



2024/25 Business Plan

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1. Business Overview

1.1. Introduction

Ubico is a successful and well-respected local authority owned company operating across Gloucestershire and West Oxfordshire. We deliver high quality environmental services including waste and recycling collections, grounds maintenance, street cleansing and household recycling centre management. Our purpose is to keep places clean and green for every resident, visitor, town, village and community. Our close relationships with our council shareholders see us working in partnership to deliver the best services possible for our local communities. Now operating across the whole of Gloucestershire and in West Oxfordshire, our growth, size and position places us in a strong position to leverage opportunities for greater efficiencies across a wider base, leading to cost-savings for our councils and their residents and the opportunity to explore new and exciting areas for growth and innovation.

We set out a new five-year vision for the company in 2021, and in 2024/25, the fourth year of this vision, we will build on the successes already achieved. Ubico has seen significant growth since we started delivering services in 2012 and will grow again in 2024/25, extending the services we deliver for the Forest of Dean to include waste, recycling and street cleaning services from August 2024 and the mobilisation and delivery of these services will be a key focus in the first half of the year.

We are a significant local employer, particularly in Gloucestershire, where we are 72nd in the top 100 employers in the county (based on 2022 turnover). We employ over 800 staff, the backbone of our operations. We will continue to have a strong focus on our people this year and will continue to advance our work on climate initiatives, also working closely with our partners to support them in delivering their ambitious climate targets. Subject to shareholder approval and funding being in place, foundational work on cross-boundary and cross-partner initiatives commenced in prior years will move to delivery phase this year, with the project to centralise fleet ownership and deliver savings to partners in future years being the first on the roadmap. Other partnership-wide opportunities will continue to be explored and presented to shareholders for their consideration, as will any potential external growth opportunities that could deliver greater value to all partners.

1.2. Our services

Our services

 Refuse collections	 Food waste collections	 Garden waste collections	 Recycling collections	 Trade waste and recycling collections	 Recycling centre management
 Recycling and bulking transfer	 Street cleansing	 Building and public convenience cleaning	 Grounds maintenance	 Fleet management and maintenance	 MOT and taxi testing

1.3. Our shareholders

 STROUD DISTRICT COUNCIL	 Forest of Dean DISTRICT COUNCIL	 Tewkesbury Borough Council
 Gloucestershire COUNTY COUNCIL		 Gloucester City Council
 COTSWOLD DISTRICT COUNCIL	 WEST OXFORDSHIRE DISTRICT COUNCIL	 CHELTENHAM BOROUGH COUNCIL

1.4. Quality and safety

Ensuring high standards of health, safety and compliance is a key priority and underpins everything we do. This is demonstrated through our ongoing achievement of industry-recognised accreditations, including ISO 45001 and ISO 14001 for our Health and Safety Management and Environmental Management Systems respectively, which reflects our positive health and safety culture which we are committed to maintaining and improving. Our Safety, Health, Environment and Quality team drive our safety culture and practices, and health and safety performance is monitored at all levels of the business and reviewed by our board of directors at every board meeting. Our internal compliance team supports the company in maintaining high standards through a thorough programme of scrutiny involving both scheduled and risk-based assessments, checking compliance in key areas such as ISO standards, fleet compliance, Environment Agency permitting requirements and the Health & Safety at Work Act 1974. This is complemented by our annual internal audit plan which is drawn up in consultation with the chair of the Risk and Audit Committee and in partnership with our internal auditors.

In 2024/25 we will continue our commitment to seeking continuous improvement in our health and safety performance, with a focus on vehicle accidents and employee wellbeing. Our internal training team support us in delivering flexible, targeted training, including health and safety and compliance-related training which consistently receives high feedback scores for both content and delivery. We will continue to support them to deliver excellent, highly valued and effective training that meets the needs of our business.

