2025/26 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 2025/26, the fifth and final year of this vision, we will build on the successes already achieved.

We are a significant local employer, particularly in Gloucestershire, where we were 64th in the top 100 employers in the county based on 2023 turnover, up from 72nd in 2022. We employ around 1000 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, continuing to work closely with our partners to support them in delivering their ambitious climate targets. Subject to shareholder approval and funding being in place, a shared fleet ownership pilot scheme will be initiated, and evaluation will take place for a model for round sharing and reduction of travel between depots. 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.   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 Risk and Audit Committee and in partnership with our independent internal auditors.

1.3.   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

1.4. Our shareholders

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 2025/26 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.

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.

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.

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. 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

Ubico was created to enable local authorities to enjoy greater efficiencies through economies of scale, and more control over the delivery of services. This approach is reflected in our company values, which are applied across all our services.

1.7. 2024 Headline performance

Pillar	Measure	2021 Goal	2021 Achievement	2022 Achievement	2023 Achievement	2024 Achievement	2026 Goal
People	Vacancy fill rate (advertise-ment 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	Time to hire 61 days	<1 month
	Annual training budget utilisation	80% of annual training budget	80.08% (Apr to Dec)	100% (21/22)	108% (22/23)	108% (23/24)	100% of annual training budget
	Conformance to mandatory training to schedule	>90%	New starters >95%	New starters >95%	New starters >95%	New starters >95%	>95%
	Staff turnover	<14% attrition	9.62% (20/21)	13.4% (21/22)	15.09%	17.66%	<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	0.0725% per 100,000 property visits	<0.075 % per 100,000 properties
	Fleet compliance	Fleet Audit Scores >90%	92.37% average	92.76% average	93.2% average	93.05% average	Fleet Audit Scores >95%
	RIDDOR occurrence	<12 per year	6	11	9	7	<9 per year
	Deliver to set budget	Within 5% set budget	-6.4% (20/21)	-3.1% (21/22)	+1.5% (22/23)	0% (23/24)	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	Scope 1 emissions from activities from fuel consumption for 23/24: CO2e 5,838t	Sophisticated measures in place across transport, buildings and key activities

1.8. Balanced Scorecard

We are continuing our development of the 'Balanced Scorecard' approach for tracking key indicators. This mechanism will be integrated into the Ubico 2030 Vision and Strategy. The Balanced Scorecard leverages and standardises significant key performance indicators (KPIs) and key results indicators (KRIs) to measure and showcase our performance against strategic objectives and our four pillars. It offers a comprehensive view of organisational performance, ensuring every aspect of the business is evaluated.

2. Business Plan 2025/26

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:

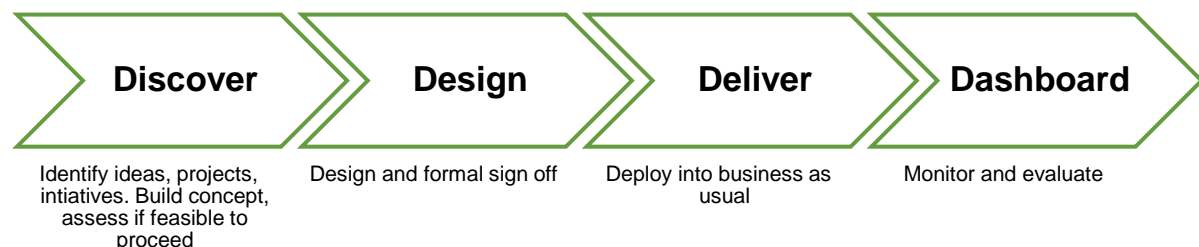| People	Operational Excellence
Engaged colleagues in the right roles with the right skills	Deliver quality, add value, maintain high standards
Business Development	**Climate**
Build capability to deliver value to our partnerships	Minimise our environmental impact and support our shareholders to meet their carbon neutral targets

2.3. Strategy planning

Ubico's board routinely evaluate the validity of our five-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. Liaison has already begun with our shareholders to understand key priorities for Ubico 2030 and this engagement will continue and will shape the agreed vision and strategy from 2026/27.

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.

Discover	Design	Deliver	Dashboard
Identify ideas, projects, intiatives. Build concept, assess if feasible to proceed	Design and formal sign off	Deploy into business as usual	Monitor and evaluate

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.　2025/26 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, and in 2025/26 we will deliver changes to our terms and conditions package, within existing budgets, to ensure that we are both competitive to retain our staff, and attractive in the employment market when we need to recruit.

