTOL waste nothing



# 21. Appendix A - Recent Government Policy Plan Announcement: BWC Impact

In October 2023, the Government published proposals relating to the simplification of recycling collection, digital tracking of waste, and waste carrier and broker reform. The key elements and their potential impact on BWC – which will be limited – can be seen below:

Announcement	Impact on BWC
<p><b>Materials for collection</b> All local authorities in England must collect the same recyclable waste streams for recycling or composting from households. The recyclable waste streams include paper and card, plastic, glass, metal, food waste, and garden waste.</p>	<p>Low impact. All are currently collected except soft plastics, which are required by 31 March 2027. However, the flats project will require further investment from BCC.</p>
<p><b>Collection method</b> Simpler recycling will ensure that local authorities retain the flexibility to collect the recyclable waste streams in the most appropriate way for their residents.  The government is proposing to introduce exemptions to allow all councils in England to offer just 3 waste containers.</p>	<p>Low impact – no requirement to change collection method.</p>
<p><b>Collection frequency</b> The government has committed to delivering comprehensive, frequent rubbish and recycling collections. Through statutory guidance, they are proposing that local authorities collect residual waste at least fortnightly, if not more frequently.</p>	<p>Unclear until follow up consultation is complete and statutory guidance confirmed. The response from the industry has been against the proposal.</p>
<p><b>Garden Waste</b> Local authorities will be required to provide a garden waste collection service where it is requested but, as is currently the case, they can continue to choose to charge for this service</p>	<p>No impact. Already collected by BWC.</p>
<p><b>Waste carriers, brokers and dealers reform</b> To ensure that only appropriate people are in control of waste. Shift from a registration system to a permitting system enabling full background checks on applicants. Reduce misclassification of waste and stop waste ending up in the wrong place; make it easier for householders and businesses to demonstrate their Duty of Care.</p>	<p>Potential reduction in fly tipping, support demonstrating Duty of Care, reduce reporting burdens on business. Potential additional costs if permit model is imposed.</p>

(Continue overleaf)

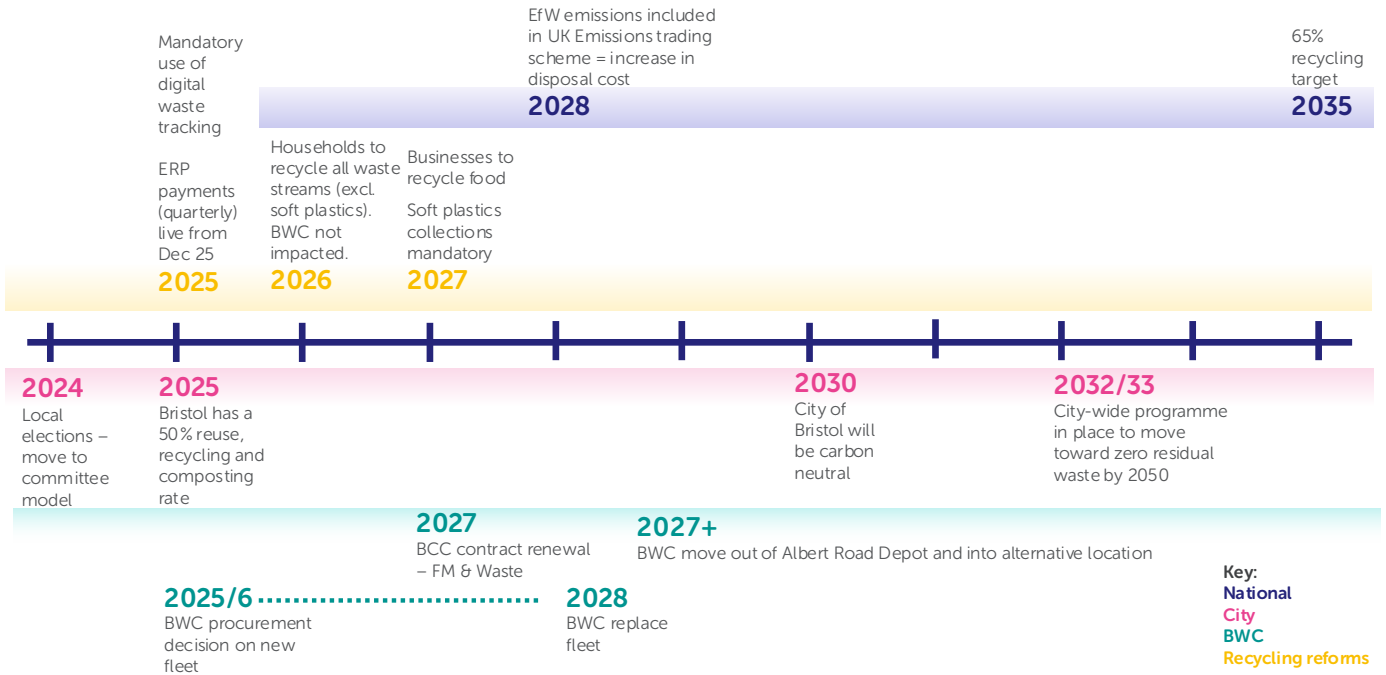
Announcement	Impact on BWC
<p><b>Mandatory waste tracking</b></p> <ul style="list-style-type: none"> <li>• All UK waste movements of controlled and extractive waste – household, commercial, industrial waste, mining waste</li> <li>• Green list waste imports and exports</li> <li>• Reporting on Persistent Organic Pollutants</li> <li>• Currently looking at interaction between Waste Data Flow and digital waste tracking. <ul style="list-style-type: none"> <li>• Where and how it is created</li> <li>• What is done to it</li> <li>• Where it ends up</li> </ul> </li> </ul>	<p>We will need to move to the new system by April '25. This will require a change to some of our internal processes.</p>
<p><b>Biodegradable and compostable plastic packaging</b></p> <p>The proposal does not mandate a separate collection of these materials.</p>	<p>No impact.</p>
<p><b>Extended Producer Responsibility (EPR) – Funding</b></p> <p>Producers are currently reporting their packaging data, and their EPR payments will start in October 2025. These payments will cover the cost of managing household packaging (collection, recycling, recovery and disposal) from FY25/26.</p>	<p>New funding mechanism for recycling packaging from Dec 2025</p>

\*DEFRA's Simpler Recycling explanation - [click here](#)



# 22. Appendix B - Longer Term Timings

## Changes up to 2035





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[www.bristolwastecompany.co.uk](http://www.bristolwastecompany.co.uk)

# Business Plan

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## Addendum





# Addendum

## Sales by sector

The table below shows the sales by sector.

	Forecast 23-24		Budget 24-25		Budget 25-26		Budget 26-27	
	£000's	% of income	£000's	% of income	£000's	% of income	£000's	% of income
<b>Revenue</b>								
Municipal	43,384	70%	45,568	71%	46,942	71%	48,357	71%
Commercial Waste	6,085	10%	7,593	12%	7,794	12%	8,000	12%
FM - BCC	6,363	10%	6,142	10%	6,305	10%	6,472	10%
FM - Other	1,118	2%	727	1%	746	1%	766	1%
Other	5,291	9%	4,385	7%	4,248	6%	4,403	6%
<b>Total Revenue</b>	<b>62,241</b>	<b>100%</b>	<b>64,415</b>	<b>100%</b>	<b>66,035</b>	<b>100%</b>	<b>67,998</b>	<b>100%</b>

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## BUSINESS PLAN (ADDENDUM)



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