1.5. Governance and risk management

1.5.1. Governance

Good corporate governance and the continued professional development of the board of directors and the senior management team is fundamental to the effective operations of the company. In 2024/25 we will continue to ensure appropriate competency standards and qualifying criteria are applied to all directors and follow the spirit of the UK Corporate Governance Code. At all times, the company will remain open, transparent and accountable. The board and its members will operate as a cohesive team, with its priority at all times to further the aims, goals and values of the company, whilst always having risk and risk management at the forefront of discussions.

Ubico's board of directors comprises three executive directors, four non-executive directors from local authority shareholders, and three independently appointed non-executive directors including an independent chair of the board. During 2024/25 two of the current local authority appointed non-executive directors will come to the end of their term and we will work with partners to ensure that the skills and experience of any new appointee will support and enhance the skills and knowledge of the board.

The board is supported by two sub-committees, a Risk and Audit Committee and a Governance and Nominations Committee. These committees support the board in key governance areas, for example, better understanding of business risk, and ensuring the processes to mitigate risk are effective and there is compliance.

As a company, we regularly review our policies, procedures and governance arrangements to ensure they are fit for purpose, represent good practice and meet all relevant legislative and regulatory requirements, with key policies routinely scrutinised and signed off by the board of directors.

An internal audit programme is completed annually against a plan which is agreed by the board. The findings and the full audit reports are shared with the board of directors for review and oversight, and progress against action plans arising from the audits is monitored by the Risk and Audit Committee and reported to the board.

External audit of the company's accounts is determined by our shareholders at the Annual General Meeting.

1.5.2. Risk management

Risk management is a core principle of effective corporate governance and is also a key contributor to a sound internal control environment. Ubico continues to seek and adopt recognised best practice in the identification, evaluation and cost-effective control of risks and opportunities to ensure that these are managed at acceptable levels.

Our strategic risk management objectives include board and senior management setting a 'tone from the top' on the level of risk we are prepared to accept - our risk appetite. We maintain a strategic approach to risk management in order to make better informed decisions and use risk management to enable consistent appraisal of options and improved flexibility/agility in delivering change. We are committed to ensuring leadership capacity and skills to ensure understanding of the risks facing the company and how we manage them,

and to integrate risk management into how we run Ubico business/services. Overall, we aim to develop a culture of balanced and informed risk taking throughout Ubico, including strategic, programme, partnership, project and operational risk.

1.6. Our values



1.7. 2023 Headline Performance

Pillar	Measure	2021 Goal	2021 Achievement	2022 Achievement	2023 Achievement	2026 Goal
People	Vacancy fill rate (advertisement to acceptance)	<1 month	84.08% fill rate Time to hire 2.4 months	85.02% fill rate Time to hire 1.9 months	Time to hire 2.3 months	<1 month
	Annual training budget utilisation	80% of annual training budget	80.08% (Apr to Dec)	100% (21/22)	108% (22/23)	100% of annual training budget
	Conformance to mandatory training to schedule	>90%	New starters >95%	New starters >95%	New starters >95%	>95%
	Staff turnover	<14% attrition	9.62% (20/21)	13.4% (21/22)	15.09%	<10% attrition
Operational Excellence	Service KPIs - Missed bins	<0.05 %	0.073% per 100,000 collections	0.0807% per 100,000 collections	0.071% per 100,000 properties	<0.075 % per 100,000 properties
	Fleet compliance	Fleet Audit Scores >90%	92.37% average	92.76% average	93.2% average	Fleet Audit Scores >95%
	RIDDOR occurrence	<12 per year	6	11	9	<9 per year
	Deliver to set budget	Within 5% set budget	-6.4% (20/21)	-3.1% (21/22)	+1.5% (22/23)	Within 3% set budget
Climate	Reduced carbon emissions	Benchmark in 2021/22	Carbon reduction strategy in place Baseline work in progress (consultant engaged to advise on methodology)	Emissions from activities from fuel consumption: CO2e 6,237t	Emissions from activities from fuel consumption April to Dec 23: CO2e 4.161t	Sophisticated measures in place across transport, buildings and key activities

1.8. Balanced Scorecard

A Balanced Scorecard will be introduced in 2024/25. This is a tool which will use meaningful key performance indicators and key results indicators to measure our performance against our strategy objectives, and will help to steer our future direction in relation to strategic goals and objectives.