We have successfully broadened our recruitment routes for new employees in the past few years, and this year will explore further recruitment routes for specific roles where recruitment remains challenging. We will also improve our candidate application system, both in terms of user experience and data insight capability. We will continue to extend our skills assessment process following successful roll out across our supervisor roles and will design and procure a learning management system to facilitate and support this process.

Our Communications Strategy has a strong focus on our market presence and enhancing our reputation to support attraction and retention of staff. Our employee engagement programme, delivered now for the past two years, has proven invaluable in gaining feedback from colleagues across the company and this will continue on an annual basis. We will continue to enter relevant sector awards to celebrate and promote our successes, and we will make best use of our social media platforms and other communication channels to promote working for Ubico.

2.5.2. People – key risks and mitigations

Risk	Mitigation
Agreement for changes to our terms and conditions, to remain attractive in the marketplace, is not achieved	Changes to be delivered within agreed budgets. Trade unions involved in the project from the outset.
Insufficient interest in Ubico vacancies, or high attrition rates	Increase reach of vacancies, routes to recruitment and improve job application process. Monitor market conditions, interest in our vacancies, vacancy fill rate and attrition rate.

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. 2025/26 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.

Over the first four years of this five-year strategy window, we have been working to implement measures to demonstrate our progress against our strategic goals, develop sound business intelligence to be able to react and adapt to change, and use insights from our data to help evaluate quality and performance that we can use to strengthen the management of the business and inform future business decisions and strategy. In 2025/26 we will develop a data management policy for Ubico to ensure a consistent and compliant approach to data collection and processing. We will continue our work developing longer term strategic cost projections for each partner, aiming to combine them to create a company long-term strategic financial plan to better support our strategic aims.

The introduction of 'in-cab' technology across our waste, recycling, street cleaning and grounds maintenance services has been a key project in our digital transformation programme in recent years. Now in place across the company, our work this year will focus on benefits realisation and insight analysis and harmonising the operational approach to system use across the company, to drive efficiency. Another piece of work in our digital transformation programme has been in our workshops where we have been introducing technology which can provide an interface between workshop activity and back-office systems use for fleet management, providing improved efficiency and improved management information. In 2025/26 we will consider how to incorporate fleet unit costing into our back-office fleet management system which is due for re-procurement towards the end of the year. We will also implement a new three-year audit plan that reflects the work of both the compliance function and internal audit and develop a value and quality strategy for

Ubico 2030. 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, evaluating our use of internal and external instructors to ensure we are meeting our training requirements in the best possible way, and also developing a longer-term plan for the service.

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. We will continue to leverage 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. We will support community initiatives, for example by collecting bagged waste after community litter picks and supporting our partners at community events when requested.

2.6.2. Operational excellence – key risks and mitigations

Risk	Mitigation
Budget pressures	Continue to seek early understanding of areas of cost pressure for partners and, with partners, consider 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.
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.
Demonstrating value	Monitor, capture and share project benefits, including financial benefits, future financial pressures mitigated following realisation of efficiencies, and other areas of added value direct and indirect. Achieve agreed performance levels.
Capacity to deliver unplanned work	Project management office manages inflow and monitors resource availability. Partner expectations managed where unplanned work is requested, and additional resource requested if required.

2.6.3. Procurement activity 2025/26

In 2025/26 we will complete procurement activity to allow contract award as follows:

Further to procurement activity undertaken in 24/25, contracts will be awarded for the supply of:

- Small plant and equipment – hire
- Small plant and equipment – purchase
- Mobile compactors service and maintenance (sennebogen equipment)
- Bins/bags and containers
- Interceptor waste
- Permanent recruitment

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

- Provision of connected workforce solution
- PPE and uniform
- Static compactor service and maintenance
- Fleet tyres
- Vehicle maintenance – West Oxfordshire services
- Provision of agency staff service
- Management of haulage, sale/disposal of recycling products

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

- Fleet management system
- Absence management service
- Insurance services
- Software solution for waste management
- Liquid fuels
- Haulage and bulking framework.
- Procurement activity relating to employee benefits and pension provision

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. 2025/26 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.

We will continue to deliver our programme of activities to reduce our environmental impact across the business. A key project will centre around the impact from our use of resources within the buildings and depots that we occupy, starting with a pilot scheme at one of our depots. The scheme will concentrate on changing attitudes and behaviours to reduce our energy consumption, saving money and reducing our environmental impact.