2. Business Plan 2024/25

2.1. Our five-year vision (2021-2026)

Recognised by our customers and employees as a quality provider of sustainable services for our local communities, delivering best value and reliability

Through:

- Leveraging synergies and economies of scale
- Harnessing opportunities to deliver value back to our partners
- Using technology to drive operational efficiency
- Understanding our communities' needs
- Inspiring our workforce to be committed to providing value for money and carbon neutral services

2.2. Strategic Pillars

Four strategic pillars underpin delivery of our vision and our business plan is built around pillars:

People	Operational Excellence	Climate	Business Development
<ul style="list-style-type: none">• We will have a well-trained, supported and engaged workforce who live our values and are proud to work for Ubico.	<ul style="list-style-type: none">• We will deliver high quality services which remain safe and compliant, seeking continuous improvement in productivity, value and service excellence. We will harness innovation where appropriate and will explore synergies and opportunities for partnership and cross boundary working.	<ul style="list-style-type: none">• We will minimise our environmental impact and support our shareholders to meet their carbon neutral targets, integrating carbon reduction opportunities wherever reasonably possible in both our fleet and non-fleet activities.	<ul style="list-style-type: none">• We will build business development capability which enhances our partnerships and allows for effective identification, analysis and presentation to shareholders of potential new business opportunities. We will explore opportunities that aren't simply about profit, including those that would deliver greater value, help our communities or improve services.

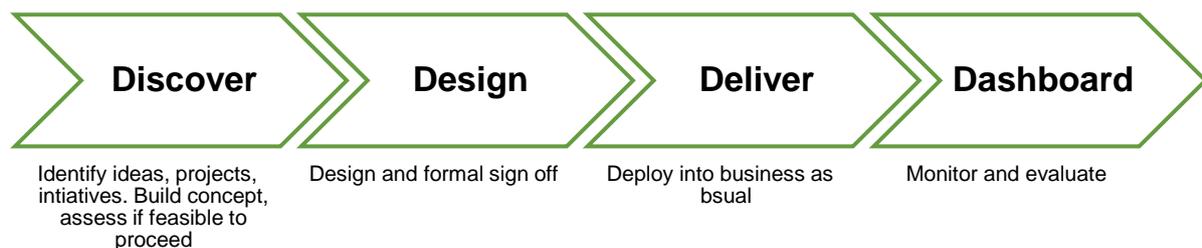
2.3. Strategy planning

Ubico's board routinely evaluate the validity of our 5-year vision and plan, and the roadmap for its delivery, ensuring it reflects the needs and desires of our shareholders and maintains the company as a sound proposition, whilst driving value. The process for drawing up the annual business plan incorporates feedback from key stakeholders, including the company's senior management team and the board. Shareholder engagement presentations take place with each shareholder council ahead of presentation of the final written business plan, which incorporates feedback received.

Our current five year strategy takes us to the end of the 2025/26 year, therefore in 2024/25 the board will begin work on the strategy for the next ten years for presentation to shareholders towards the end of the year.

2.4. Project lifecycle

We have adopted a project lifecycle with four phases; Discover, Design, Deliver and Dashboard, and these can be seen alongside the activities outlined in this business plan. This aids in identifying the stage of each project or initiative and assists with long term planning and mapping, and resource management.



All projects and programmes are managed through a stage gateway system and strategic projects are managed by the PMO and sponsored by a member of the executive leadership team. The project scope, objectives, goals, budget, and necessary stage documents are closely managed by the senior leadership team, and progress against delivery of strategic projects is routinely monitored by the board.

2.5. People Pillar

We will have a well-trained, supported and engaged workforce who live our values and are proud to work for Ubico.

Attract and retain

Recognise

Upskill

Satisfaction

2.5.1. 2024/25 Activity

In our people pillar we will continue our focus on attraction and retention, supporting and valuing our excellent staff. In order to continue to deliver safe, compliant and relevant services for its shareholders, Ubico must offer a package that is competitive and attractive in the marketplace, both to retain current, loyal employees, as well as to attract new ones when required. Starting last year, and working closely with our recognised trade unions, we began a review of our terms and conditions package to ensure that we are both competitive to retain our staff, and attractive in the employment market when we need to recruit. 2024/25 will see us complete this work and deliver any agreed changes arising from the review, staying within existing budgets unless separate business cases are approved by shareholders.

In 2024/25, Ubico will grow again, welcoming staff delivering waste, recycling and street cleaning services in the Forest of Dean, and proportionally increasing capacity requirements in a number of our support teams which will be recruited to throughout the year. A new role will also be introduced, Head of People, reflecting a specific need for greater leadership capacity in HR within the business.

Our Communications Strategy has a strong focus on our market presence and enhancing our reputation to support attraction and retention of staff. In 2024/25 we will continue to enter sector awards to promote the excellent work of the business and make best use of our social media channels and work with our shareholder communication teams to promote our reputation. We will continue to develop our employee engagement and communication programme, following up on actions identified in our employee engagement surveys to ensure continuous improvement in staff satisfaction.

We will also explore opportunities for new partnerships with external organisations to broaden our recruitment routes for new employees.

A pilot of a new skills assessment process for our supervisors proved very successful last year, and this year we will extend the pilot to include management roles with a view to extending this across all roles in future years. To ensure consistent ongoing management of this programme, a learning management system may prove beneficial. Stand-alone software has previously been considered; however, it was found the renewal of other systems due in the next few years may offer an opportunity to incorporate this functionality, reducing the total number of software programs needed and driving efficiency. This opportunity will be further assessed this year.

2.5.2. People risks and mitigations

Risk	Mitigation
Our employment offer is unattractive in the marketplace.	Terms and conditions review underway, any agreed changes to be implemented 2024/25. Monitor market conditions, interest in our vacancies, vacancy fill rate and attrition rate.
HR leadership capacity insufficient to meet growing size of the company.	Head of People role to be recruited in 2024.
Skills assessment process does not drive the desired benefits	Progress and success to be monitored throughout the year. Internal compliance function to be commissioned to undertake an audit during 24/25

2.6. Operational Excellence Pillar

We will deliver high quality services which remain safe and compliant, seeking continuous improvement in productivity, value and service excellence. We will harness innovation where appropriate and will explore synergies and opportunities for partnership and cross boundary working.

Performance

Quality

2.6.1. 2024/25 Activity

The activities identified in our operational excellence pillar support Ubico in providing high quality, safe and compliant services, harnessing continuous improvement and innovation wherever possible.

A large element of the work that we undertake in 2024/25 in the operational excellence pillar will be to support projects which sit in our business development pillar, particularly preparing for, and then delivering, the waste, recycling and street cleaning services for Forest of Dean, and supporting the project to deliver efficiencies for all shareholders through centralising vehicle ownership.

Our programme of digital transformation has seen significant achievements in the last few years, with the connected workforce ('in cab') technology system now in place across the company for waste and recycling, and work commencing in early 2024 to extend the system to include further services such as street cleaning and grounds maintenance. This programme of work will continue throughout this year, including expansion to bring the system into the Forest of Dean waste and recycling services. It will then move into benefits realisation and insight analysis towards the end of the year and into the next, to drive further efficiencies where possible. In addition, we will further digitise our fleet workshop processes, introducing tablets to record and manage workshop tasks, providing an interface with fleet back-office systems, and providing improved efficiency and improved management information.

Software will be needed to support project implementation for the centralised vehicle ownership, including fleet management software, and software which can help deliver unit

costings for each of our services. The discovery stage of the new fleet management software began last year and procurement or re-procurement of the system will take place in 2024/25.