Work will continue with our significant suppliers to gather data on their scope 1 and 2 emissions, allowing us to gather more detailed data for scope 3. In addition, we will evaluate our opportunities for sourcing more environmentally friendly products in our supply chain, within our existing budget constraints. Following on from early consideration of climate impact within the PMO and project initiation process, we will move to the dashboard phase and develop a KPI for projects which have a significant climate impact.

Building on the successful introduction of a number of alternative fuelled vehicles (AFV's) and electric vehicles (EV's) with our partners, we will continue to advocate for and support the introduction of alternative fuel options, coupled with any associated change of infrastructure. Vehicle manufacturers are now required to meet specific targets for zero emission vehicle sales for certain categories of vehicle, or face significant fines. This is reducing the availability of new fossil fuelled vehicles in categories such as vans and caged vehicles and compelling a move to zero emission alternatives, at least for a proportion of the vehicles purchased. As a result of our programme of investment in alternative fuel vehicles in partnership with our shareholders, we have now reached our charging capacity for electric

vehicles at all our sites. In 2025/26 we will continue to work with partners to understand future infrastructure requirements and ensure these are put in place ahead of vehicle deployment. Whilst there is not yet a mandated sales target for suppliers of zero emission heavy goods vehicles, if/when this is introduced, we must have the relevant charging infrastructure in place and will work with partners to ensure that this is considered in future infrastructure plans. We will also continue to maintain our close working relationship with our partners and shareholders, supporting projects that increase biodiversity and reduce carbon emissions.

2.7.2. Climate – key risks and mitigations

Risk	Mitigation
Resource to deliver climate specific activities	Appropriate teams within Ubico lead on different elements of our climate pillar delivery, and all teams support initiatives.
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's success in reducing its carbon emissions is intrinsically linked to partner decisions.	Climate opportunities which must be approached jointly are presented to partners for consideration. Ubico invited to attend key partner climate meetings.
Lack of control of utility suppliers and sites where these remain under council control.	Work closely with partners to seek utility use information that is specific to Ubico use. Work with partners to identify and deliver site projects that will improve our climate performance.
Insufficient 'refuelling' infrastructure is currently in place to enable full transition to alternative fuelled fleet.	Seek partner-wide support for an assessment and surveys of infrastructure requirements at all Ubico sites, to include liaising with the local Distribution Network Operator (DNO). When considering fleet replacements, ensure understanding of the limitations resulting from not having infrastructure to support battery electric vehicles. Appraise partners of changes to legislation which may mandate the use of electric vehicles, which would require improved/increased charging infrastructure.

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. 2025/26 activity

Exploration and delivery of opportunities for partnership working across boundaries will continue, developing on the foundational work already undertaken in the previous four years. All future developments will take the Devolution White Paper published in December 2024, into consideration. The potential impacts of the Simpler Recycling regulations, also announced in late 2024, will be evaluated both with our partners and in relation to their impact on our own business-generated waste; we are also monitoring developments around Extended Producer Responsibility and the future Deposit Return Scheme to ensure we plan for any resulting changes as necessary.

Several of the current partner contracts are due for renewal or extension in 2026 and 2027, offering an opportunity to review the current contract provisions and consider making any necessary adjustments, for example to reflect any new partnership working arrangements. Work will be undertaken in partnership with our shareholders to review the contract documentation ahead of upcoming renewal dates, with a view to all partners signing up to the same contract moving forward.

Following the successful mobilisation of waste, recycling and street cleaning services for the Forest of Dean and a significant project to ensure efficiency of collection routing in the Cotswolds, we will continue to support partner activities that safeguard future growth and improve operational efficiencies.

In addition, we will continue to consider any approaches relating to growth which could create value for the partnership, using our shareholder approved outline business case fund to forward business cases in a timely manner for shareholder consideration, and designing any growth projects which are approved.

2.8.2. Business development – key risks and mitigations

Risk	Mitigation
Cross boundary or collaborative working proposals are not endorsed.	Proposals are not taken forward
A partner does not continue their contract at their 2026 or 2027 renewal date.	Work closely with partners to understand their position early and develop exit plans if a partner does not choose to renew. Consider impact of partner exit on other partners and work to mitigate the risks, operational and financial, wherever possible.
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.