We will continue to support our in-house training team to deliver excellent, highly valued and effective training that meets the needs of our business. In 2024 the team will be extending their services to include in-house Accredited Driver Continuing Professional Competence (Driver CPC) training. This is compulsory training for large goods vehicle drivers and bringing the training in house will allow us to offer content that is specifically relevant to the services we deliver, at a time that best suits our colleagues. We will support them to develop their offering further to support the business in meeting our operational needs.

We will also continue our work developing longer term strategic cost projections for each partner, aligning them across partners where possible. Last year we commenced a pilot with a limited number of partners developing longer term strategic cost projections to enable a better understanding of cost commitments when aligned to residency profiles, service level commitments and climate target aspirations. In 2024/25 we will complete these plans for all our partners, and combine them to create a company long-term strategic financial plan to better support our strategic aims.

2024/25 marks the final year of our current communications strategy, and work will be undertaken to develop a new one to commence the following year.

Our work to measure our progress against our strategic goals and develop sound business intelligence to be able to react and adapt to change has been proceeding well and will continue this year. The data this gives, combined with insights from the connected workforce ('in cab') software, will give us insights into quality and performance that we can use to strengthen the management of the business and inform future business decisions and strategy.

We are committed to fostering positive impacts on society and the environment and will continue to ensure that social responsibility is embedded into our policies, plans and business practices to the benefit our staff, the wider community, and the environment. In 2024/25 we will continue to use procurement opportunities to gain social, economic and environmental benefits for the communities we serve, sourcing local source goods and services wherever economical and practical. We will provide local employment opportunities

with good employment standards and practices and will provide apprenticeship and training opportunities, and support community initiatives and events.

2.6.2. Operational excellence risks and mitigations

Risk	Mitigation
Digitisation projects are not delivered to agreed timetable resulting in agreed project budget being insufficient	Partners are key decision makers on programme board Programme structure enables progress monitoring at appropriate levels, and clear and early presentation of risks and any potential costs to the programme board allows for informed decision making at all times
Benefits of digitisation projects are not recognised	Monitor capture and share benefits realised through digitalisation, including financial benefits, future financial pressures mitigated following realisation of efficiencies, and other areas of added value.
Budget pressures	Continue to seek early understanding of areas of cost pressure for partners and work together to determine mitigation plans where necessary. Continue to highlight potential areas of cost pressure as early as possible in both budget setting processes and monthly forecasting reports. Ensure partners are aware that Ubico do not hold contingency funding
Demonstrating value. current and predicted shareholder cost pressures	Monitor capture and share benefits realised through digitalisation, including financial benefits, future financial pressures mitigated following realisation of efficiencies, and other areas of added value direct and indirect. Results of benefits be published evidencing value

2.6.3. Procurement Activity 2024/25

In 2024/25 we will complete procurement activity to allow contract award as follows:

Further to procurement activity undertaken in 23/24, contracts will be awarded for the supply of:

- Vehicle maintenance in West Oxfordshire
- Agency staff
- Container refurbishment
- Liquid Fuel - Supply of HVO
- Bulking and haulage - material marketing
- Cleaning and grounds products
- Site fire and security contracts

Award contract extensions or undertake new procurement activity and award a contract for the supply of:

- CPC Driver training
- Fleet management system
- Connected workforce ('in-cab')
- PPE - Footwear and Gloves

Undertake new procurement activity and award a contract for the supply of:

- Absence management service
- Small plant and equipment – hire
- Small plant and equipment – purchase
- Weed control (Cheltenham and Cotswold)
- Tachograph audit services
- Mobile compactors service and maintenance
- Bins/bags and containers
- Interceptor waste
- External audit provider
- Internal audit provider

2.7. Climate Pillar

We will minimise our environmental impact and support our shareholders to meet their carbon neutral targets, integrating carbon reduction opportunities wherever reasonably possible in both our fleet and non-fleet activities.

Our environmental impact

Supporting partners with their impact

2.7.1. 2024/25 Activity

Ubico's carbon strategy recognises two strands of activity:

- Ubico owned carbon reduction activities that are within the gift of the company to deliver.
- Shareholder sponsored activity which requires approval and funding from our shareholders.

In 2024/25, we will continue to develop our work to understand our environmental impacts across the business and design a programme of activity which aims to reduce the main impact areas, including behaviour change programmes to reduce our energy consumption in buildings.

We will continue to work closely with our significant suppliers to encourage them to measure and report on their scope 1 and 2 emissions to support us in achieving more detailed scope 3 emissions data. We will ensure that climate implications are built into our project initiation processes so that climate impact is considered early and mitigating measures and initiatives can be built into project design and implementation wherever possible, and will seek further opportunities for recycling or reuse of our waste streams wherever possible.

We will work closely with our partners to identify and action joint carbon reduction schemes, including playing a key role in the waste sub-group for the Climate Leadership

Gloucestershire project. We will support them in evaluating alternative fuel options for fleet and reviewing infrastructure requirements they may bring. This could include the installation of refuelling and/or recharging infrastructure where necessary, and (as existing capacity in electrical supply within depots is likely to be insufficient as demand grows for battery electric vehicles), supporting partners with assessments of electricity supply requirements for any

battery electric fleet that may be purchased. We will also work closely in partnership with our shareholders on any projects to increase biodiversity and reduce carbon pollution from our joint land management and maintenance activities.

2.7.2. Climate risks and mitigations

Risk	Mitigation
Emissions from fleet remain high due to ageing fleet or fuels chosen.	Alternative fuel vehicle options identified on fleet replacement programmes; replacement strategy agreed with partners.
Ubico is not consulted on decisions which could impact carbon emissions, or the success of our carbon reduction initiatives.	Ubico invited to attend key meetings, both with individual partners and in wider partnership forums to ensure our input or impact on our activities is considered.

2.8. Business Development Pillar

We will build business development capability which enhances our partnerships and allows for effective identification, analysis and presentation to shareholders of potential new business opportunities. We will explore opportunities that aren't simply about profit, including those that would deliver greater value, help our communities or improve services.

Assess and evaluate

Create value

Build

2.8.1. 2024/25 Activity

Further to foundational work undertaken in 2023/24 exploring opportunities to further leverage partnership working across boundaries to drive value, subject to shareholder support and funding, we will commence mobilisation of the centralised fleet ownership project in 2024/25. In addition, we will evaluate further cross-boundary opportunities facilitated by owning the fleet and present business cases back to shareholders for their consideration.

A number of the current partner contracts will require renewal in 2027, offering an opportunity to make any adjustments required to reflect new partnership working arrangements. Work will begin in 2024/25 to scope this work and consider necessary elements for review or inclusion, and to design a timeline for commencement of the review process.

Another key piece of work will be the continuation of mobilisation work, leading to the commencement of delivery of the waste, recycling and street cleaning services for Forest of Dean District Council from August.

In addition, we will consider any approaches relating to growth which could create value for the partnership, presenting back business cases as appropriate for shareholder consideration and designing any growth projects which are approved.

We will also continue to work with individual councils on service design and innovation projects where required.

2.8.2. Business development risks and mitigations

Risk	Mitigation
Cross boundary or collaborative working proposals are not endorsed.	Proposals are not taken forward
Current company governance arrangements require review to be appropriate for greater level of cross boundary / collaborative working.	Review of contracts planned ahead of some 2027 expiry dates, to include review of overarching governance arrangements
Expectation of delivery beyond that which can be achieved with available capacity.	Assess methods to estimate capacity and resourcing requirements to support strategic programmes.
Leadership capacity to manage an expanding portfolio.	Focus on core environmental services where we are skilled and experienced. Include additional, appropriate, leadership capacity in any business cases for growth.